



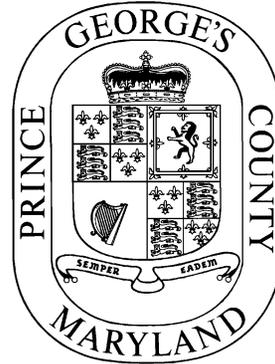
Rushern L. Baker, III
County Executive

Comprehensive Annual Financial Report For the Year Ended June 30, 2016



***PRINCE GEORGE'S COUNTY
MARYLAND***

**Rushern L. Baker, III
County Executive**



2015 - 2016

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2016

Prepared by Office of Finance

Gail D. Francis

Director of Finance

INTRODUCTORY SECTION

This section contains the listing of County officials, the Letter of Transmittal and the Certificate of Achievement for Excellence in Financial Reporting.

**Prince George's County, Maryland
Comprehensive Annual Financial Report
Year Ended June 30, 2016**



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ELECTED OFFICIALS



COUNTY EXECUTIVE
Rushern L. Baker, III

Derrick Leon Davis
COUNTY COUNCIL
Chairman

Mel Franklin
Dannielle M. Glaros
Andrea C. Harrison
Mary A. Lehman

Obie Patterson
Deni Taveras
Karen R. Toles
Todd M. Turner

CERTAIN OTHER EXECUTIVE BRANCH APPOINTED OFFICIALS

Nicholas A. Majett, Chief Administrative Officer

Betty Hager Francis, Deputy Chief Administrative Officer

Glenda R. Wilson, Chief of Staff

Thomas Himler, Deputy Chief Administrative Officer

M. Andree Green, County Attorney

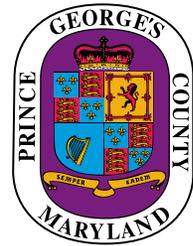
Barry L. Stanton, Deputy Chief Administrative Officer

Gail D. Francis, Director of Finance

Terri L. Bacote-Charles, Director, Office of Management and Budget

INDEPENDENT AUDITORS

CliftonLarsonAllen LLP



Prince George's County Elected Officials

Rushern L. Baker, III
County Executive

Rushern L. Baker, III
County Executive



Derrick Leon Davis
Chair, District 6



Dannielle M. Glaros
Vice Chair, District 3



Mary A. Lehman
District 1



Deni Taveras
District 2



Todd M. Turner, Esq.
District 4



Andrea C. Harrison
District 5



Karen R. Toles
District 7

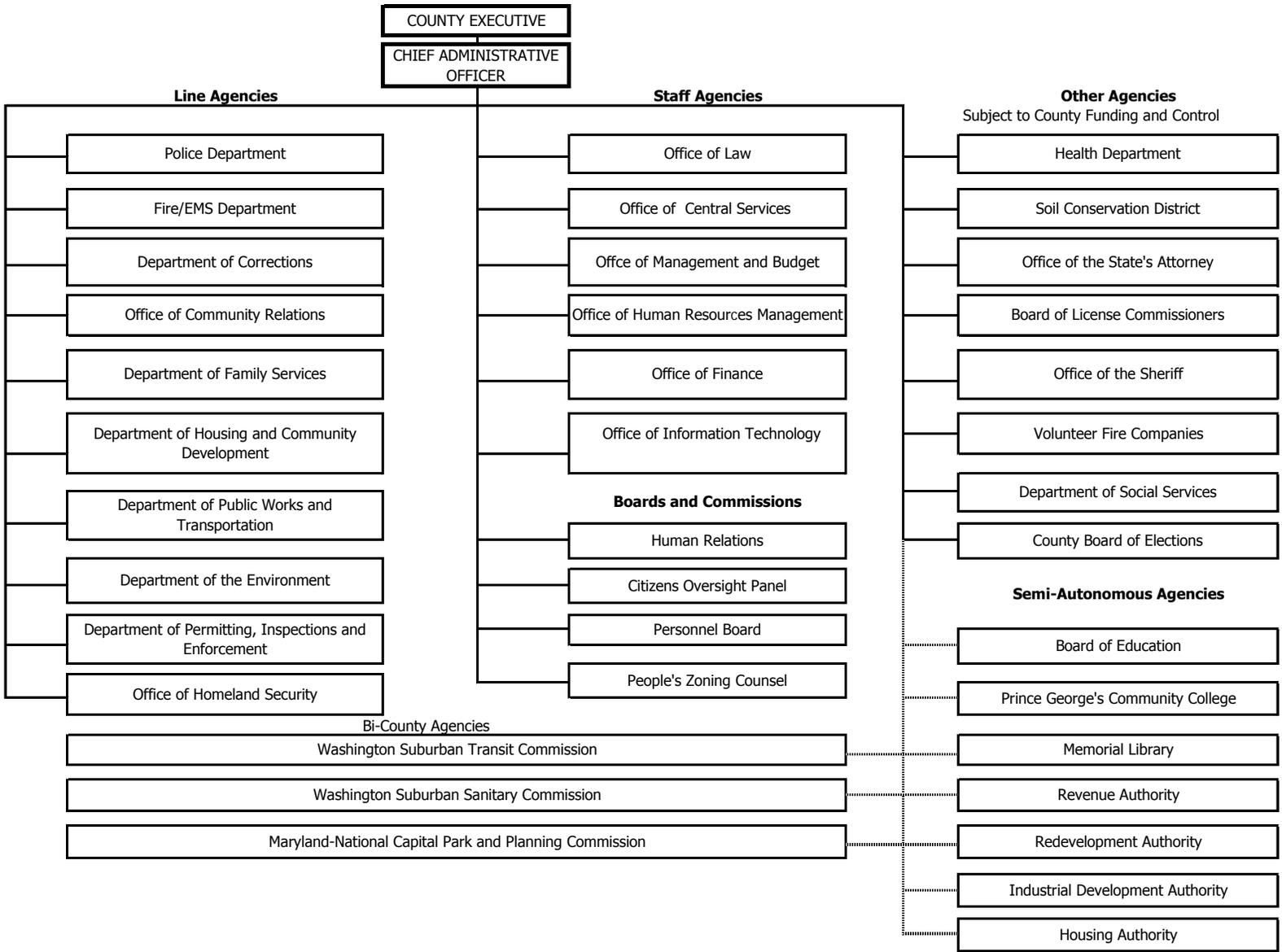


Obie Patterson
District 8



Mel Franklin
District 9

**PRINCE GEORGE'S COUNTY GOVERNMENT
ORGANIZATIONAL CHART
Executive Branch**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Prince George's County
Maryland**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

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THE PRINCE GEORGE'S COUNTY GOVERNMENT OFFICE OF FINANCE

14741 Governor Oden Bowie Drive*Suite 3200*Upper Marlboro, Maryland 20772

Telephone: 301-952-5025*Fax: 301-952-3148*711 Maryland Relay Service *www.princegeorgescountymd.gov

RUSHERN L. BAKER, III, COUNTY EXECUTIVE
GAIL D. FRANCIS, DIRECTOR OF FINANCE

February 28, 2017

The Honorable County Executive,
Members of the County Council, and
Citizens of Prince George's County, Maryland

Ladies and Gentlemen:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of Prince George's County (the County) for the fiscal year ended June 30, 2016 required by local ordinances and state statutes. These ordinances and statutes stipulate that the County annually issue a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants. The public accounting firm of CliftonLarsonAllen LLP was engaged to perform this task for fiscal year 2016. The auditor's report on the basic financial statements and the combining and individual fund statements and schedules is included in the financial section of this report. The County is also required to undergo an annual single audit in conformity with the provisions above. Information related to the County's Single Audit, including a Schedule of Expenditures of Federal awards, the independent auditor's report on compliance with requirements applicable to each major program and internal control over compliance, and a Schedule of Findings and Questioned Costs will be included in a separately issued single audit report.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a way that presents fairly the financial position and results of operations of the governmental and business-type activities, various funds, and component units of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

Accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities require the County to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (the MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors on pages 3 through 16.

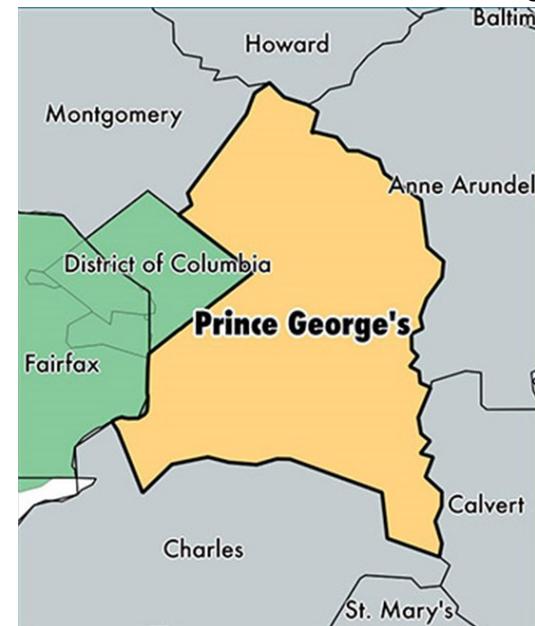
PROFILE OF THE GOVERNMENT

Prince George's County, Maryland - a body corporate and politic - is a political subdivision of the State of Maryland, which operates under a "home rule" Charter which was adopted in November 1970. The powers of the County are contained in the Charter of Prince George's County, Maryland (the "Charter") and in the Constitution and laws of the State of Maryland. The Charter controls two branches of government. The executive branch enforces the laws and manages the business affairs of the County. It consists of a County Executive (elected by the qualified voters of the entire County) and all other officers, agents, and employees under the County Executive's supervision and authority, including the Chief Administrative Officer who is responsible for the day-to-day administration of the County. The legislative branch of the County consists of a nine-member County Council (elected by Councilmanic District) and its staff. The Charter limits the County Executive and members of the Council to two consecutive four-year terms in office. The judicial branch is independent and separate from the other branches of government and gets its authority from the Maryland Constitution. It is primarily comprised of the Court System and the State's Attorney's Office.

When Prince George's County was formed, it included all of that part of Maryland lying between the Potomac and Patuxent Rivers, extending from Mattawoman and Swansons Creeks on the south to the Pennsylvania line on the north, thus encompassing the area which today is comprised of the District of Columbia, Montgomery, Frederick, Washington, Allegany, and Garrett Counties, the northwest half of Carroll County, and that part of Charles County lying north of Mattawoman Creek. Named for Prince George of Denmark, husband of Princess Anne, heir to the throne of England, our County was founded in 1696. Between 1696 and 1800, Prince George's County was reduced to its present size by acts of Maryland's General Assembly.

Prince George's County has grown to become the second largest jurisdiction in the State of Maryland (and the third largest in the metropolitan Washington area) with a population of nearly 909,535 residents. It encompasses 483 square miles that borders Washington, D.C., Montgomery, Howard and Anne Arundel Counties and is 37 miles south of the City of Baltimore. The County's centralized location and its rich diversity has attracted more than 14,281 businesses to its twenty-seven unique municipalities. Having a robust transportation system allows easy accessibility to the region's national and international airports and to the Port of Baltimore.

County residents enjoy a diversity of leisure options, including a park system encompassing almost 28,000 acres of parkland and open space. Leisure facilities and services provided by the Maryland-National Capital Park and Planning Commission (the "M-NCPPC") include a sports and concert facility (Show Place Arena); a 10,000 seat AA Minor League Baseball stadium (Bowie Baysox); community centers; recreational buildings; aquatic facilities; ice rinks; golf courses; an equestrian center; tennis courts; a performing arts and cultural center; and a gymnastic center. Other major recreational facilities include an 87,052-seat National Football League stadium (FedEx Field – Home of the Washington Redskins); an



amusement park (Six Flags of America) featuring rides, attractions and shows; and a 240,000 square foot Olympic-quality recreational Sports and Learning Complex. In addition, recreational and cultural opportunities of the nation's capital, Washington, D.C., are located just across the County line. The County is home to six universities and colleges, including the flagship campus of the University System of Maryland. Prince Georgians enjoy an excellent road system and some of the most affordable housing in the Washington area as well as convenient access to three major airports and the Port of Baltimore.

THE REPORTING ENTITY AND ITS SERVICES

The financial reporting entity (the County) includes all the funds of the Primary Government (i.e., Prince George's County, Maryland as legally defined). It also includes Component Units for which the Primary Government is financially accountable. Discretely presented Component Units are reported in a separate column in the basic financial statements to emphasize that they are legally separate from the Primary Government and to differentiate their financial position and results of operations from those of the Primary Government. The County's eight Component Units are the following: Board of Education of Prince George's County, Housing Authority of Prince George's County, Industrial Development Authority of Prince George's County, Prince George's County Memorial Library System, Prince George's Community College, Prince George's Community Television Inc., Revenue Authority of Prince George's County, and Redevelopment Authority of Prince George's County.

The Washington Suburban Sanitary Commission (WSSC), the Maryland-National Capital Park and Planning Commission (M-NCPPC), the Washington Suburban Transit Commission (WSTC), and the Washington Metropolitan Area Transit Authority (WMATA) are joint ventures as disclosed in the accompanying notes to the financial statements. The Metropolitan Washington Council of Governments (COG) is reported as a jointly governed organization rather than a joint venture. Dimensions Health Corporation and the Economic Development Corporation are deemed to be neither component units, nor joint venture activities as such, and accordingly are excluded from this report.

The services provided by the Primary Government include police, fire and emergency services, health and human services, family and environmental service programs, public works, and court and correctional services. The Primary Government also adopts and maintains building codes, regulates licenses and permits, collects taxes and revenue, maintains records, conducts elections, and collects, recycles and disposes of refuse. Services provided by the component units and partially financed by the Primary Government include: elementary, secondary, and community college education; public and private building construction; community building projects; projects devoted wholly or partially for public use that will stimulate employment or economic growth; library services; planning services; parking facilities; public and private residential housing; and public access to cable television programming. Public transit, parks and recreational facilities, and water and sewer services are provided by various joint venture entities.

MANAGEMENT INITIATIVES

The County has instituted an integrated and comprehensive performance management system (CountyStat), that includes regular performance reporting and analysis and issue-focused, executive-level sessions and studies. It strengthens data-driven managerial and budgetary decisions, ensuring resources are utilized efficiently and effectively. In addition, it is a systematic approach that enables the County's leadership to develop collaborative relationships; assess service delivery; identify cost-saving strategies; and improve the effectiveness of services.

The County's vision, "Path to Greatness", is a critical part of the strategic planning. It guides the government's services to its residents, businesses and visitors and serves as the basis for spending priorities. This vision as stated is: "Prince George's County is a nationally recognized jurisdiction that will be a leader in the Washington Metropolitan Region because of our thriving economy, great schools, safe neighborhoods and high quality healthcare. We will govern with policies and practices that are innovative, results oriented and sustainable. The residents and businesses of Prince George's County will know that this is one of the best places to live, invest, work and visit."

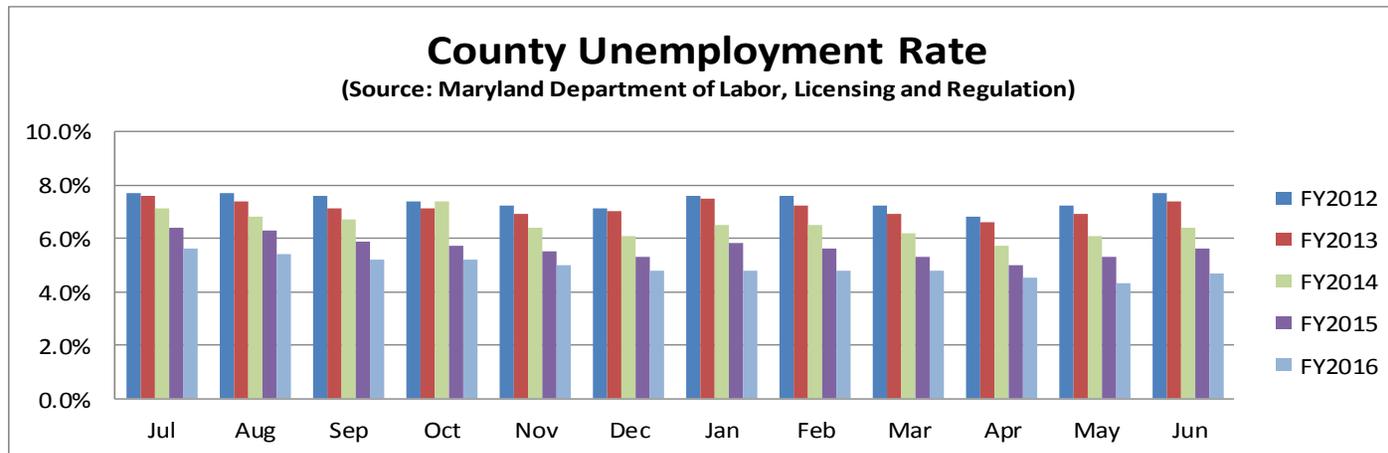
In order to transform the vision into a reality, the County has focused its resources on seven priorities: (1) a thriving economy, (2) an excellent education system, (3) safe neighborhoods, (4) quality health care, (5) effective human services, (6) a clean and sustainable environment, and (7) high performance government operations.

FACTORS AFFECTING FINANCIAL CONDITION

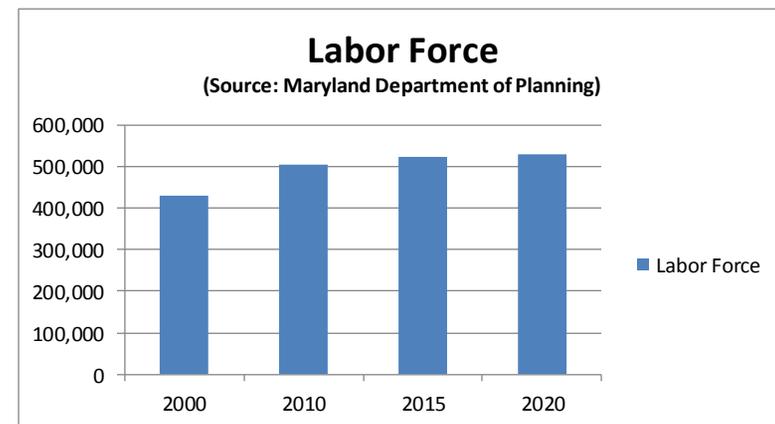
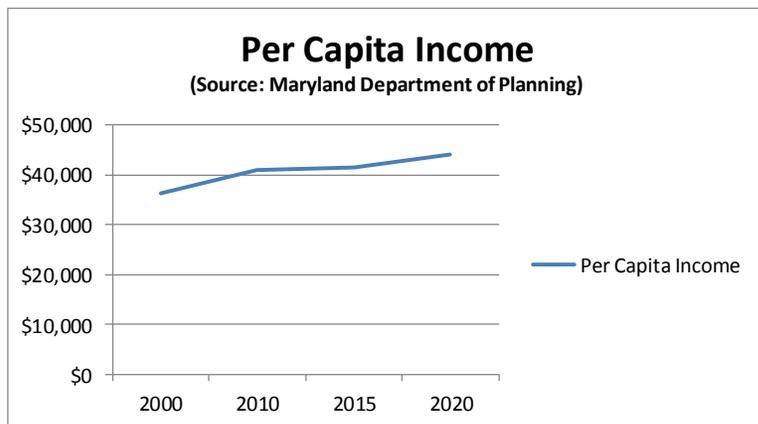
Economic Development is a core priority of Prince George's County's commitment to ensuring a high quality of life and securing the long-term viability of the County. The County established the Economic Development Incentive (EDI) Fund to assist the County in expanding its tax base; attracting businesses, retaining existing businesses; and expanding job opportunities through loans, grants and guarantees to businesses throughout the County. These loans have leveraged \$623 million in total private investments, and assisted in the creation and/or retention of almost 7,500 jobs in Prince George's County.

Contracting opportunities with government, research, technology and defense industry anchors contribute to the maintenance of a relatively stable market. There are fourteen federal agencies mostly with research-focused activities within the County. These agencies attract technology companies as partners/contractors for their operations. The NASA Goddard Space Flight Center, the USDA Beltsville Agricultural Research Center, the Army Research Laboratory, the Institute for Defense Analysis, the Internal Revenue Service, and the U.S. Census Bureau Supercomputer Center support the local technology business base. The University of Maryland at College Park is building several new facilities, some for national security-related tenants, on its 100-acre Enterprise Campus research park.

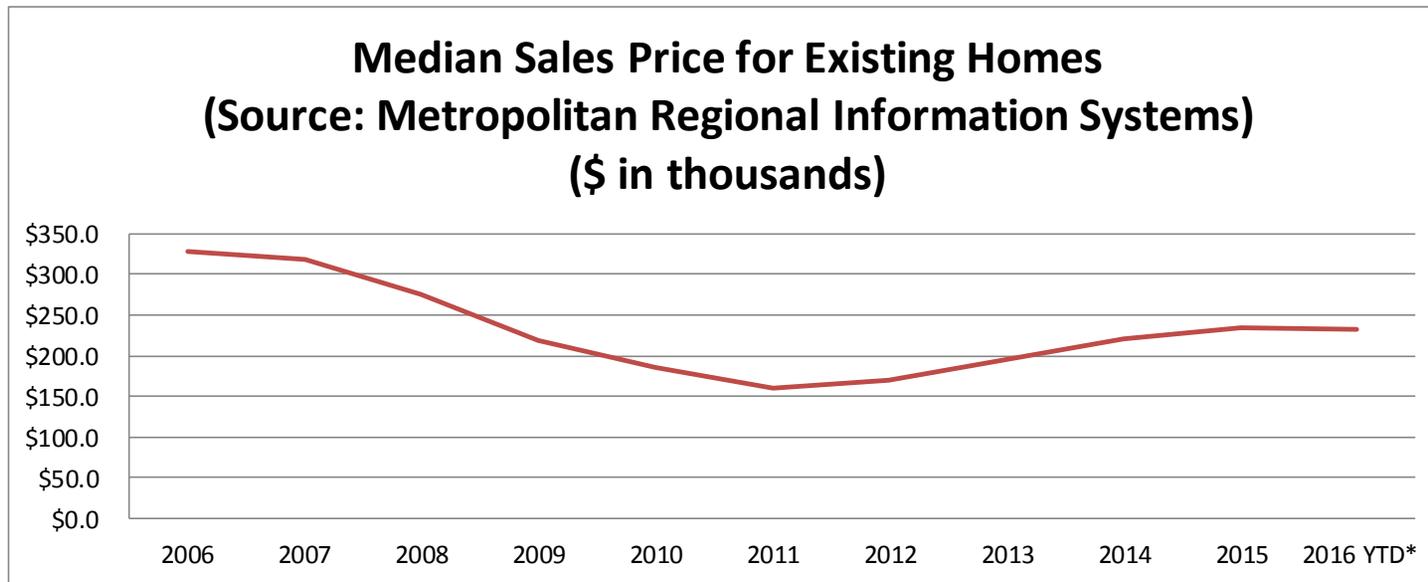
The unemployment rate for the County dropped to 4.9% in Fiscal Year 2016 from 5.6% in Fiscal Year 2015. The rate remained close to the State of Maryland's and below that of the United States.



The County's per capita income in calendar year 2015 was \$41,352 and is projected to increase to \$44,002 by 2020. With the completion of various economic development projects in the coming years, job growth should continue to climb. The labor force in 2015 was 524,250 and is projected to increase by .8% by 2020.



The County’s average median sales price for the first quarter of calendar year 2016 was 6.4% higher than the same period in 2015. Median sales prices have been steadily increasing since 2011, including a 13.1% increase in 2014 and a 6.3% increase in 2015.



*CY 2016 YTD – March 2016

LOCAL ECONOMY

County sources such as taxes, fees, licenses and permits, service charges, use of money and property, etc. are used to fund the majority of government programs and services. Real property taxes represent the largest portion of County source funding for government operations, increasing in FY2016 by 7.7%. This growth was primarily due to a \$0.04 increase in the real property tax rate from \$0.96 to \$1.00 per \$100 of assessable value in FY2016. This rate adjustment will generate additional funding for the school system. Local income tax is another large revenue source for the County. Income tax collections along with the State Income Disparity Grant increased in FY2016 by 3.2% indicating a recovery in the local job market and regional economy. The County’s real estate market is showing signs of improvement with combined Transfer and Recordation tax receipts increasing by 6.6%. Forecasts for FY2017 show continued growth with transfer taxes projected to increase by 22.6% and recordation taxes to increase by 22.5% over FY2016 budgeted amounts. Revenue from licenses and permit fees increased 49.3% in FY2016 due to changes to the formula used to calculate building permit fees, a new technology surcharge and increases to certain fixed fee permits. These increases will keep fees at a level commensurate with our surrounding jurisdictions.

LONG-TERM FINANCIAL PLANNING

A Charter amendment adopted by the citizens in November 2002 requires the County to maintain a contingency reserve equal to 5% of the General Fund Budget. The County also maintains an operating reserve equal to 2% of the General Fund Budget to ensure a reasonable degree of stability to its programs over the long-term. Funds can only be used to meet a public emergency, which constitutes a sudden, unexpected or unforeseen condition or occurrence, creating an imminent hazard to life, health or property and requiring an immediate action.

As part of the annual operating budget process, the County uses various forecasting and debt models to develop six-year revenue, expenditure, and fund balance projections. These models assist in revealing possible structural imbalances and provide an opportunity to take corrective actions. As a result, the County can further endure the efficient use of public funds over the long term.

FINANCIAL POLICIES

The County maintains an extensive budgetary control system. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Council. Budgetary control in the General Fund is maintained at the department/agency level and at the fund level for all other funds. No County liability shall be incurred or contracted by any department, agency, or employee, and no bill or invoice shall be approved or paid, unless authorized by the Council budget adoption or specific appropriation to cover payment out of public funds. Any person willfully violating this provision shall be deemed responsible for the contract, debt, or expenditure. Any Department Head allowing such actions is subject to disciplinary action by the Council.

The County Executive is authorized to transfer budget amounts up to \$250,000 within any department or fund; however, the County Council must approve any revisions that alter the total budgeted expenditures of any department or fund or transfer in excess of \$250,000. No agency of the Primary Government shall expend, or contract to expend, more than the amounts appropriated in the budget for each fiscal year. The Component Units may transfer budget appropriations within certain limits, but generally may not alter total appropriations without a budget amendment by the County Council.

The County has implemented a system of performance measurements, and many agencies are developing and tracking improved performance measures. Other agencies are tracking financial and program performance on a routine basis with a special emphasis on efficiency and outcome measures. The data is used to guide daily management decisions and to focus on operational policies.

Prince George's County, Maryland received AAA bond ratings from Moody's Investor Services Inc., Fitch Ratings, and Standard and Poor's Ratings Services, despite continuing economic challenges due to the ups and downs in market conditions and having to operate under various tax rate constraints. This reflects the County's continued sound financial management, the ongoing and significant economic development occurring and its extremely diverse local economy.

Management of the County is responsible for establishing and maintaining effective internal controls designed to ensure that the assets of the County are protected from loss, theft or misuse, and to ensure that accurate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal, state, and local financial assistance, the County is also responsible for establishing and maintaining effective internal control over compliance with requirements, laws, and regulations applicable to these programs. The internal control structure is subject to periodic evaluation by management and the County's Office of Audits and Investigations.

The Primary Government maintains an Office of Audits and Investigations as required by Charter. The duties and responsibilities of this office include: annual financial audits of all agencies receiving or disbursing County funds; special audits of the accounts of any such agency upon request by the Council or County Executive; special audits of the accounts maintained by various County officers upon their death, resignation, removal, or expiration of term; and performance audits of any agency which is a recipient of funds appropriated or approved by the Council.

As demonstrated by the statements and schedules included in the Financial Section of this report, the County continues to meet its responsibility for sound financial management.

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Prince George's County, Maryland for its comprehensive annual financial report for the fiscal year ended June 30, 2015. This was the 36th consecutive year (fiscal years ended 1980 – 2015) that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a one-year period. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Distinguished Budget Presentation

In addition, the County also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget for the fiscal year beginning July 1, 2015. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization.

Acknowledgements

County leadership, especially County Executive Rushern L. Baker, III, Chief Administrative Officer Nicholas A. Majett and Deputy Chief Administrative Officer Thomas Himler – as well as the esteemed members of the Prince George’s County Council – have established a spirit of collaboration and an earnest commitment to excellence to support and escalate continued successes throughout the government.

Preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Office of Finance's Accounting Division, and in particular Tracey Clayton, Operations Manager. We would like to express our appreciation to the Accounting Division and to all others that assisted and contributed to the preparation of this report. A list of individuals who helped ensure the success of this endeavor and deserve special recognition is provided below:

Office of Finance – Accounting Division

Jennifer Abell
Linda Chialastri

Charles M. Curtis, Jr.
Mary Hatfield

Teresa Hayward
Jean Huber

Muriel Logan
Dejuan Shambley

Brenda Sigaran

Respectfully submitted,



Gail D. Francis
Director of Finance

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FINANCIAL SECTION

This section contains the Independent Auditors' Report, Management's Discussion and Analysis (MD&A), the Basic Financial Statements, Required Supplementary Information, and the Combining and Individual Fund Statements and Schedules.



INDEPENDENT AUDITORS' REPORT

The Honorable County Council
Prince George's County Government

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Prince George's County Government (the "County"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Prince George's County Memorial Library System and Prince George's Community Television, Inc., which represent 1 percent, 5 percent, and 1 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Prince George's County Memorial Library System and Prince George's Community Television, Inc., is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Prince George's Community Television, Inc. were not audited in accordance with *Government Auditing Standards*. The financial statements of the Prince George's Community Television, Inc. were not audited in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our opinion and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Prince George's County Government as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the general fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of funding progress - pension and other postemployment benefits plans, as listed in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Prince George's County Government's basic financial statements. The combining and individual fund statements and schedules and other information including the introductory section and statistical tables as noted on the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

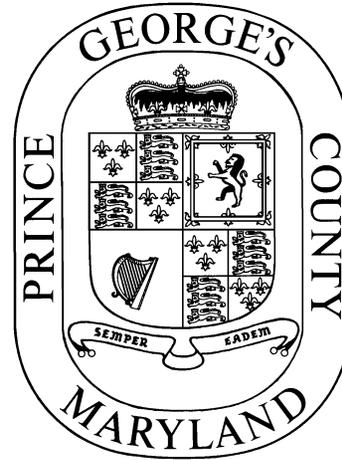
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2017, on our consideration of the Prince George's County Government's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Prince George's County Government's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Baltimore, Maryland
February 28, 2017



**MANAGEMENT'S DISCUSSION AND
ANALYSIS**

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Management is pleased to present this narrative overview and analysis of the financial activities of Prince George's County, Maryland (the County) for the fiscal year ended June 30, 2016. We encourage the readers to consider the information presented here in conjunction with the additional information that we furnished in our letter of transmittal. The following discussion focuses on the County's primary government and, unless otherwise noted, component unit information is not included.

FINANCIAL HIGHLIGHTS

- The County's liabilities and deferred inflows exceed assets and deferred outflows at June 30, 2016 by \$429.3 million (net position). The primary government has an unrestricted net deficit balance of \$2.5 billion, partially due to debt related to assets owned by its component units - the Board of Education and the Community College and also the reporting requirements for pension liabilities (\$1.5 billion).
- The County's total net position decreased by \$108.2 million from the previous year. Net position of governmental activities decreased \$115.2 million, while the net position of business-type activities increased \$7.0 million.
- At June 30, 2016, the County's governmental funds report combined ending fund balances of \$469.9 million, an increase of \$14.5 million in comparison to the previous fiscal year. Of this amount, \$116.4 million remains in the General Fund of the County as unassigned, which represents approximately 7.2% of total general fund expenditures for fiscal year 2016.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's financial statements, which include government-wide and fund statements, as well as notes to the financial statements.

Government-Wide Financial Statements

Similar to private-sector reporting, government-wide financial statements are designed to provide a broad overview of the financial position of the County. They include a **statement of net position** and a **statement of activities**. These statements appear on pages 17 and 18 of this report.

The statement of net position shows the County's assets and deferred outflows less its liabilities and deferred inflows at June 30, 2016. The difference between the assets, deferred outflow of resources, liabilities and deferred inflow of resources is reported as net position. Changes in net position over time may be helpful in indicating an improving or deteriorating financial position. Additionally, nonfinancial factors, such as a change in the County's property tax base or the condition of the County's facilities, should be considered to assess the overall health of the County.

The statement of activities follows the statement of net position and presents information on how net position changed during the fiscal year. The statement presents all underlying events, which give rise to the change, regardless of the timing of the related cash flows.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Both statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The government-wide financial statements of the County (known as the primary government) include general government, public safety, public works and transportation, health, public welfare, and education. The government-wide financial statements also include the legally separate component units for which the County is financially accountable. Financial information for these component units is reported separately from the primary government.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the County government can be divided into three categories: governmental, proprietary and fiduciary.

Governmental funds – Governmental funds, presented on pages 19 to 24, essentially account for the same functions as those reported under the governmental activities in the government-wide financial statements. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the fiscal year and is a narrower focus than the government-wide statements. This information may be useful in evaluating the County's near-term financing requirements and available resources.

By comparing functions between the two sets of statements for governmental funds and governmental activities, readers can discern the long-term impact of near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison.

Governmental funds individually presented in the County's basic financial statements include three major funds: the General Fund, the Capital Projects Fund, and the Federal and State Aided Programs Fund. The remaining three funds have been combined and presented in one column as "Other Governmental Funds." Combining statements for these other governmental funds are presented on pages 125 to 128 of this report.

Proprietary funds – The County maintains two different types of proprietary funds: enterprise and internal service funds. These funds are included on pages 25 to 29 of this report.

Enterprise funds are used to report, in detail, the same information presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for solid waste, stormwater management, and water protection and restoration. The solid waste and stormwater activities are considered major funds of the County. Internal service funds are an accounting device used to accumulate and allocate costs internally for the County. The County uses internal service funds to account for self-insurance, vehicle maintenance, and computer services. Because the internal service funds predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide statements. The internal service funds are presented in total in the fund financial statements, but may be viewed separately in the combining statements on pages 129 to 133 in this report.

Fiduciary funds – The County uses fiduciary funds to account for resources held for the benefit of parties outside the County government. Although these funds are presented with the fund statements, they do not appear in the government-wide financial statements because the resources of these funds are not available to support the programs of the County. The accounting method used for fiduciary funds is much like that used for proprietary funds. These funds are presented on pages 30 and 31 of this report.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in both government-wide and fund financial statements. Notes are presented on pages 33 to 92 of this report.

Other Information

This report also includes required supplementary information related to the funding progress of the County's Trust Funds. This information is included on pages 93 through 108.

Combining and individual statements and schedules referred to earlier, which present more detailed views of the General Fund, nonmajor governmental funds, internal service funds, fiduciary funds, and nonmajor component units are presented on pages 109 to 147.

Additional information about the County, which may be of interest to the reader, is found in the Statistical Section of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, changes in net position over time is a useful indicator of a business enterprise's financial position. The County's total net position as of June 30, 2016 was a deficit of \$429.3 million. Investment in capital assets such as land, roads, bridges, buildings, machinery and equipment accounts for \$1.7 billion of net position. The amount is presented less any outstanding debt related to the acquisition and accumulated depreciation of those assets. The County uses capital assets to provide services to the citizens, and consequently, these assets are not available for future spending. Although assets are reported net of related debt, the capital assets themselves cannot be used to liquidate that liability, and other resources will be needed to repay any associated debt.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Schedules of Net Position
June 30, 2016 and 2015
(in thousands)

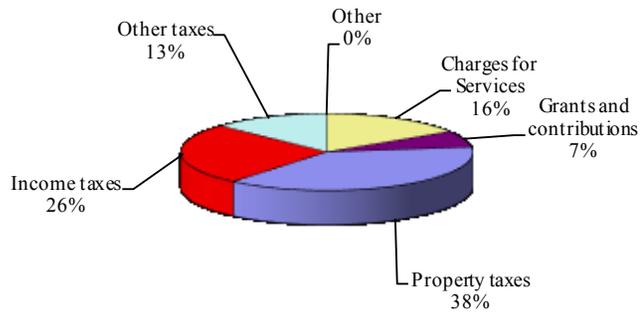
	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 864,414	791,713	197,190	213,714	1,061,604	1,005,427
Capital assets	2,365,386	2,298,529	330,799	311,910	2,696,185	2,610,439
Total assets	3,229,800	3,090,242	527,989	525,624	3,757,789	3,615,866
Deferred outflow of resources	238,356	102,579	5,935	2,923	244,291	105,502
Long-term liabilities	3,631,430	3,319,508	282,422	286,010	3,913,852	3,605,518
Other liabilities	457,298	389,466	34,966	33,106	492,264	422,572
Total liabilities	4,088,728	3,708,974	317,388	319,116	4,406,116	4,028,090
Deferred inflow of resources	23,942	13,198	1,315	1,199	25,257	14,397
Net position						
Net investment in capital assets	1,522,174	1,615,023	150,379	139,610	1,672,553	1,754,633
Restricted	282,143	304,407	71,280	47,599	353,423	352,006
Unrestricted (deficit)	(2,448,831)	(2,448,781)	(6,438)	21,023	(2,455,269)	(2,427,758)
Total net position	\$ (644,514)	(529,351)	215,221	208,232	(429,293)	(321,119)

Restricted net position represents resources subject to external restriction on how they may be used to meet the County's ongoing obligations to citizens and creditors. As indicated earlier, the County's governmental activities and business-type unrestricted net position deficit is attributable to outstanding debt that has been issued on behalf of the County's component units and pension liabilities. The majority of this debt is for the Board of Education as the County continues to issue bonds to finance school construction projects. Counties in the State of Maryland issue debt for school construction; however, the buildings are owned by the County's Board of Education.

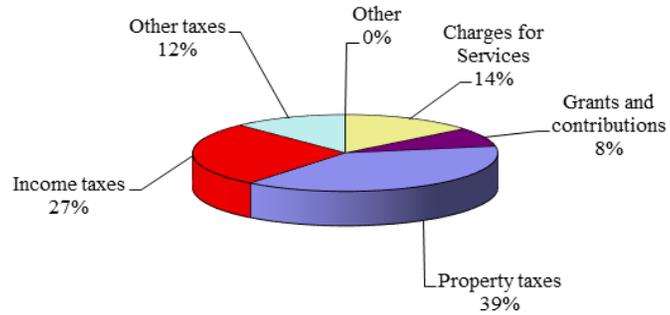
PRINCE GEORGE'S COUNTY, MARYLAND
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 JUNE 30, 2016

The following represents revenues by source and expenses by function of primary government for the years ended June 30, 2015 and June 30, 2016.

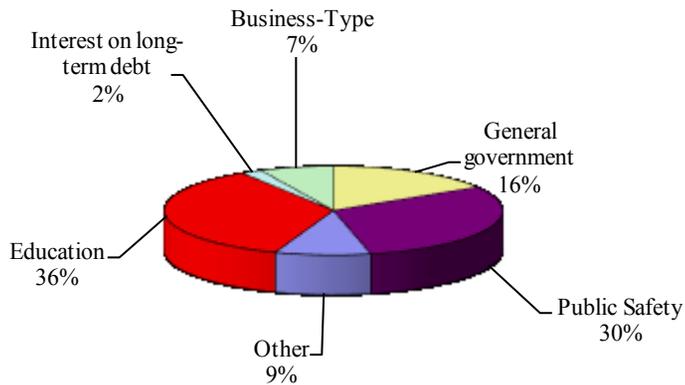
Revenue by Source FY 2016



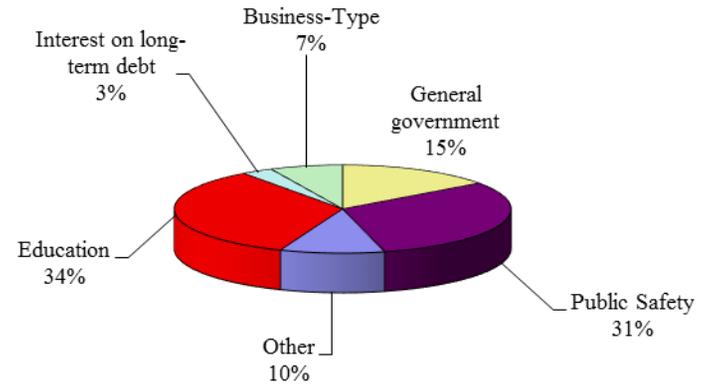
Revenue by Source FY 2015



Expenses by Function FY 2016



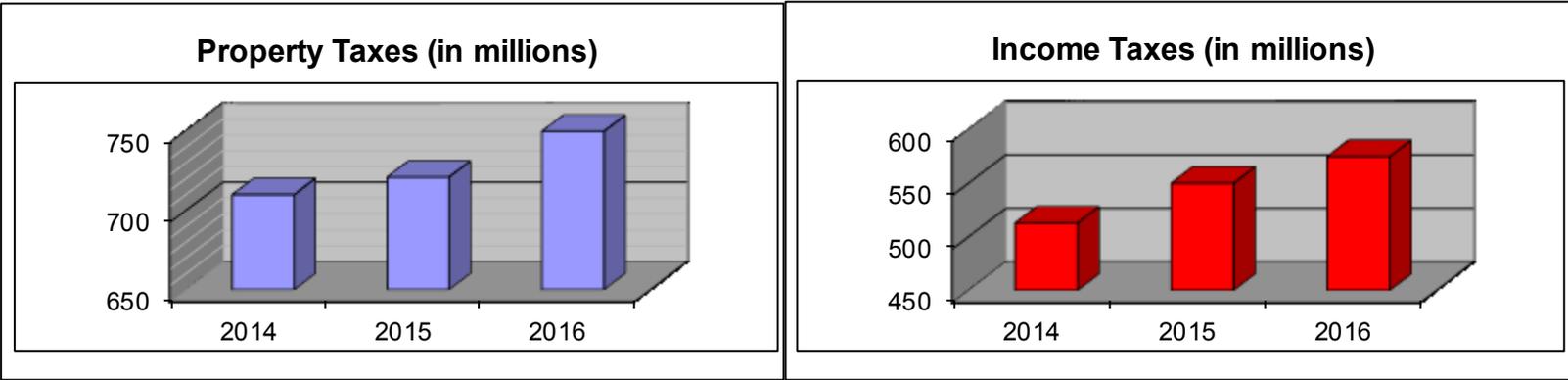
Expenses by Function FY 2015



PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

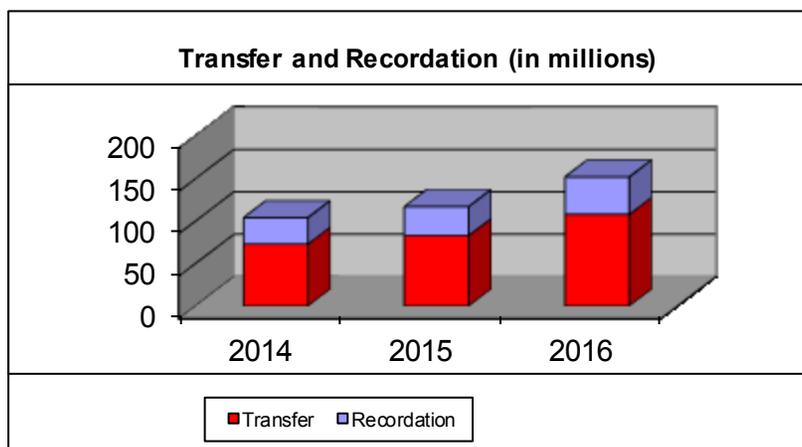
Governmental Activities

Net position for the County's governmental activities decreased by approximately \$115.2 million in fiscal year 2016. The County's total revenue from governmental activities was approximately \$2.03 billion in fiscal year 2016 (approximately \$168.1 million greater than fiscal year 2015.) Property and income taxes make up approximately 67 percent of this revenue. Income taxes increased by approximately \$25.4 million or 4.6 percent. A large portion of this amount is based on estimates from the State of Maryland which creates some volatility in the amount. Property tax revenue increased approximately \$59.0 million or 8.2%. The growth was related to an increase in assessable value of 24.7% above the property assessments of three years ago.



PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Transfer and recordation taxes (\$152.2 million), telecommunications taxes (\$31.2 million), and energy taxes (\$66.4 million) comprise the majority of the remaining other taxes. Other taxes increased by approximately \$38.8 million or 16.2 percent. The \$35.0 million increase in transfer and recordation taxes relates to an increase in home sales (14.9%) and an increase in the median sales price (6%) during fiscal year 2016.



The County's total expense from governmental activities was approximately \$2.14 billion in fiscal year 2016 (approximately \$125.7 million greater than fiscal year 2015.) The categories experiencing the largest decreases were general government (approximately \$52.4 million—16.3% increase) and education (approximately \$55.3 million—7.4% increase). Some of the factors affecting the changes include:

- General Government expenditures increased by \$52.4 million, mainly driven by increased adjustments to the pension and OPEB liabilities \$39.3 and \$7.1 million, respectively.
- Public safety expenditures increased by \$17.0 million, mainly driven by increased adjustments to the pension liability \$13.7 million and \$10.0 million in equipment purchases. The equipment purchases in the past two years lead to an increase in depreciation expense for public safety of \$4.9 million. Fire Department operating costs increased \$9.0 million related to salary adjustments and related benefits.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

**Schedule of Changes in Net Position
For the years ended June 30, 2016 and 2015**

(in thousands)

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for services	\$ 232,644	178,354	113,895	110,187	346,539	288,541
Operating grants and contributions	139,789	145,620	-	-	139,789	145,620
Capital grants and contributions	13,581	15,418	2,555	92	16,136	15,510
General revenue:						
Property taxes	779,979	720,938	39,550	38,090	819,529	759,028
Income taxes	575,334	549,887	-	-	575,334	549,887
Other taxes	278,463	239,706	-	-	278,463	239,706
Other revenues	6,925	8,653	1,433	1,382	8,358	10,035
Total revenues	<u>2,026,715</u>	<u>1,858,576</u>	<u>157,433</u>	<u>149,751</u>	<u>2,184,148</u>	<u>2,008,327</u>
Expenses:						
General government	374,612	322,215	-	-	374,612	322,215
Public safety	695,922	678,934	-	-	695,922	678,934
Environmental	4,136	5,560	-	-	4,136	5,560
Health and Human Services	96,398	99,156	-	-	96,398	99,156
Infrastructure and Development	115,701	107,710	-	-	115,701	107,710
Education	798,961	743,632	-	-	798,961	743,632
Interest on long-term debt	56,148	58,989	-	-	56,148	58,989
Solid waste	-	-	94,062	91,898	94,062	91,898
Stormwater management	-	-	55,217	54,403	55,217	54,403
Water Protection and Restoration	-	-	1,165	1,133	1,165	1,133
Total expenses	<u>2,141,878</u>	<u>2,016,196</u>	<u>150,444</u>	<u>147,434</u>	<u>2,292,322</u>	<u>2,163,630</u>
Change in net position	(115,163)	(157,620)	6,989	2,317	(108,174)	(155,303)
Net position - beginning of year	(529,351)	842,079	208,232	221,954	(321,119)	1,064,033
Prior period adjustment	-	(1,213,810)	-	(16,039)	-	(1,229,849)
Net position - end of year	<u>\$ (644,514)</u>	<u>(529,351)</u>	<u>215,221</u>	<u>208,232</u>	<u>(429,293)</u>	<u>(321,119)</u>

*Prior period adjustment due to implementation of GASB Statement No. 68.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Business-type Activities

Business-type activities increased the County's net position by approximately \$7.0 million in fiscal year 2016. Key elements of this increase are as follows:

- Total operating revenue for the Solid Waste Fund increased by approximately \$3.3 million. This was primarily a result of an increase in charge for services. This occurred in the revenue categories of Tax Collections, Recycling Revenue and Clean Lot Revenue in the amounts of \$1million, \$1.5 million and approximately \$518,000 respectively.
- Total operating expenses for the Stormwater Management Fund increased by \$1.5 million. The majority of the increase pertained to a \$2million adjustment to the retirement liability.
- Total operating revenue for the Watershed Protection and Restoration Fund was \$14.7 million which offset the net position described in the two previously stated funds.

FINANCIAL ANALYSIS OF GOVERNMENT FUNDS

Governmental Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. In assessing the County's financing requirements, unassigned fund balance is a particularly useful measure of net resources available for spending at the end of the fiscal year.

As of June 30, 2016, County governmental funds reported combined fund balances of \$469.9 million, an increase of \$14.5 million in comparison to the prior year balances. Restricted Governmental fund balance was \$234.5 million which includes, \$148.4 million for a charter-mandated contingency reserve (Rainy Day Fund), \$30.8 million for various construction projects, \$8.3 million for drug enforcement, \$34.2 million for debt service and \$12.8 million for other purposes.

The General Fund is the chief operating fund of the County. At June 30, 2016, total fund balance in the general fund was \$387.9 million of which \$116.4 million was unassigned. The General Fund balance increased by \$69.7 million as a result of current fiscal year operations. The following key factors were responsible for the changes:

- Total revenues increased \$131.0 million from fiscal year 2016, which exceeded the final budget by \$61.8 million. The majority of the increase (\$123.7 million) related to the tax revenue which was discussed earlier in the governmental activities analysis
- Total expenditures and transfers out increased by \$65.7 million or approximately 4.0 percent. The County spent \$23.8 million on equipment purchases in fiscal year 2016 compared to \$11.0 million in the prior fiscal year.
- Transfers to the debt service fund and other debt payments increased \$11.5 million in fiscal year 2016
- State mandated contribution to the Prince George's County Public Schools increased by 39.1 million.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Capital Projects Fund expenditures totaled \$203.0 million for fiscal year 2016 compared to \$189.5 million in fiscal year 2015. There was an increase of \$19.0 million in spending on Board of Education projects including an increase of \$10.8 million for Fairmount Heights High School and \$10.1 million for the Major Renovations Project. The County spend \$14.7 million for the Laurel Library replacement in fiscal year 2016 compared to \$2.6 million in fiscal year 2015. These increases were partially offset by the decrease in spending related to the \$21.7 million purchase of a regional area administration building fiscal year 2015. There were no additional Capital project Fund costs for this facility in fiscal year 2016. The County received \$113.8 million in bond proceeds in fiscal year 2016 compared to \$189.7 million in fiscal year 2015. These factors led to a total decrease in fund balance of approximately \$54.0 million in fiscal year 2016.

Expenditures in the Federal and State Aided Programs Fund in decreased by approximately \$3.2 million (3.1 percent) in comparison to fiscal year 2015. The majority of the decrease is in public safety grants. Many multiyear public safety grants experienced decreases in spending in fiscal year 2016 including PGSA (\$804 thousand), FEMA SAFER (\$766 thousand), and COPS Hiring (\$500 thousand.)

Proprietary Funds

Proprietary fund statements provide more detail for the County's business-type activities than the government-wide financial statements.

Enterprise Funds. At June 30, 2016, total net position amounted to \$222 million for enterprise funds as compared to \$214.7 million at June 30, 2015. Unrestricted net position of the Stormwater Management Fund at the end of the year amounted to \$3.9 million and for the Solid Waste Fund it was a negative \$3.6 million. The total net position increased in the Watershed Protection and Restoration and the Solid Waste Fund by \$13.7 million and \$2.3 million, respectively. Whereas, the total net position decreased in the Stormwater Management Fund by \$8.7 million.

BUDGETARY HIGHLIGHTS

The County's final General Fund budget was increased by \$8.9 million from the original budget. The additional funding was used to pay for winter snow events, public safety overtime and primary election spending. The funding for this was a declaration of additional tax revenue (\$5.9 million) and use of fund balance.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of June 30, 2016 was \$2.7 billion (net of accumulated depreciation.) This investment in capital assets includes land, buildings and improvements, equipment and vehicles, road networks, bridges, landfill property in service, and stormwater property in service. The total increase in the County's investment in capital assets for the current fiscal year was 3.3% (2.9% increase for governmental activities and 6.1% increase for business-type activities.)

Major capital asset events during the year include the following:

- \$92.8 million in road network additions including developer contributions (\$54.2 million) and \$38.6 million in project transferred from construction in progress related to Virginia Manor Road (\$21.3 million) and Oxon Hill Road (\$17.3 million) million in developer million transferred to the Land and
- \$14.7 and 10.4 million added to construction in progress for the Laurel Library Expansion and the Police Training and Administrative Headquarters, respectively.
- Landfill property in service decreased by \$5.9 million.

The County's capital assets, net of accumulated depreciation, are presented in the following table as of June 30, 2016 and 2015:

Capital Assets as of June 30
(net of accumulated depreciation)

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 103,107,571	97,964,238	27,044,477	27,035,978	130,152,048	125,000,216
Buildings and improvements	441,112,546	443,859,158	17,677,996	18,537,839	458,790,542	462,396,997
Equipment	40,848,570	38,943,669	3,764,163	7,781,814	44,612,733	46,725,483
Infrastructure	1,682,901,824	1,629,422,356	-	-	1,682,901,824	1,629,422,356
Landfill property in service	-	-	11,612,624	17,540,867	11,612,624	17,540,867
Stormwater property in service	-	-	137,179,294	137,915,326	137,179,294	137,915,326
Construction in progress	97,415,464	88,339,803	133,520,195	103,097,746	230,935,659	191,437,549
Total	\$ 2,365,385,975	2,298,529,224	330,798,749	311,909,570	2,696,184,724	2,610,438,794

Additional information on the County's capital assets is located in note 7 on pages 57 to 61 of this report.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$1.467 billion.

Outstanding Debt

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 1,286,868,805	1,268,947,000	180,041,195	189,983,000	1,466,910,000	1,458,930,000
Total	\$ 1,286,868,805	1,268,947,000	180,041,195	189,983,000	1,466,910,000	1,458,930,000

Total bonded debt of the County increased by \$7.9 million (0.6%) from the previous fiscal year. The key factors in the increase are bond proceeds of \$174.1 million in June 2016 and the retirement of \$100.0 million of general obligation.

In June 2016 the County issued \$58.4 million of general obligation bonds to refund \$66.2 million of certain outstanding general obligation bonds. As a result of the refunding, the County will reduce its overall debt service obligations by \$12.0 million. The present value of debt service savings is \$6.1 million.

The underlying ratings of the County's general obligation bonds as of June 20, 2016, were as follows:

	<u>Current Rating</u>
Standard & Poor's	AAA
Moody's Investors Service, Inc.	Aaa
Fitch Ratings	AAA

Additional information on the County's long-term debt is located in note 13 starting on page 77 of this report.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Factors considered in preparing the County's budget for fiscal year 2017 included:

- Property values grew in 2016. Group 1's assessable value increased by 24.7% in January 2016 from three years ago, resulting in the growth of property tax revenues.
- Home sales increased by 14.9% in fiscal year 2016 compared to fiscal year 2015. The average median sale price rose to \$241,500 in FY 2016, up from \$227,900 in FY 2015. These two factors contributed to an increase in transfer and recordation tax revenues in FY 2016.
- Foreclosures decreased by 4.6% in fiscal year 2016 compared to fiscal year 2015 for a total of 9,776 events. The overall number of foreclosures in fiscal year 2016 decreased on a quarterly basis from 2,408 in the first quarter to 2,182 in the fourth quarter.
- General Fund Income tax revenue rose to \$547.6 in fiscal year 2016, a 4.6% increase from fiscal year 2015.

During fiscal year 2016, the unassigned fund balance in the General Fund was \$116.4 million. The County has not appropriated a use of general fund fund balance for fiscal year 2017.

Requests for Information

This financial report is designed to provide a general overview of Prince George's County, Maryland for those individuals with an interest in our government's finances. Address questions concerning any of the information provided in this report or requests for additional information to the Office of Finance, Accounting Division, Attention: Assistant Director of Accounting, 14741 Governor Oden Bowie Drive, Suite 3151, Upper Marlboro, MD 20772. You can also reach us by fax at 301.952.3043 or send an email to: cmcurtis@co.pg.md.us.

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BASIC FINANCIAL STATEMENTS

This sub-section contains the Basic Financial Statements and the Notes to the Financial Statements.

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Net Position
June 30, 2016

	Primary Government			Component Units			Reclassifications (See note 1-r)	Total Reporting Entity
	Governmental Activities	Business-type Activities	Total	Board of Education of Prince George's County	Other Component Units	Total Component Units		
ASSETS								
Cash and investments	\$ 316,219,125	68,659,337	384,878,462	250,300,014	67,375,674	317,675,688	-	702,554,150
Cash with fiscal agents	17,506,263	6,456,279	23,962,542	-	-	-	-	23,962,542
Receivables (net of allowances for uncollectibles):								
Taxes	4,282,416	506,567	4,788,983	-	-	-	-	4,788,983
Accounts	40,249,326	5,812,551	46,061,877	26,323,338	36,737,357	63,060,695	-	109,122,572
Notes	31,308,689	-	31,308,689	-	3,434,107	3,434,107	-	34,742,796
Accrued interest receivable	185,069	60,968	246,037	-	8,769	8,769	-	254,806
Internal balance	12,280,947	(12,280,947)	-	-	-	-	-	-
Due from component units	7,865,839	-	7,865,839	-	-	-	-	7,865,839
Due from primary government	-	-	-	9,243,989	441,749	9,685,738	-	9,685,738
Due from other governmental units	204,554,774	1,485,724	206,040,498	56,106,438	4,888,513	60,994,951	-	267,035,449
Inventories	2,852,020	-	2,852,020	9,128,742	132,665	9,261,407	-	12,113,427
Prepaid costs and deposits	226,617	500,000	726,617	593,684	2,303,063	2,896,747	-	3,623,364
Restricted assets:								
Cash and investments	226,832,649	125,990,351	352,823,000	-	9,311,068	9,311,068	-	362,134,068
Land	-	-	-	-	12,563,384	12,563,384	-	12,563,384
Capital assets:								
Nondepreciable assets	200,523,035	160,564,672	361,087,707	139,860,357	92,665,791	232,526,148	-	593,613,855
Depreciable assets, net	2,164,862,940	170,234,077	2,335,097,017	1,150,967,458	195,650,032	1,346,617,490	-	3,681,714,507
Other assets	50,000	-	50,000	-	3,977,007	3,977,007	-	4,027,007
Total assets	3,229,799,709	527,989,579	3,757,789,288	1,642,524,020	429,489,179	2,072,013,199	-	5,829,802,487
DEFERRED OUTFLOW OF RESOURCES								
Pension deferrals	234,537,691	5,738,876	240,276,567	56,011,693	2,796,447	58,808,140	-	299,084,707
Deferred charge on refunding	3,818,616	195,641	4,014,257	-	939,477	939,477	-	4,953,734
Total deferred outflow of resources	238,356,307	5,934,517	244,290,824	56,011,693	3,735,924	59,747,617	-	304,038,441
LIABILITIES								
Accounts payable	65,851,119	16,535,588	82,386,707	64,635,113	16,930,035	81,565,148	-	163,951,855
Retainages payable	5,449,966	1,669,372	7,119,338	8,933,582	-	8,933,582	-	16,052,920
Accrued liabilities	42,527,034	1,392,287	43,919,321	124,331,253	1,328,174	125,659,427	-	169,578,748
Unearned revenue	69,562,022	-	69,562,022	18,617,324	1,998,147	20,615,471	-	90,177,493
Matured bonds and interest payable	-	2,155,241	2,155,241	-	-	-	-	2,155,241
Deposits	55,179,379	83,713	55,263,092	-	370,928	370,928	-	55,634,020
Due to primary government	-	-	-	915,816	6,950,023	7,865,839	-	7,865,839
Due to component units	9,685,738	-	9,685,738	-	-	-	-	9,685,738
Noncurrent liabilities:								
Due within one year	209,043,300	13,130,065	222,173,365	36,767,716	7,282,105	44,049,821	-	266,223,186
Due in more than one year	3,631,429,929	282,421,521	3,913,851,450	1,600,684,955	91,547,188	1,692,232,143	-	5,606,083,593
Total liabilities	4,088,728,487	317,387,787	4,406,116,274	1,854,885,759	126,406,600	1,981,292,359	-	6,387,408,633
DEFERRED INFLOW OF RESOURCES -								
Pension deferrals	23,942,067	1,307,748	25,249,815	3,755,694	782,669	4,538,363	-	29,788,178
Deferred charge on refunding	-	7,424	7,424	-	-	-	-	7,424
Total	23,942,067	1,315,172	25,257,239	3,755,694	782,669	4,538,363	-	29,795,602
NET POSITION								
Net investment in capital assets	1,522,174,313	150,378,944	1,672,553,257	1,153,967,434	250,180,466	1,404,147,900	(503,035,085)	2,573,666,072
Restricted for:								
Capital projects	88,200,801	50,254,772	138,455,573	3,485,408	-	3,485,408	-	141,940,981
Contingency reserve	148,391,975	-	148,391,975	-	-	-	-	148,391,975
Debt service	34,230,029	-	34,230,029	-	-	-	-	34,230,029
Restricted for I-net	11,319,891	-	11,319,891	-	-	-	-	11,319,891
Landfill closure	-	19,567,879	19,567,879	-	-	-	-	19,567,879
Preservation	-	1,457,801	1,457,801	-	-	-	-	1,457,801
Education	-	-	-	-	10,526,416	10,526,416	-	10,526,416
Community development	-	-	-	5,177,459	14,770,323	19,947,782	-	19,947,782
Unrestricted (deficit)	(2,448,831,547)	(6,438,259)	(2,455,269,806)	(1,322,736,041)	30,558,629	(1,292,177,412)	503,035,085	(3,244,412,133)
Total Net Position	\$ (644,514,538)	\$ 215,221,137	\$ (429,293,401)	\$ (160,105,740)	\$ 306,035,834	\$ 145,930,094	\$ -	\$ (283,363,307)

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Activities
For the year ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Board of Education of Prince George's County	Other Component Units	
					Governmental Activities	Business-type Activities			Total
Primary government:									
Governmental activities:									
General government	\$ 374,611,539	88,751,746	22,137,203	3,813,609	(259,908,981)	-	(259,908,981)	-	-
Public safety	695,921,598	48,168,338	22,761,497	684,709	(624,307,054)	-	(624,307,054)	-	-
Environmental	4,136,436	325,470	84,423	50,715	(3,675,828)	-	(3,675,828)	-	-
Health and Human Services	96,398,021	4,436,424	73,622,970	54,589	(18,284,038)	-	(18,284,038)	-	-
Infrastructure and Development	115,700,759	90,962,207	21,182,326	8,977,424	5,421,198	-	5,421,198	-	-
Education:									
Board of Education	742,360,976	-	-	-	(742,360,976)	-	(742,360,976)	-	-
Community College	36,129,002	-	-	-	(36,129,002)	-	(36,129,002)	-	-
Memorial Library	20,471,180	-	-	-	(20,471,180)	-	(20,471,180)	-	-
Interest on long-term debt	56,147,749	-	-	-	(56,147,749)	-	(56,147,749)	-	-
Total governmental activities	<u>2,141,877,260</u>	<u>232,644,185</u>	<u>139,788,419</u>	<u>13,581,046</u>	<u>(1,755,863,610)</u>	<u>-</u>	<u>(1,755,863,610)</u>	<u>-</u>	<u>-</u>
Business-type activities:									
Solid Waste	94,062,499	95,380,258	-	-	-	1,317,759	1,317,759	-	-
Stormwater	55,216,649	3,803,795	-	2,555,148	-	(48,857,706)	(48,857,706)	-	-
Watershed Protection	1,164,724	14,710,922	-	-	-	13,546,198	13,546,198	-	-
Total business-type activities	<u>150,443,872</u>	<u>113,894,975</u>	<u>-</u>	<u>2,555,148</u>	<u>-</u>	<u>(33,993,749)</u>	<u>(33,993,749)</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 2,292,321,132</u>	<u>346,539,160</u>	<u>139,788,419</u>	<u>16,136,194</u>	<u>(1,755,863,610)</u>	<u>(33,993,749)</u>	<u>(1,789,857,359)</u>	<u>-</u>	<u>-</u>
Component units:									
Board of Education	2,209,814,004	18,474,706	265,319,498	91,809,398	-	-	(1,834,210,402)	-	-
Other Component Units:									
General Government	23,537,907	23,978,507	660,000	131,960	-	-	-	-	1,232,560
Education	161,487,351	29,289,164	28,507,777	1,624,722	-	-	-	-	(102,065,688)
Community development	76,642,560	2,460,056	71,154,703	1,727,981	-	-	-	-	(1,299,820)
Total component units	<u>\$ 2,471,481,822</u>	<u>74,202,433</u>	<u>365,641,978</u>	<u>95,294,061</u>	<u>-</u>	<u>-</u>	<u>(1,834,210,402)</u>	<u>(102,132,948)</u>	<u>-</u>
General Revenues:									
Property taxes					779,978,896	39,550,173	819,529,069	-	-
Income taxes					575,334,071	-	575,334,071	-	-
Transfer and recordation taxes					152,241,144	-	152,241,144	-	-
Energy taxes					66,394,765	-	66,394,765	-	-
Telecommunications tax					33,733,670	-	33,733,670	-	-
Other taxes					26,092,859	-	26,092,859	-	-
Unrestricted state shared tax					2,970,706	-	2,970,706	-	-
Earnings (loss) on investments					2,884,002	1,432,530	4,316,532	564,897	275,304
Unrestricted grants and contributions					549,897	-	549,897	1,711,106,893	92,913,489
Miscellaneous revenues					519,742	-	519,742	-	1,555,642
Total general revenues					<u>1,640,699,752</u>	<u>40,982,703</u>	<u>1,681,682,455</u>	<u>1,711,671,790</u>	<u>94,744,435</u>
Change in net position					(115,163,858)	6,988,954	(108,174,904)	(122,538,612)	(7,388,513)
Net position - beginning of year					(529,350,680)	208,232,183	(321,118,497)	(37,567,128)	302,083,619
Prior period adjustment					-	-	-	-	11,340,728
Net position - beginning of year, restated					<u>(529,350,680)</u>	<u>208,232,183</u>	<u>(321,118,497)</u>	<u>(37,567,128)</u>	<u>313,424,347</u>
Net position - end of year					<u>\$ (644,514,538)</u>	<u>215,221,137</u>	<u>(429,293,401)</u>	<u>(160,105,740)</u>	<u>306,035,834</u>

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
Balance Sheet
Governmental Funds
June 30, 2016

<u>Assets</u>	<u>General</u>	<u>Federal and State Aided Programs</u>	<u>Capital Projects</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash and investments	\$ 194,639,727	2,074,099	310,389	13,281,790	210,306,005
Cash with fiscal agents	-	-	-	17,506,263	17,506,263
Receivables (net of allowances for uncollectibles):					
Taxes	4,282,416	-	-	-	4,282,416
Accounts	36,408,853	1,139,837	-	-	37,548,690
Notes	15,418,089	14,883,496	-	-	30,301,585
Accrued interest receivable	172,859	-	-	-	172,859
Due from other funds	118,000,000	-	-	-	118,000,000
Due from component units	7,617,978	-	-	-	7,617,978
Due from other governmental units	138,044,290	62,747,880	3,256,124	34,775	204,083,069
Inventories	2,134,534	-	-	-	2,134,534
Restricted assets:					
Cash and investments	12,662,041	1,726,915	197,446,842	14,996,851	226,832,649
Other assets	50,000	-	-	-	50,000
Total assets	529,430,787	82,572,227	201,013,355	45,819,679	858,836,048
<u>Liabilities, Deferred Inflows, and Fund Balances</u>					
Liabilities:					
Compensated absences and termination benefits payable	339,556	-	-	-	339,556
Accounts payable	10,440,474	13,400,987	31,105,848	1,236,441	56,183,750
Retainages	-	-	5,449,966	-	5,449,966
Accrued liabilities	22,829,375	1,856,565	-	-	24,685,940
Unearned revenue	15,418,089	46,017,671	-	-	61,435,760
Deposits	29,063,927	70,089	26,045,363	-	55,179,379
Due to other funds	-	19,500,000	93,000,000	-	112,500,000
Due to component units	-	-	9,685,738	-	9,685,738
Total liabilities	78,091,421	80,845,312	165,286,915	1,236,441	325,460,089
Deferred inflows of resources					
Unavailable tax revenue	63,452,321	-	-	-	63,452,321
Total deferred inflow of resources	63,452,321	-	-	-	63,452,321
Fund balances:					
Nonspendable	2,134,534	-	-	-	2,134,534
Restricted	161,051,114	1,726,915	30,811,333	40,905,287	234,494,649
Committed	59,356,790	-	4,915,107	-	64,271,897
Assigned	48,926,434	-	-	3,677,951	52,604,385
Unassigned	116,418,173	-	-	-	116,418,173
Total fund balances	387,887,045	1,726,915	35,726,440	44,583,238	469,923,638
Total liabilities, deferred inflows of resources, and fund balances	\$ 529,430,787	82,572,227	201,013,355	45,819,679	858,836,048

See accompanying notes to financial statements.

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position
 June 30, 2016

Total fund balances for governmental funds (Exhibit A-3) \$ 469,923,638

Amounts reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. Those assets which do not include the combined assets related to the internal service funds consist of:

Land	\$ 102,107,571	
Infrastructure, net of \$1,220,193,075, accumulated depreciation	1,682,901,824	
Buildings and improvements, net of \$159,311,189, accumulated depreciation	441,112,546	
Equipment, net of \$144,662,276 accumulated depreciation	40,338,448	
Construction in progress	97,415,464	
Total capital assets		2,363,875,853

The assets and liabilities of the Internal Service Funds (funds used by management to charge the cost of fleet maintenance, information technology, and self-insurance) are included in the governmental activities in the statement of net assets. Internal service fund net position is: (87,412,432)

County revenue that is collected after year-end, but not available soon enough to pay for the current period's expenditures is reported as deferred inflow of resources in the funds. 63,452,321

Long-term note receivable that is not included in governmental funds 1,007,104

Long-term liabilities for governmental funds activity are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but is recognized as an expenditure when due. Balances at June 30, 2016 are:

Unmatured accrued interest (17,346,385)

Long-term liabilities:

Bonded debt	(1,286,868,805)	
Deferred outflow of resources - bond refunding costs	3,818,616	
Unamortized discount (premium)	(122,925,719)	
Capital lease obligations	(41,962,400)	
Pension and OPEB obligations	(2,056,999,729)	
Compensated absences and termination benefits payable	(75,225,002)	
Notes payable	(65,717,200)	
Deferred outflow of resources - pensions	231,017,914	
Deferred inflow of resources - pensions	(23,152,312)	
Total long-term liabilities		(3,438,014,637)

Total net position of governmental activities \$ (644,514,538)

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2016

	<u>General</u>	<u>Federal and State Aided Programs</u>	<u>Capital Projects</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes	\$ 1,630,956,629	-	-	2,506,150	1,633,462,779
Licenses and permits	37,407,084	-	-	327,665	37,734,749
Fines and forfeitures	14,400,073	-	-	839,469	15,239,542
Use of money and property	7,950,672	1,157,382	67,701	68,128	9,243,883
Charges for services	44,731,302	1,277,834	10,624,139	29,405,570	86,038,845
Intergovernmental	38,716,861	99,762,307	12,791,033	3,922,578	155,192,779
Miscellaneous	2,358,597	310,052	1,113,542	382	3,782,573
Total revenues	<u>1,776,521,218</u>	<u>102,507,575</u>	<u>24,596,415</u>	<u>37,069,942</u>	<u>1,940,695,150</u>
Expenditures:					
Current:					
General government	192,650,810	2,281,054	-	1,235,851	196,167,715
Public safety	639,120,163	12,453,358	-	1,200,178	652,773,699
Environmental	3,424,087	135,138	-	-	3,559,225
Health and human services	22,101,157	72,747,263	-	391,847	95,240,267
Infrastructure and development	19,514,149	14,842,462	-	-	34,356,611
Capital projects	-	-	108,617,981	-	108,617,981
Education:					
Board of Education	669,292,125	11,357	73,057,494	-	742,360,976
Community College	31,648,800	-	4,480,202	-	36,129,002
Memorial Library	18,485,200	-	16,872,359	-	35,357,559
Debt service:					
Principal retirement	20,276,004	322,000	-	89,000,000	109,598,004
Interest	5,442,236	215,566	-	52,655,787	58,313,589
Total expenditures	<u>1,621,954,731</u>	<u>103,008,198</u>	<u>203,028,036</u>	<u>144,483,663</u>	<u>2,072,474,628</u>
Excess of revenues over (under) expenditures	<u>154,566,487</u>	<u>(500,623)</u>	<u>(178,431,621)</u>	<u>(107,413,721)</u>	<u>(131,779,478)</u>
Other financing sources (uses):					
General obligation bonds issued	-	-	113,835,000	-	113,835,000
Capital lease financing	10,161,624	-	-	-	10,161,624
Bond and notes premium	-	-	9,927,265	11,807,446	21,734,711
Bonds issued - refunding	-	-	-	51,511,805	51,511,805
Bond premium - refunding	-	-	-	7,990,279	7,990,279
Payment to bond refunding escrow agent	-	-	-	(58,956,180)	(58,956,180)
Transfers in	-	-	690,000	94,344,167	95,034,167
Transfers out	(95,034,167)	-	-	-	(95,034,167)
Total other financing sources (uses)	<u>(84,872,543)</u>	<u>-</u>	<u>124,452,265</u>	<u>106,697,517</u>	<u>146,277,239</u>
Net change in fund balances	<u>69,693,944</u>	<u>(500,623)</u>	<u>(53,979,356)</u>	<u>(716,204)</u>	<u>14,497,761</u>
Fund balances, beginning of year	318,193,101	2,227,538	89,705,796	45,299,442	455,425,877
Fund balances, end of year	\$ <u>387,887,045</u>	<u>1,726,915</u>	<u>35,726,440</u>	<u>44,583,238</u>	<u>469,923,638</u>

See accompanying notes to financial statements.

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Net Activities
 For the Year Ended June 30, 2016

Amounts reported for governmental activities in the statement of activities is different because:

Net change in fund balances - total governmental funds	\$	14,497,761
Capital Outlay, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Position.		92,173,713
Depreciation expense on governmental capital assets is included as an expense in the statement of activities, but does not require the use of current financial resources, and therefore, is not reported as expenditures in governmental funds.		(78,404,491)
Donated capital assets are reported as revenue on the statement of activities; however, they do not provide current financial resources to the funds.		54,227,960
Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenue in the funds. This represents changes in deferred revenue at the fund level.		3,833,231
In the statement of activities the loss on disposal of equipment is reported, whereas in the governmental funds, disposal of capital assets are not recorded. Thus the change in net assets differs from the change in fund balance.		(1,310,473)
Internal Service Funds are used by management to charge the cost of fleet maintenance, information technology, and self insurance. The net revenue is reported with governmental activities.		(22,708,413)
Long-term debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of activities, however, issuing debt decreases long term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net assets.		
Debt Issued:		
Bond proceeds	(165,346,805)	
Bond and notes premium	(29,724,990)	
Capital lease and note proceeds	(10,161,624)	
Payment to escrow agent	59,502,084	
Principal payments	109,598,004	
Net adjustment		(36,133,331)
Certain expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.		
Accrued Interest Expense	2,165,841	
Compensated Absences	(4,340,941)	
Pension Expenses	(62,250,290)	
Other post employment benefirs	(93,841,817)	
Amortizarian	16,927,392	
		(141,339,815)
Change in net position of governmental activities	\$	(115,163,858)

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,572,331,825	1,578,251,091	1,630,956,629	52,705,538
Licenses and permits	29,461,700	29,461,700	37,407,084	7,945,384
Fines and forfeitures	12,667,100	12,667,100	14,400,073	1,732,973
Use of money and property	12,841,900	12,841,800	7,950,672	(4,891,128)
Charges for services	38,990,800	38,990,900	44,731,302	5,740,402
Intergovernmental	40,943,400	40,943,400	38,716,861	(2,226,539)
Miscellaneous	1,556,300	1,556,300	2,358,597	802,297
Total revenues	<u>1,708,793,025</u>	<u>1,714,712,291</u>	<u>1,776,521,218</u>	<u>61,808,927</u>
Expenditures:				
General government:				
County Executive	5,645,094	5,480,094	5,316,739	163,355
Legislative Branch	13,788,600	13,788,600	12,801,506	987,094
Office of Ethics and Accountability	572,026	549,026	532,213	16,813
Circuit Court	15,287,020	15,679,120	15,679,120	-
Orphan's Court	407,778	411,978	409,524	2,454
Personnel Board	319,774	319,774	311,280	8,494
Office of Finance	3,637,074	3,637,074	3,555,604	81,470
Citizen Complaint Oversight Panel	255,584	247,584	231,929	15,655
Office of Community Relations	4,218,998	3,994,998	3,838,415	156,583
Office of Management and Budget	2,388,946	2,265,946	2,265,740	206
Board of License Commissioners	1,000,678	1,228,678	1,206,210	22,468
Office of Law	3,754,870	3,530,870	3,450,835	80,035
Office of Human Resource Management	5,304,152	5,453,252	5,107,720	345,532
Board of Elections	3,327,786	5,380,486	4,818,264	562,222
Office of Central Services	17,206,312	19,114,212	18,334,121	780,091
Property Management	501,200	501,200	310,689	190,511
Collington Center	5,000	5,000	5,000	-
Non-departmental	162,416,780	149,572,046	139,321,012	10,251,034
Total general government	<u>240,037,672</u>	<u>231,159,938</u>	<u>217,495,921</u>	<u>13,664,017</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Public safety				
Office of the State's Attorney	\$ 15,885,996	15,743,996	15,620,806	123,190
Police Department	293,768,137	293,768,137	284,497,047	9,271,090
Fire Department	158,773,027	170,350,227	169,258,444	1,091,783
Sheriff's Department	41,255,828	42,365,828	40,967,904	1,397,924
Department of Corrections	76,309,739	81,348,039	80,996,589	351,450
Office of Homeland Security	24,250,093	24,972,793	24,972,793	-
Total Public Safety	<u>610,242,820</u>	<u>628,549,020</u>	<u>616,313,583</u>	<u>12,235,437</u>
Environmental				
Department of Environmental Resources	3,728,704	3,728,704	3,424,087	304,617
Total Environment	<u>3,728,704</u>	<u>3,728,704</u>	<u>3,424,087</u>	<u>304,617</u>
Health and Human Services				
Department of Family Services	2,864,638	2,880,938	2,678,781	202,157
Health	18,176,070	19,336,570	16,804,138	2,532,432
Public Welfare	2,729,104	2,777,904	2,618,238	159,666
Total Health and Human Services	<u>23,769,812</u>	<u>24,995,412</u>	<u>22,101,157</u>	<u>2,894,255</u>
Infrastructure and Development				
Public Works and Transportation	7,005,530	8,622,530	8,378,672	243,858
Department of Permitting, Inspections and Enforcement	7,565,992	8,053,992	7,480,005	573,987
Department of Housing and Community Development	3,556,714	3,556,714	3,556,714	-
Total Infrastructure and Development	<u>18,128,236</u>	<u>20,233,236</u>	<u>19,415,391</u>	<u>817,845</u>
Education	719,426,125	719,426,125	719,426,125	-
Total Expenditures	<u>1,615,333,369</u>	<u>1,628,092,435</u>	<u>1,598,176,264</u>	<u>29,916,171</u>
Excess of revenues over expenditures	<u>93,459,656</u>	<u>86,619,856</u>	<u>178,344,954</u>	<u>91,725,098</u>
Other financing sources (uses):				
Transfers in - other funds	5,032,000	5,032,000	-	(5,032,000)
Transfers out - other funds	(98,947,856)	(95,108,056)	(95,034,167)	73,889
Appropriated fund balance	456,200	3,456,200	-	(3,456,200)
Total other financing sources (uses)	<u>(93,459,656)</u>	<u>(86,619,856)</u>	<u>(95,034,167)</u>	<u>(8,414,311)</u>
Deficiency of revenues and other financing sources under expenditures and other uses (budgetary basis)	<u>-</u>	<u>-</u>	<u>83,310,787</u>	<u>83,310,787</u>
Adjustments:				
Purchase agreement financing			10,161,624	
Capital financing expenditures			<u>(23,778,467)</u>	
Excess of revenues and other financing sources over expenditures and other uses (GAAP basis)			69,693,944	
Fund balance, beginning of year			318,193,101	
Fund balance, end of year			<u>\$ 387,887,045</u>	

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
 Statement of Net Position
 Proprietary Funds
 June 30, 2016

Assets	Business-type Activities - Enterprise Funds			Total	Governmental Activities- Internal Service Funds
	Solid Waste Fund	Stormwater Management Fund	Non-Major Watershed Protection and Restoration Fund		
Current assets:					
Cash and investments	\$ 1,015,341	27,422,125	40,221,871	68,659,337	105,913,120
Cash with fiscal agents	6,456,279	-	-	6,456,279	-
Taxes receivable	-	541,693	-	541,693	-
Less allowance for uncollectibles	-	(35,126)	-	(35,126)	-
Accounts receivable	5,257,496	-	834,181	6,091,677	2,700,636
Less allowance for uncollectibles	(279,126)	-	-	(279,126)	-
Accrued interest receivable	24,991	29,161	6,816	60,968	12,210
Due from component units	-	-	-	-	247,861
Due from other governmental units	289,264	1,196,460	-	1,485,724	471,705
Inventories	-	-	-	-	717,486
Prepaid costs and deposits	-	-	500,000	500,000	226,617
Total current assets	<u>12,764,245</u>	<u>29,154,313</u>	<u>41,562,868</u>	<u>83,481,426</u>	<u>110,289,635</u>
Noncurrent assets:					
Restricted cash and investments					
Revenue bond operation and maintenance	9,000,000	-	-	9,000,000	-
Sandy Hill Trust	1,890,485	-	-	1,890,485	-
Landfill closure	94,371,263	-	-	94,371,263	-
Unspent bond proceeds	-	20,728,603	-	20,728,603	-
Total restricted cash and investments	<u>105,261,748</u>	<u>20,728,603</u>	<u>-</u>	<u>125,990,351</u>	<u>-</u>
Capital assets:					
Land	11,306,081	15,738,396	-	27,044,477	1,000,000
Buildings and improvements	29,227,755	242,525	-	29,470,280	2,640,889
Accumulated depreciation	(12,980,191)	(242,525)	-	(13,222,716)	(2,640,889)
Improvements other than buildings	5,151,450	-	-	5,151,450	328,014
Accumulated depreciation	(3,721,018)	-	-	(3,721,018)	(328,014)
Equipment	21,632,950	4,038,582	-	25,671,532	8,049,694
Accumulated depreciation	(18,137,136)	(3,770,233)	-	(21,907,369)	(7,539,572)
Landfill property in service	121,336,027	-	-	121,336,027	-
Accumulated depreciation	(109,723,403)	-	-	(109,723,403)	-
Stormwater property in service	-	198,098,975	-	198,098,975	-
Accumulated depreciation	-	(60,919,681)	-	(60,919,681)	-
Construction in progress	32,492,473	101,027,722	-	133,520,195	-
Total capital assets	<u>76,584,988</u>	<u>254,213,761</u>	<u>-</u>	<u>330,798,749</u>	<u>1,510,122</u>
Total noncurrent assets	<u>181,846,736</u>	<u>274,942,364</u>	<u>-</u>	<u>456,789,100</u>	<u>1,510,122</u>
Total assets	<u>194,610,981</u>	<u>304,096,677</u>	<u>41,562,868</u>	<u>540,270,526</u>	<u>111,799,757</u>
Deferred outflow of resources:					
Pension deferrals	2,182,080	3,556,796	-	5,738,876	3,519,777
Deferred charge on refunding	26,348	169,293	-	195,641	-
Total deferred outflow of resources	<u>2,208,428</u>	<u>3,726,089</u>	<u>-</u>	<u>5,934,517</u>	<u>3,519,777</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Statement of Net Position, Continued
 Proprietary Funds
 June 30, 2016

Liabilities	Business-type Activities - Enterprise Funds			Total	Governmental Activities- Internal Service Funds
	Solid Waste Fund	Stormwater Management Fund	Non-Major Watershed Protection and Restoration Fund		
Current liabilities:					
Payable from unrestricted assets:					
Current portion of bonded debt	\$ 1,920,000	7,880,000	-	9,800,000	-
Current portion of compensated absences and termination benefits payable	832,785	1,226,729	-	2,059,514	1,254,898
Current portion of notes payable	5,278	-	-	5,278	-
Current portion of estimated liability on pending claims	-	-	-	-	49,469,753
Current portion of postclosure liability	1,265,273	-	-	1,265,273	-
Accounts payable	6,878,749	9,348,743	308,096	16,535,588	9,667,369
Retainages	49,355	1,620,017	-	1,669,372	-
Accrued liabilities	842,467	549,820	-	1,392,287	494,709
Unearned revenue	-	-	-	-	8,126,262
Matured bonds and interest payable	-	2,155,241	-	2,155,241	-
Deposits	83,713	-	-	83,713	-
Due to other funds	5,500,000	-	-	5,500,000	-
Total current liabilities	<u>17,377,620</u>	<u>22,780,550</u>	<u>308,096</u>	<u>40,466,266</u>	<u>69,012,991</u>
Long-term liabilities:					
Bonded debt, less current portion	34,513,727	143,518,906	-	178,032,633	-
Notes Payable, less current portion	6,475,001	-	-	6,475,001	-
Compensated absences and termination benefits payable, less current portion	79,869	76,734	-	156,603	221,564
Net pension liability	8,436,237	13,892,451	-	22,328,688	14,066,350
Estimated liability on pending claims, less current portion	-	-	-	-	125,422,253
Estimated liability for landfill closure costs, less current portion	75,428,596	-	-	75,428,596	-
Total long-term liabilities	<u>124,933,430</u>	<u>157,488,091</u>	<u>-</u>	<u>282,421,521</u>	<u>139,710,167</u>
Total liabilities	<u>142,311,050</u>	<u>180,268,641</u>	<u>308,096</u>	<u>322,887,787</u>	<u>208,723,158</u>
Deferred inflow of resources:					
Deferred charge on refunding	7,424	-	-	7,424	-
Pension deferrals	504,334	803,414	-	1,307,748	789,755
Total deferred outflow of resources	<u>511,758</u>	<u>803,414</u>	<u>-</u>	<u>1,315,172</u>	<u>789,755</u>
Net position:					
Net investment in capital assets	29,034,624	121,344,320	-	150,378,944	1,510,122
Restricted for capital improvements and future maintenance	9,000,000	-	41,254,772	50,254,772	-
Restricted for Sandy Hill Trust	1,890,485	-	-	1,890,485	-
Restricted for landfill closure costs	17,677,394	-	-	17,677,394	-
Restricted for Chesapeake Bay and tree preservation activities	-	1,457,801	-	1,457,801	-
Restricted for I-Net	-	-	-	-	11,319,891
Unrestricted	(3,605,902)	3,948,590	-	342,688	(107,023,392)
Total net position	\$ <u>53,996,601</u>	<u>126,750,711</u>	<u>41,254,772</u>	<u>222,002,084</u>	<u>(94,193,379)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(6,780,947)	
Net position of business-type activities				<u>\$ 215,221,137</u>	

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the year ended June 30, 2016

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities- Internal Service Funds
	Solid Waste Fund	Stormwater Management Fund	Non-Major Watershed Protection and Restoration Fund	<u>Total</u>	
Operating revenues:					
Premium contributions	\$ -	-	-	-	122,429,157
Licenses and permits	-	3,803,795	-	3,803,795	-
Sales	370,751	-	-	370,751	26,900,195
Charges for services	94,280,553	-	14,611,404	108,891,957	12,692,077
Use of money and property - rentals	-	-	-	-	165,331
Miscellaneous	728,954	-	99,518	828,472	2,317,147
Total operating revenues	<u>95,380,258</u>	<u>3,803,795</u>	<u>14,710,922</u>	<u>113,894,975</u>	<u>164,503,907</u>
Operating expenses:					
Salaries	7,275,759	11,170,053	-	18,445,812	9,432,340
Project charges - salaries/recoveries	8,626,741	9,174,280	-	17,801,021	-
Fringe benefits	7,658,950	10,467,767	-	18,126,717	7,040,624
Contractual services	37,824,771	-	-	37,824,771	8,198,843
Materials	-	-	-	-	10,577,866
Rent	-	-	-	-	326,625
General and administrative	26,550,612	15,128,981	1,164,724	42,844,317	9,936,545
Depreciation and amortization	11,126,883	3,911,027	-	15,037,910	133,899
Insurance claims and premiums	-	-	-	-	137,233,712
Landfill postclosure costs	(6,407,602)	-	-	(6,407,602)	-
Other	-	-	-	-	4,771,471
Total operating expenses	<u>92,656,114</u>	<u>49,852,108</u>	<u>1,164,724</u>	<u>143,672,946</u>	<u>187,651,925</u>
Operating income (loss)	<u>2,724,144</u>	<u>(46,048,313)</u>	<u>13,546,198</u>	<u>(29,777,971)</u>	<u>(23,148,018)</u>
Nonoperating revenues (expenses):					
Taxes	-	39,550,173	-	39,550,173	-
Interest income	789,389	533,310	109,831	1,432,530	177,751
Interest expense	(1,238,114)	(5,177,593)	-	(6,415,707)	-
Debt issuance costs	-	(83,501)	-	(83,501)	-
Gain (loss) on sale of capital assets	-	-	-	-	(9,864)
Total nonoperating revenues (expenses)	<u>(448,725)</u>	<u>34,822,389</u>	<u>109,831</u>	<u>34,483,495</u>	<u>167,887</u>
Income (loss) before contributions and transfers	<u>2,275,419</u>	<u>(11,225,924)</u>	<u>13,656,029</u>	<u>4,705,524</u>	<u>(22,980,131)</u>
Capital contributions	-	2,555,148	-	2,555,148	-
Change in net position	<u>2,275,419</u>	<u>(8,670,776)</u>	<u>13,656,029</u>	<u>7,260,672</u>	<u>(22,980,131)</u>
Net position - beginning of year	51,721,182	135,421,487	27,598,743	-	(71,213,248)
Net position - end of year	<u>\$ 53,996,601</u>	<u>126,750,711</u>	<u>41,254,772</u>	<u>(271,718)</u>	<u>(94,193,379)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(271,718)	
Change in net position of business-type activities				<u>\$ 6,988,954</u>	

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
 Statement of Cash Flows
 Proprietary Funds
 For the year ended June 30, 2016

	Business-type Activities - Enterprise Funds			Total	Governmental Activities- Internal Service Funds
	Solid Waste Fund	Stormwater Management Fund	Non-Major Watershed Protection and Restoration Fund		
Cash flows from operating activities:					
Cash received from customers	\$ 94,072,966	3,803,795	14,416,972	112,293,733	163,778,028
Cash payments to suppliers for goods and services	(64,206,360)	(11,557,387)	(1,074,244)	(76,837,991)	(100,728,584)
Cash payments to employees for services	(22,668,501)	(29,184,142)	-	(51,852,643)	(14,787,915)
Premium and claim payments	-	-	-	-	(45,064,701)
Other cash receipts	-	-	-	-	665,333
Net cash and cash equivalents provided (used) by operating activities	<u>7,198,105</u>	<u>(36,937,734)</u>	<u>13,342,728</u>	<u>(16,396,901)</u>	<u>3,862,161</u>
Cash flows from noncapital financing activities:					
Tax collections	-	39,605,619	-	39,605,619	-
Transfers in from other funds	-	-	-	-	7,097,892
Transfers out to other funds	-	-	-	-	(7,097,892)
Net cash and cash equivalents provided by noncapital financing activities	<u>-</u>	<u>39,605,619</u>	<u>-</u>	<u>39,605,619</u>	<u>-</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of property, plant and equipment	(4,304,229)	(29,622,860)	-	(33,927,089)	(313,808)
Capital grants	-	1,765,478	-	1,765,478	-
Proceeds of bonded debt	4,275,171	5,600,750	-	9,875,921	-
Proceeds of notes payable	6,480,279	-	-	6,480,279	-
Payment to refund bond escrow agent	(2,272,606)	(5,517,250)	-	(7,789,856)	-
Payment of bond issue costs	(25,549)	(83,501)	-	(109,050)	-
Principal payments on bonded debt	(3,555,000)	(7,460,000)	-	(11,015,000)	-
Interest payments	(1,487,735)	(6,521,653)	-	(8,009,388)	-
Net cash and cash equivalents used in capital and related financing activities	<u>(889,669)</u>	<u>(41,839,036)</u>	<u>-</u>	<u>(42,728,705)</u>	<u>(313,808)</u>
Cash flows from investing activities:					
Interest on investments	<u>789,389</u>	<u>590,734</u>	<u>123,741</u>	<u>1,503,864</u>	<u>191,255</u>
Net cash and cash equivalents provided by investing activities	<u>789,389</u>	<u>590,734</u>	<u>123,741</u>	<u>1,503,864</u>	<u>191,255</u>
Net increase (decrease) in cash and cash equivalents	7,097,825	(38,580,417)	13,466,469	(18,016,123)	3,739,608
Cash and cash equivalents, beginning of year	<u>105,635,543</u>	<u>86,731,145</u>	<u>26,755,402</u>	<u>219,122,090</u>	<u>100,445,710</u>
Cash and cash equivalents, end of year	<u>\$ 112,733,368</u>	<u>48,150,728</u>	<u>40,221,871</u>	<u>201,105,967</u>	<u>104,185,318</u>
Cash classified as:					
Current assets	\$ 7,471,620	27,422,125	40,221,871	75,115,616	105,913,120
Restricted assets	105,261,748	20,728,603	-	125,990,351	-
	<u>\$ 112,733,368</u>	<u>48,150,728</u>	<u>40,221,871</u>	<u>201,105,967</u>	<u>105,913,120</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Cash Flows, Continued
Proprietary Funds
For the year ended June 30, 2016

	Business-type Activities - Enterprise Funds			Total	Governmental Activities- Internal Service Funds
	Solid Waste Fund	Stormwater Management Fund	Non-Major Watershed Protection and Restoration Fund		
Reconciliation of operating loss to net cash provided (used in) operating activities:					
Operating income (loss)	\$ 2,724,144	(46,048,313)	13,546,198	(29,777,971)	(24,868,125)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:					
Depreciation and amortization	11,126,883	3,911,027	-	15,037,910	133,899
Provision for doubtful receivables	(509,543)	-	-	(509,543)	-
Pension Expense	922,164	1,594,860	-	2,517,024	1,717,151
Effect of changes in operating assets and liabilities:					
Accounts receivable	(1,099,039)	-	(293,950)	(1,392,989)	473,989
Inventories	-	-	-	-	(31,301)
Prepaid costs	-	-	-	-	(94,640)
Compensated absences and termination benefits payable	27,748	24,813	-	52,561	(60,066)
Accounts payable	(207,114)	3,297,291	90,480	3,180,657	4,485,223
Retainages	(123,863)	274,303	-	150,440	-
Accrued costs	(56,963)	8,285	-	(48,678)	27,987
Due to other funds	500,000	-	-	500,000	-
Deferred revenue	-	-	-	-	5,288,293
Due from component units	-	-	-	-	341,893
Estimated liability for landfill closure costs	(6,407,602)	-	-	(6,407,602)	-
Estimated liability on pending claims	-	-	-	-	16,447,858
Total adjustments	4,473,961	9,110,579	(203,470)	13,381,070	28,730,286
Net cash and cash equivalents provided by (used in) operating activities	\$ 7,198,105	(36,937,734)	13,342,728	(16,396,901)	3,862,161
Decrease (increase) in accrued interest receivable	\$ 64,155	57,424	13,910	135,489	21,198
	\$ 64,155	57,424	13,910	135,489	21,198

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

	<u>Pension and Other Postemployment Benefit Trust Funds</u>	<u>Agency Funds</u>
Assets:		
Equity in pooled cash and investments	\$ 6,763,461	\$ 12,756,779
Collateral for loaned securities	26,497,460	-
Investments:		
Pooled separate accounts	463,391,449	-
U.S. Government & agency securities	27,790,863	-
Corporate bonds	63,105,198	-
Common stock	218,027,651	-
Real estate investment trust	5,410,969	-
International Government securities	816,278	-
Preferred stock	195,351	-
Asset backed securities	21,921,063	-
Money market funds	420,438,542	-
Short-term investments	17,673,335	-
Alternative investments	452,844,109	-
Receivables:		
Taxes	-	5,756,218
Accounts	60,593	94
Accrued interest receivable	1,413,583	-
Prepaid costs and deposits	66,475	-
Total assets	<u>1,726,416,380</u>	<u>\$ 18,513,091</u>
Liabilities:		
Collateral for loaned securities payable	26,497,460	-
Accounts payable	1,036,202	169,010
Accrued costs	12,788,039	-
Due to other governmental units	-	15,107,861
Funds held in trust	-	3,236,220
Total liabilities	<u>40,321,701</u>	<u>\$ 18,513,091</u>
Net position:		
Net position restricted for pensions and other post-employment benefits	<u>\$ 1,686,094,679</u>	

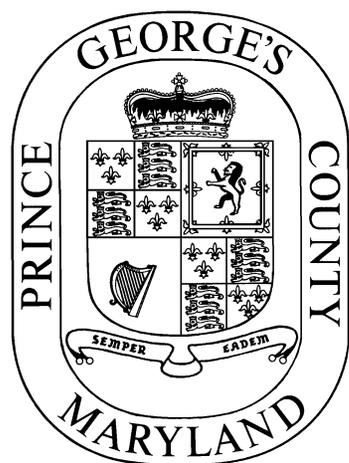
See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
 Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 For the year ended June 30, 2016

	<u>Pension and Other Postemployment Benefit Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 156,398,353
Employee	35,601,082
Other	1,226,831
Total contributions	<u>193,226,266</u>
Investment income:	
Net depreciation in fair value of investments	(63,864,748)
Interest and dividends	42,466,113
Total investment income (loss)	<u>(21,398,635)</u>
Less investment expense	6,196,913
Net investment loss	<u>(27,595,548)</u>
Total additions	<u>165,630,718</u>
Deductions:	
Benefits	214,733,830
Refunds of contributions	4,121,765
General and administrative expenses	3,101,553
Total deductions	<u>221,957,148</u>
Net decrease	(56,326,430)
Net position restricted for pensions and other post-employment benefits Beginning of year	<u>1,742,421,109</u>
End of year	<u><u>\$ 1,686,094,679</u></u>

See accompanying notes to financial statements.

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NOTES TO FINANCIAL STATEMENTS

The notes are an integral part of the
financial statements.

Prince George's County, Maryland
Notes Financial Statements

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Prince George's County, Maryland
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(1) Summary of Significant Accounting Policies

The accounting policies of Prince George's County, Maryland (the County) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the County's significant accounting policies:

(a) Reporting Entity

The County is a body corporate and politic founded in 1696 as a political subdivision of the State of Maryland, which performs all local government functions within its jurisdiction. The County operates under a "home rule" Charter adopted in November 1970. Under the Charter, the County is governed by an elected County Executive and nine-member County Council.

As required by GAAP, the accompanying financial statements include various departments and agencies of the Primary Government and the County's component units, entities for which the County is considered to be financially accountable because of the significance of their operational or financial relationship with the County.

The government-wide financial statements include a separate column for the Board of Education of Prince George's County, Maryland and a separate column combining all other discretely presented component units. Each component unit is legally separate from the Primary Government and has a June 30 fiscal year end. There are no blended component units, i.e., legally separate component units whose financial information is combined with the operations of the Primary Government, included in this financial report. A description of the County's eight discretely presented component units follows:

- (i) The Board of Education of Prince George's County, Maryland (Board of Education or the Board) - The Board operates all public schools (grades K through 12) within the County. The Board is fiscally dependent because the County: approves its budget, is legally obligated to fund the Board's operations, and issues and is obligated to pay debt for the Board. A complete financial report is available through the Board's administrative offices, which are located at the Sasscer Administration Building, 14201 School Lane, Upper Marlboro, Maryland 20772.
- (ii) The Housing Authority of Prince George's County (Housing Authority) - The Housing Authority was created to develop safe, sanitary, and decent housing for County citizens. The governing body and management personnel are appointed by the County Executive. The County also approves the budget of the Housing Authority. Requests for copies of financial statements should be addressed to the administrative offices of the Housing Authority, which are located at Inglewood Center III, 9400 Peppercorn Place, Suite 200, Landover, Maryland 20785.
- (iii) The Industrial Development Authority of Prince George's County (IDA) - The IDA is a public building authority providing physical facilities to local governments located in the State of Maryland. The County appoints a majority of the governing body and is able to impose its will through approval of the IDA's budget and substantial involvement in IDA operations. Requests for copies of financial statements should be addressed to the administrative offices of the Industrial Development Authority, which are located at 14741 Governor Oden Bowie Drive, Suite 3151, Upper Marlboro, Maryland 20772.
- (iv) The Prince George's County Memorial Library System (Memorial Library or Library) - The Memorial Library operates the County's public library system. The County is legally obligated to provide financial support to the Library. The County approves its budget, holds title to its assets, and can unilaterally abolish the Library. Requests for the Library's financial statements should be made to the administrative offices, which are located at 6532 Adelphi Road, Hyattsville, Maryland 20785.
- (v) The Prince George's Community College (Community College or College) - The College operates a higher education institution within the County. The County is legally obligated to provide financial support to the College. In addition, the fiscal dependency criterion applies because of the County's substantial budgetary approval authority. Individuals interested in obtaining detailed financial statements for the College should contact its administrative offices, which are located at 301 Largo Road, Landover, Maryland 20772.

Prince George's County, Maryland
Notes Financial Statements

- (vi) The Prince George's Community Television, Inc. (PGCT) - PGCT operates local government public access channel programming for cable television operations. The County appoints a majority of the governing body and imposes its will over PGCT operations. PGCT is fiscally dependent on the County (i.e., the County has substantive approval authority over the budget, sets fees, and prohibits debt issuances.) A full set of financial statements is available at PGCT's administrative offices, which are located at 9475 Lottsford Road, Suite 125, Landover, Maryland 20785.
- (vii) The Redevelopment Authority of Prince George's County (Redevelopment Authority) - The Redevelopment Authority was created to provide residential, commercial, and industrial development or redevelopment within County boundaries. The County appoints a majority of the governing body and is able to impose its will through approval of the Redevelopment Authority's budget and substantial involvement in Redevelopment Authority operations. Requests for copies of financial statements should be addressed to the administrative offices of the Redevelopment Authority, which are located at 9201 Basil Court, Suite 155, Largo, Maryland 20774.
- (viii) The Revenue Authority of Prince George's County (Revenue Authority) - The Revenue Authority was created to develop projects within the boundary lines of the County devoted wholly or partially for public uses and to stimulate employment and economic growth. The Revenue Authority is also responsible for the acquisition, construction, and operation of parking and related facilities for motorized and non-motorized vehicles within the County. The County appoints a majority of the governing body and is able to impose its will through approval of the Revenue Authority's budget and substantial involvement in Revenue Authority operations. Additionally, the County must approve and is responsible for all bonded debt issuances. Requests for financial statements should be directed to the Revenue Authority's administrative offices, which are located at 1300 Mercantile Lane, Suite 108, Landover, Maryland 20785.

As discussed in Note 20, the Washington Suburban Sanitary Commission, Washington Suburban Transit Commission, Washington Metropolitan Area Transit Authority, and the Maryland-National Capital Park and Planning Commission are not part of the reporting entity, but rather are considered joint ventures for financial reporting purposes.

(b) Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities report non-fiduciary financial activity of the County and its component units. The majority of inter-fund activity is eliminated from the statements. Governmental activities, which are mainly supported by tax revenues, are reported separately from business-type activities, which rely on fee charges to external parties. Additionally, the primary government is reported separately from its component units.

The statement of activities compares direct expenses and program revenues for distinct activities and for each of the County's governmental and business-type activities. Direct expenses are those that are specifically related to a program or function. Program revenues include (1) fees and charges for services generated by programs and (2) grants and contributions restricted to a particular program. All taxes and other items not included as program revenues are reported as general revenues.

Fund Financial Statements: Fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The focus is on major governmental and enterprise funds, which are reported in separate columns in the fund financial statements. The remaining governmental funds are combined and reported as non-major funds.

The County reports the following major governmental funds:

General Fund - The General Fund is the County's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

Federal and State Aided Programs - This Special Revenue Fund accounts for direct financial assistance received by the County through categorical grants from Federal and State agencies.

Capital Projects Fund - The Capital Projects Fund accounts for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or fiduciary funds.

Prince George's County, Maryland
Notes Financial Statements

The County reports the following major proprietary funds:

Solid Waste – This fund accounts for the disposition of refuse, garbage, rubbish, or any other matter to ensure the public health of the inhabitants of the County. The fund also covers programs and activities associated with solid waste management, environmental protection, and recycling and clean-up of the environment.

Stormwater Management Fund – This fund accounts for the servicing of County stormwater management facilities including floodplain maintenance, stormdrain maintenance, and a variety of rehabilitation, repair and maintenance contracts for open channels, ditches, and flood channels.

The County also reports the following additional funds:

Non-Major Enterprise Fund - The Watershed Protection and Restoration Fund This fund was established July 1, 2013 in accordance with provisions of Maryland House Bill 987. The fund accounts for the services rendered to complete water quality and flood control management improvements. This fund is reported as a non-major enterprise fund.

Internal Service Funds - Internal Service Funds are proprietary funds that account for vehicle maintenance, information technology, and risk management services to other departments or agencies of the County, or to other governmental units, on a cost-reimbursement basis. Internal Service Fund accounting is similar to enterprise funds; however for government-wide reporting the activity is mostly included with governmental activities because they predominantly serve the governmental funds.

Trust Funds - Trust Funds are fiduciary funds out of which retirement annuities and/or benefit payments are paid and designated to public employees.

Agency Funds – These fiduciary funds account for money held on behalf of other governmental entities for taxes collected by the County and deposits held for inmates.

(c) Basis of Accounting

Government-wide, Proprietary and Trust Funds are accounted for using the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the business-type and governmental funds of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Stormwater Management Fund, Solid Waste Fund and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed. Furthermore within the unrestricted fund balance the County will apply expenditures against committed, then assigned, and then unassigned amounts.

Prince George's County, Maryland
Notes Financial Statements

Governmental funds are used to account for the County's general government activities. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers most revenues available if they are collected within 60 days after year-end. Expenditures generally are recorded when the related liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when payments are due.

Property taxes, interest, charges for services, and special assessments are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the "susceptible to accrual" criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

The County reports unearned revenue in its financial statements. Unearned revenues arise in governmental funds when the County receives resources before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods when the County has a legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized. Unearned revenue is also reported in the government-wide statements.

The County reports deferred inflows and outflows of resources as separate financial statement elements. Deferred outflows of resources are the consumption of net position applicable to a future period. While deferred inflows of resources are the acquisition of net position applicable to a future period. The government-wide and proprietary fund financial statements report both deferred outflows and inflows of resources relating to debt refunding and pension costs. The governmental funds report deferred inflows relating to unavailable tax revenue.

(d) Budgetary Data

The Prince George's County Charter requires that certain transactions be accounted for on a basis other than GAAP. Actual results of operations are presented in the Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual for the General Fund in accordance with legislative requirements, in order to provide a meaningful comparison of actual results with budget estimates. Under the budgetary basis, encumbrances are recorded as the equivalent of expenditures, as opposed to only a restriction, assignment, or commitment of fund balance (GAAP basis). This treatment of encumbrances represents one of two material differences between the GAAP and budget basis. The other significant difference relates to the presentation of purchase agreement financing transactions. These transactions represent equipment or real estate lease purchase contracts where an escrow account is maintained under a three-party agreement between the County, the leasing company, and the fiscal escrow agent, who controls the receipt of the financing proceeds and disbursements for equipment and real estate purchases. Under the GAAP basis, both the purchases and periodic principal and interest payments on the financing must be recorded; however, under the budgetary basis, only the principal and interest payments are recorded.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- Agency budget requests are normally due to the Office of Management and budget prior to mid-November.
- Prior to January 15, the Component Units submit to the County Executive a proposed budget for the fiscal year commencing the following July 1.
- Prior to April 1, the County Executive submits to the County Council a proposed operating budget for the County, which includes the needs of the Component Units for the upcoming year. The operating budget includes proposed expenditures and the means of financing them.

Prince George's County, Maryland
Notes Financial Statements

- Public hearings are conducted by the County Council to obtain taxpayer comments.
- Prior to June 1, the budget is legally enacted through passage of an ordinance.
- The appropriated budget is prepared by fund and by object within an agency. The County Executive is authorized to transfer budgeted amounts within an agency within any fund; however, the County Council must approve any revisions that alter the total expenditures of any agency or fund. No agency of the Primary Government shall during any fiscal year expend, or contract to expend, in excess of the amounts appropriated in the budget for such fiscal year. The level of budgetary control (level at which expenditures/expenses are monitored) is maintained at three major object classifications: compensation, other current expenditures/expenses (which include debt service payments, expenditure recoveries, and operating transfers out), and capital outlays. The legal level of control is exercised at the agency level in the General Fund. No County liability shall be incurred or contracted by any department, agency, or employee, and no bill or invoice shall be approved or paid, unless the Council has authorized by budget adoption or a specific appropriation to cover payment out of public funds. Any person willfully violating this provision shall be deemed to be responsible for the contract, debt, or expenditure. The agency head allowing such action shall be subject to such disciplinary action as the Council shall determine.
- Subsequent to passage of the budget ordinance, the County Council may approve supplemental appropriations. During fiscal year 2016, such appropriations amounted to a \$8.9 million increase in the Primary Government's General Fund budget (major fund).
- All unencumbered appropriations in the General Fund lapse at the end of the fiscal year.

The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual for the General Fund is located included in Exhibit A-5. The following funds of the Primary Government have legally adopted annual budgets:

General Fund
Nonmajor governmental funds:
Domestic Violence Fund
Drug Enforcement and Education Fund

Although budgets are not legally adopted for all Special Revenue Funds of the County, budgetary control is exercised. The Federal and State Aided Programs Fund's expenditures are limited to the amount awarded for the associated grant programs.

Expenditures in the Debt Service Fund are limited by authorized transfer amounts from other funds. Capital Projects Funds are appropriated at the project level. Annual operating budgets are not prepared for the Debt Service or Capital Projects Funds.

(e) Cash and Cash Equivalents

For Statement of Cash Flows purposes, the Primary Government defines cash equivalents to include the following: all highly liquid, unrestricted investments with a maturity of three months or less when purchased; all cash and investment pools which are used essentially as demand accounts; all cash with fiscal agents; and all restricted cash and investments have been determined to be cash equivalents.

(f) Investments

Investments of the Primary Government and trust funds are recorded at amortized cost or fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset as detail in Note 4.

Prince George's County, Maryland
Notes Financial Statements

(g) Allowance for Uncollectible Receivables

The County calculates its allowance for uncollectible receivables using historical collection data and, in certain cases, specific account analysis. The total allowance amounts are summarized below:

Primary Government:	
General Fund	\$ 12,223,883
Federal and State Aided Fund	20,596,595
Solid Waste Fund	279,126
Stormwater Management Fund	<u>35,126</u>
	<u>\$ 33,134,730</u>

As part of the County's Community Development Block Grant and Rental Rehabilitation federal financial assistance programs, the County makes loans to residents and developers to restore and repair low-income housing units. At June 30, 2016, there was approximately \$35.5 million of outstanding loans receivable under these programs. Approximately \$14.9 million of these loans are offset by equivalent unearned revenue in the Federal and State Aided Programs Special Revenue Fund. The remaining \$20.6 million is completely offset by an allowance for uncollectible notes receivable (included in the table above), because collections are highly uncertain. In many cases, the County has agreed to forgive loan repayment if the resident/developer complies with certain requirements that may include residing in the property for a certain number of years.

(h) Inventories

Inventories, consisting of expendable items held for consumption, are stated at the lower of cost (first-in, first-out method) or market or at average cost, which approximates the first-in, first-out method of costing. The consumption method is used and the cost of such items is recognized as an expense or expenditure when used in operations.

(i) Prepaid Costs and Deposits

Payments made to vendors for services that will benefit periods beyond June 30, 2016 are recorded as prepaid expenses. The consumption method is used for prepaid items and expenditures or expenses are recognized when used in operations.

(j) Restricted Assets

Proceeds from debt and funds set aside for payment of revenue bonds and other general obligation debt are classified as restricted assets since their use is limited by applicable debt agreements.

Prince George's County, Maryland
Notes Financial Statements

(k) Capital Assets

Capital assets which include land, buildings, equipment, and infrastructure assets (e.g. road networks, bridges, stormwater property, and similar items) are recorded at cost and as governmental or business-type activities in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Contributed capital assets are recorded at estimated fair market value at the time received. Assets recorded under capital lease agreements are recorded at the lower of fair value or the net present value of minimum lease payments on the date of the lease inception. Interest is capitalized on assets acquired or constructed with tax-exempt debt. The amount of interest capitalized is calculated by offsetting interest expense incurred from the date of borrowing until installation or completion of the project with interest earned on invested proceeds over the same period.

The costs of normal maintenance and repairs that do not materially extend the assets' useful lives are not capitalized.

Depreciation is recorded over the following estimated useful lives using the straight-line method:

Land improvements	10 - 20 years
Buildings and plant improvements	3 - 50 years
Stormwater property in service	50 years
Equipment and machinery	3 - 20 years
Bridges	50 years
Road Networks	60 years

The Primary Government's landfill facility at Brown Station Road has completed expansion of the construction of eleven new treatment areas referred to as "cells." Nine cells are currently operational. The total estimated cost of the operational cells was transferred from construction-in-progress to landfill property in service based on the total acreage of the operational cells as a percentage of the total landfill acreage multiplied by total estimated costs of the entire facility. Depreciation is computed by dividing the number of tons of refuse dumped by total estimated landfill capacity, which is then multiplied by the estimated total landfill cost. An independent engineer estimates the total capacity of the landfill as 11,231,652 tons.

(l) Self-Insurance Funds

Included in the estimated liability for pending claims are estimates of incurred but not reported claims and incremental claims adjustment expenses for all lines of coverage.

(m) Arbitrage Rebate Liability

This liability represents the excess investment earnings on unspent bond proceeds over the bond yield, in accordance with the Internal Revenue Code of 1986 as amended. The County has no liability for fiscal year 2016.

Prince George's County, Maryland
Notes Financial Statements

(n) Long-term Obligations

(i) Long-term Debt

In the government-wide financial statements and the proprietary fund financial statements, long-term obligations are reported as liabilities in the applicable, governmental activities, business-type activities, or proprietary fund type statement of net position. For long-term obligations, only that portion expected to be financed from current available financial resources is reported as a fund liability of a Governmental Fund. Long-term liabilities to be financed from proprietary fund operations are accounted for in those funds.

(ii) Bond Premiums/Discounts and Issuance Costs

Bond premiums and discounts for government-wide and proprietary fund financial statements are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond premiums or discounts are reported as a net addition or reduction of the face amount of bonds payable. Bond issuance costs are recorded as debt service expenses in the year of issuance.

In the governmental funds financial statements, bond premiums and discounts are recognized in the current period. Issuance costs, whether or not withheld from actual debt proceeds, are reported as debt service expenditures.

(iii) Bond Covenants

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. The County is in compliance with all bond covenants.

(o) Net Position and Fund Balance

Net position includes three categories: Net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets consists of capital assets, less accumulated depreciation, reduced by net outstanding debt related to capital assets. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining residual balance.

The County reports fund balance in various governmental funds. The fund balance categories are listed below:

- Nonspendable – Includes amounts that cannot be spent because they are in nonspendable form (i.e. inventory) or contractually required to remain intact.
- Restricted - Includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- Committed - Includes amounts that can be used only for the specific purposes. The County Council as the highest level of decision-making authority within the County establishes the commitment of fund balance through the approval of the subsequent year's annual budget and appropriations ordinance by Council Bill. The same formal action (Council Bill) used to create a commitment is required to rescind or modify it.
- Assigned – Includes government's intent to use for specific purposes but does not meet the criteria to be classified as restricted or committed. County Council Resolution CR-36-2011 granted the authority to assign fund balance in the General Fund to a three person committee consisting of the Director of the Office of Management and Budget, or their designee, the Director of Finance or their designee, and the County Council Administrator, or their designee.
- Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification can be used only to report a deficit balance.
- When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed, except for capital projects which use unrestricted resources first. Furthermore within the unrestricted fund balance the County will apply expenditures against committed , then assigned , and then unassigned amounts.

Prince George's County, Maryland
Notes Financial Statements

(p) Revenues, Expenditures, and Expenses

(i) Property Tax Revenue Recognition

The County's real property taxes are due and payable on the first day of July each year, the levy date and the date on which an enforceable lien attaches to the property. Levies are based on assessments as certified to the County by the State of Maryland Department of Assessments and Taxation. Certain bills are eligible for semi-annual payments. Annual bills and the first installment of semi-annual bills are due on or before September 30th and become delinquent on October 1st. The second semi-annual installment is due on or before December 31st and becomes delinquent on January 1st. Delinquent taxes are subject to interest and penalty at the monthly rate of 1.67% until paid in full. Personal property and real property taxes levied for fractions of a year are due when billed and are overdue within 30 days of billing. General property taxes receivable, net of the allowance for uncollectibles of \$11,488,705, amounted to \$4,282,416.

Property on which taxes remain in a delinquent status as of the second Monday in May is placed for tax sale.

At the November 1978 General Election, the voters of the County adopted an amendment to the Charter limiting future collection of real property taxes to the amount collected in fiscal year 1979. The amendment, which became effective in December 1978, added Section 817B to the Charter. It is generally referred to as "TRIM" (TRIM is an acronym for Tax Reform Initiative by Marylanders).

An amendment to TRIM was approved by the voters of the County at the November 1984 General Election, authorizing the Council to levy taxes beginning in 1986 on a maximum rate basis as an alternative to the maximum amount basis. The maximum rate authorized was two dollars and forty cents (\$2.40) for each one hundred dollars (\$100) of assessed value. Beginning in fiscal year 1992, the Court of Appeals upheld the authority of the County to increase the tax rate to pay principal and interest on bonds outstanding prior to the effective date of "TRIM". Prior to fiscal year 2002, real property in the County was assessed at 40% of the phased-in market value. Pursuant to a change in State law, real property in fiscal year 2002 was assessed at 100% of the phased-in market value. For fiscal year 2016, the tax rate was set at ninety-six cents (\$0.96) and two dollars forty cents (\$2.40) for each one hundred dollars (\$100) of assessed value for real and personal property, respectively. There were no bonds outstanding issued before the effective date of "TRIM".

(ii) Landfill Operations - Primary Government

- Revenue Recognition

The revenue of the County's landfill operations reported in the Solid Waste Enterprise Fund is based upon service rates authorized by the County Council. These rates are intended to produce revenue approximately equal to costs similar to certain types of regulated enterprises. Therefore, the Solid Waste Enterprise Fund follows accounting guidance for regulated enterprises.

- Closure and Post-closure Care Costs

The October 9, 1991 U.S. Environmental Protection Agency rule, "Solid Waste Disposal Facility Criteria", establishes certain closure and thirty (30) year postclosure care requirements affecting municipal solid waste landfills. In accordance with GAAP, the County accrues for closure and post-closure costs related to its landfill operations. Consistent with accounting policies for regulated enterprises, the recognition of closure and post-closure care costs otherwise chargeable to expense have been deferred because it has been determined that future estimated revenue in an amount at least equal to the deferred cost will result from inclusion of those amounts in allowable costs for rate-making purposes, and that future revenue will be sufficient to permit recovery of the previously incurred cost as well as to provide for expected levels of similar future costs. The deferred landfill closure costs are recognized to the extent that designated revenues are collected. In fiscal year 2016, \$12.00 per ton of solid waste dumped was designated for closure and postclosure costs.

Prince George's County, Maryland
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(q) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses or expenditures during the reporting period. Actual results could differ from those estimates.

(r) Total Column Government-wide Statement of Net Position

The total column for the reporting entity includes a reclassification for the unrestricted net position deficit related to component unit debt (\$503,035,085). The reclassification is necessary because the County issues debt to finance construction projects for its component units (Board of Education and Community College); however, the component units own the assets. The debt reduces unrestricted net position for the County, while the capital assets are reported in net position invested in capital assets, net of related debt by the component units.

(2) New Accounting Pronouncements

The County implemented GASB Statement No. 72, "Fair Value Measurement and Application." This statement addresses accounting and financial reporting related to fair value measurements and revises the related note disclosures. The changes to the note disclosures are reflected in the County's financial statements presentation.

(3) Compliance and Accountability

Net Position Deficit - Primary Government - Internal Service Fund – Workers' Compensation

The Primary Government's Workers' Compensation Internal Service Fund's net deficit at June 30, 2016 was \$123,093,574. The County's risk management contributions decreased by \$0.6 million during fiscal year 2016. Expenditures increased by \$2.6 million driven by a \$4.4 million increase in the estimated liability for pending claims. The County will continue to increase premium contributions and reduce certain administrative costs in future fiscal years to reduce this deficit.

(4) Cash and Investments

(a) Investment Policy

The Primary Government's investment policy's primary objective for the management of the County's funds is the protection of investment principal in the overall portfolio through the use of diversification and third-party collateralization while maintaining sufficient liquidity to meet all cash flow requirements. The secondary objective is to maximize investment return consistent with risk limitations.

The Primary Government maintains a cash and investment pool that is available for use by all funds. Each fund's share of this pool is displayed as "Cash and investments" (restricted and unrestricted). Investment income is allocated to all funds based on the percentage of the fund's cash and investments at month-end to the total pool, with the exception of income on bond proceeds, which is allocated to the General Fund pursuant to certain legal provisions. The Component Units maintain separate bank accounts covered by Federal depository insurance or collateral held by the banks in the entity's name. Details of the component units' investment policies are included in their individual financial statements and are available to the general public [see note 1(a)]. In addition, investments are separately held by several funds. Statutes authorize the County to invest in obligations of the U.S. Treasury, agencies and instrumentalities; interest bearing accounts; certificates of deposit; repurchase agreements; bankers' acceptances, money market accounts, and the State's investment pool. Statutes require that deposits, interest bearing accounts, certificates of deposit, and repurchase agreements be fully collateralized.

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The Primary Government, the Board of Education, the Revenue Authority, and the Memorial Library participate in the Maryland Local Government Investment Pool (MLGIP). The MLGIP is an external investment pool that is not subject to regulation by the Securities and Exchange Commission (SEC). The State Legislature created the MLGIP within the annotated code of Maryland. The MLGIP, under the administrative control of the State Treasurer, is managed by PNC Institutional Investments. An MLGIP Advisory Committee of current participants was formed to review, on a semi-annual basis, the activities of the Fund and to provide suggestions to enhance the Pool. The reported value of the County's position in the pool is the same as the fair value of the pool shares.

The MLGIP was established under the Annotated Code of Maryland and is rated AAAM by Standard and Poors, their highest rating for money market funds. MLGIP is a 2a7 like pool, which is not registered with the Securities and Exchange Commission (SEC), but generally operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 (Rule 2a7). Unit value is computed using the amortized cost method and maintains a \$1 per share value.

The County categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;
- Level 2 – Valuations based on quoted prices for similar assets or liabilities in active markets or identical assets or liabilities in less active markets, such as dealer or broker markets; and
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

The Primary Government had the following recurring fair value measurements as of June 30, 2016 (in thousands):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of June 30, 2016
Investments by fair value level:				
US Agency Securities	\$ -	168,284	-	\$ 168,284
Investments carried at amortized cost:				
Certificates of Deposit				130,993
Money Market Funds				15,695
Maryland Local Government Investment Pool				425,872
				<u>\$ 740,844</u>

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Prince George's County, Maryland
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The OPEB Plan had the following recurring fair value measurements (in thousands):

	Level 1	Level 2	Level 3	Balance as of June 30, 2016
Equity in pooled cash and investments	\$ -	1,684	-	\$ 1,684
Investments carried at amortized cost:				
Money Market Funds				\$ 2,503
Investments carried at the Net Asset Value (NAV):				
Common Trust Funds				48,822
Total investments				\$ 51,325

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table (in thousands).

<u>Investment</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Common Trust Funds - Fixed Income Fund	\$ 30,513	-	Daily	1-2 days
Common Trust Funds – Equity Funds	16,208	-	Daily	1-2 days
Common Trust Funds - Real Estate Funds	2,101	-	Daily	1-2 days
Total	\$ 48,822	-		

Equity in pooled cash and investments is comprised of shares or units in the Prince Georges County cash pool, which are valued at its respective share of pooled cash and investments.

Common Trusts-Real Estate Fund consists of an investment in one trust; the objective of the fund is to approximate the performance of the Dow Jones U. Select REIT Index. This investment is valued at the net asset value (NAV) of units of the collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

Common Trusts-Equity Funds consist of investments in eight investment trusts. The Funds' investment objectives are to seek long-term capital appreciation through investing in other investment funds based on a custom index. These investments are valued at the net asset value (NAV) of units of the collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

Common Trusts-Fixed Income Funds consist of investments in six investment trusts, the objectives of these fund is to approximate the performance of the Barclays U.S. Treasury Inflation Protects Securities, Barclays U.S. Long Credit Bond and Barclays high Yield \$200 Million Very Liquid Indexes. These investments are valued at the net asset value (NAV) of units of the collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

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The Pension Plans had the following recurring fair value measurements (in thousands):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of June 30, 2016
Equity in pooled cash and investments	-	5,079	-	5,079
Investments by fair value level:				
U.S. Government and agency securities	-	32,924	-	32,924
Corporate bonds	-	89,773	-	89,773
Common stock	218,893	123,877	-	342,770
Real Estate Investment Trust	5,411	2,696	-	8,107
Mutual Funds	417,935	93,225	-	511,160
Foreign Currency	816	820	-	1,636
Other international investments	195	-	-	195
Asset-backed securities	-	43,899	-	43,899
	<u>643,250</u>	<u>387,214</u>	-	<u>1,030,464</u>
Investments carried at amortized cost:				
Short-term investments				25,051
Investments carried at Net Asset Value (NAV):				
Hedge Funds				162,019
International Equity Funds				70,167
Private Debt				45,311
Private Equity				142,007
Natural Resources				42,123
Real Estate				123,147
				<u>584,774</u>
Total Investments				<u><u>1,640,289</u></u>

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The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

Investment	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge Funds	\$ 162,019	\$ -	See note (A)	
International Equity Funds	70,167	-	Monthly	15 days
Private Debt	45,311	-	4-10 years	N/A
Private Equity	142,007	-	See note (B)	5-10 days
Natural Resources	42,123	34,381	7-15 years	N/A
Real Estate	123,147	14,167	See note (C)	30-90 days
	<u>\$ 584,774</u>	<u>\$ 48,548</u>		

(A) - Redemption frequency for these assets are either monthly, quarterly, or annually. Redemption notice periods also range from 2 to 90 days with asset requiring an annual notice.

(B) - Redemption frequency for these assets are either monthly, quarterly, or decennial with several investment requiring 7-10 years.

(C) - Redemption frequency for these assets are either monthly, quarterly, or decennial, with several investments requiring 8-10 years.

International equity fund consist of one investments that's invests in non-US developed markets with select exposure to emerging markets

Hedge Funds consist of approximately 12 investments in limited partnerships that invest in hedge fund strategies that seek alpha in equity of credit makers. The nature of investments in this type is that distributions are received through the liquidation of the underlying assets of the fund. The fair values of the investments in this type have been determined using percent ownership of the NAV of the fund.

Private Equity Funds consist of approximately 33 investments in limited partnerships The private equity investments span the venture capital, growth equity, fund of funds, energy and buyout strategies. Private equity is considered an illiquid investment strategy as funds generally have a life span of seven to 10 years. The nature of investments in this type is that distributions are received through the liquidation of the underlying assets of the fund. The fair values of the investments in this type have been determined using percent ownership of the NAV of the fund.

Private Debt Funds consists of 16 investments in limited partnerships. The private debt investments span direct lending, distressed, energy, mezzanine, mortgages, opportunistic and other strategies. Private debt is considered an illiquid investment strategy as funds generally have a life span of seven to 10 years. The nature of investments in this type is that distributions are received through the liquidation of the underlying assets of the fund. The fair values of the investments in this type have been determined using percent ownership of the NAV of the fund.

Natural resource funds include 10 investments in limited partnerships in the energy and natural resources industries. Distributions are received as the partnerships liquidate the underlying assets.

Real Estate Funds consists of 11 investments in limited partnerships that invest in income producing equity securities of U.S and International real estate. Real is considered an illiquid investment strategy as funds generally have a life span of seven to 10 years. The nature of investments in this type is that distributions are received through the liquidation of the underlying assets of the fund. The fair values of the investments in this type have been determined using percent ownership of the NAV of the fund.

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The Pension Plans of the Primary Government have separate investment policies that are set by each Pension Plan's Board of Trustees to assure overall diversification of investments. Custody of Plan assets is maintained at financial institutions selected by each Board, but the responsibility for selection of specific investments is delegated to appointed investment managers. The Policy seeks to achieve a long-term rate of return on investments, net of expenses that exceed benchmarks established by the investment committee and maintains sufficient income and liquidity to pay monthly retirement benefits. For the Police and Fire Pension Plans, the policy establishes a strategic target for asset allocation among equity securities (45%), fixed income (25%), real assets (10%), hedge funds (10%), and private equity (10%). For other Comprehensive and Supplemental Plans, the policy establishes a strategic target for asset allocation among equity securities (58%), fixed income (32%) and real estate (10%). The Plans are authorized to invest in U.S. Government securities, common and international stock, money market mutual funds, corporate bonds, repurchase agreements, and real estate. State statutes do not prohibit the Plans from participating in securities lending activities. All investments are valued at fair value. Fair value for investments in pooled separate accounts is determined using quoted market value or fair value as determined by valuation committees when quoted market value is not available. Assets of each Plan are held in separate trust funds. Within each trust, assets are held in custodial accounts for which the custodian makes no investment decisions. The investment policies allow the Plans' to invest in Alternative Investments which the Plans enter into under limited partnership agreements. The limited partnership determines the fair value of alternative investments when quoted market value is not available. The Plans use a third party administrator to aid in the evaluation of the Alternative Investments.

The Prince George's County, Maryland Non-Pension Post Employment Benefits Fund (the OPEB Trust Fund) was established during fiscal year 2008. In September 2010, the Board of Trustees established an investment policy to set forth the Trustees' investment objectives, policies, guidelines, monitoring and review procedures relating to the management and safekeeping of all assets of the OPEB Trust. The Fund's assets may be invested in domestic equity investments, convertible bonds, preferred stocks, US Government obligations, repurchase agreements, corporate bonds, asset backed securities, agency guaranteed mortgage pass-through securities, low risk collateralized mortgage obligations, and international investments. American Depository Receipts (ADRs) and dual listed foreign stocks may be held by each domestic equity manager to a maximum of 10%.

(b) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting the exposure to fair value losses arising from rising interest rates, the Primary Government's investment policy limits investments with maturities greater than one year to a calculation based on 50% of the average of the investment low point for the last three years. Investments made with unspent bond proceeds may not have a maturity greater than 3 years at time of purchase. At June 30, 2016, investments with maturities greater than one year at the time of purchase were 25.0% of the portfolio. The table below includes the Primary Government's fixed income holdings by investment type, fair value, and maturity:

Primary Government Investments (in thousands)				
Investment Type	Fair Value	Less than 1 year	1 to 5	
U.S. Agency Securities	\$ 168,284	\$ 24,987	\$ 143,297	
Certificates of Deposit	130,993	130,993	-	
Money Market Mutual Funds	15,695	15,695	-	
Local Government Investment Pool	425,872	425,872	-	
	<u>\$ 740,844</u>	<u>\$ 597,547</u>	<u>\$ 143,297</u>	

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The Pension Plans' policies limit the average maturity and duration of certain investments. The table below includes the Pension Plans' fixed income holdings by investment type, fair value, and maturity:

Investment Type	Pension Fund Investments (in thousands) ⁽¹⁾					
	Fair Value	Less than 1 year	1 to 5	6 to 10	over 10	
U.S. Government Securities	\$ 12,891	\$ -	\$ -	\$ -	\$ 12,891	
U.S. Agency Securities	20,032	-	17,065	-	2,967	
Corporate Bonds	89,773	159	28,764	52,876	7,975	
Asset-Backed Securities	43,899	-	1,444	17,995	24,460	
Short-Term Investments	25,051	25,051	-	-	-	
	<u>\$ 191,646</u>	<u>\$ 25,210</u>	<u>\$ 47,273</u>	<u>\$ 70,871</u>	<u>\$ 48,293</u>	

⁽¹⁾ Table does not include Common Stock, International Government Securities, Mutual Funds, or Real Estate Investment Trust investments, which do not have maturity dates.

(c) Credit Risk

Credit risk involves disclosing the credit quality of investments in debt securities as described by nationally recognized rating agencies. The Primary Government's investment policy prescribes the following credit quality standards. Bankers' acceptances and commercial paper must have a debt rating in the highest letter and numerical rating by at least one nationally recognized statistical rating organization as designated by the SEC. As of June 30, 2016, the primary government had investments in the following issuers with credit quality ratings as a percent of the total investments in debt securities:

As of June 30, 2016, the OPEB Plan had investments in the following issuers with credit quality ratings as a percentage of the total investments in debt securities:

OPEB FUND INVESTMENTS							
CREDIT RISK							
INVESTMENT TYPE	AMOUNT	MOODY'S	%	INVESTMENT TYPE	AMOUNT	S&P	%
Money Market Funds	2,503	NR	4.88%	Money Market Funds	2,503	NR	4.88%
Commingled Trust Funds	48,822	NR	95.12%	Commingled Trust Funds	48,822	NR	95.12%
	<u>\$ 51,325</u>				<u>\$ 51,325</u>		

Prince George's County, Maryland
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The Pension Plans' policies do not address credit quality, except a requirement that no more than 5% of investments can be committed to government sponsored entities unless they are AAA rated. During fiscal year 2016 the Plans investments in government sponsored entities with ratings below AAA exceeded the 5% limit. As of June 30, 2016 the Plans had investments in the following issuers with credit quality ratings as a percentage of the total investments in debt securities:

Pension Fund Investments							
Credit Risk							
Investment Type	Amount	Moody's	%	Investment Type	Amount	S&P	%
U.S. Agency Securities	\$ 17,859	Aaa	9.47%				
U.S. Agency Securities	-	AA	0.00%	U.S. Agency Securities	17,461	AA	9.26%
U.S. Agency Securities	-	A	0.00%	U.S. Agency Securities	-	A	0.00%
U.S. Agency Securities	2,173	NR	1.15%	U.S. Agency Securities	2,571	NR	1.36%
Short-Term Investments	25,051	NR	13.29%	Short-Term Investments	25,051	NR	13.29%
Corporate Bonds	3,130	Aa	1.66%	Corporate Bonds	4,185	AA	2.22%
Corporate Bonds	8,095	A	4.29%	Corporate Bonds	6,339	A	3.36%
Corporate Bonds	6,097	Baa	3.23%	Corporate Bonds	11,523	BBB	6.11%
Corporate Bonds	24,112	Ba	12.79%	Corporate Bonds	31,866	BB	16.91%
Corporate Bonds	37,420	B	19.85%	Corporate Bonds	33,588	B	17.82%
Corporate Bonds	4,602	CAA	2.44%	Corporate Bonds	295	CCC	0.16%
Corporate Bonds	6,317	NR	3.35%	Corporate Bonds	1,977	NR	1.05%
International Government Securities	1,636	NR	0.87%	International Government Securities	1,636	NR	0.87%
Real Estate Investment Trust	8,107	NR	4.30%	Real Estate Investment Trust	8,107	NR	4.30%
Asset-Backed Securities	275	Aaa	0.15%	Asset-Backed Securities	32	AAA	0.02%
Asset-Backed Securities	340	A	0.18%	Asset-Backed Securities	340	A	0.18%
Asset-Backed Securities	7,405	NR	3.93%	Asset-Backed Securities	7,649	NR	4.06%
Mortgage-Backed Securities	413	AAA	0.22%	Mortgage-Backed Securities	444	AAA	0.24%
Mortgage-Backed Securities	791	AA	0.42%	Mortgage-Backed Securities	232	AA	0.12%
Mortgage-Backed Securities	370	A	0.20%	Mortgage-Backed Securities	413	A	0.22%
				Mortgage-Backed Securities	370	BBB	0.20%
Mortgage-Backed Securities	<u>34,305</u>	NR	18.20%	Mortgage-Backed Securities	<u>34,419</u>	NR	18.26%
	<u>\$ 188,498</u>				<u>\$ 188,498</u>		

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(d) Concentration of Credit Risk

Concentration risk is the risk of loss attributed to the magnitude of the Pension Plans' investment in a single issuer. The Primary Government's investment policy establishes maximum percentages of the portfolio for an investment class. These percentages apply at the time the investment is purchased and may be overridden to satisfy liquidity requirements. The investment policy limits certain investments to less than 5% of total investments. The percentages are as follows:

Primary Government Investments	
Investment Type Name	Maximum %
U.S. Government Securities	100%
U.S. Agency Securities	90%
Repurchase Agreements	80%
Certificates of Deposit and Time Deposits	80%
Bankers' Acceptances	50%
Commercial Paper	5%
Pooled Investments	100%
Municipal Securities and Municipal Money Market Mutual Funds	100%

The OPEB Plan had no investments that exceed 5% that are required to be reported.

The Pension Plan policy limits certain investments to less than 5% of total investments. The following investments represent over 5% of total investments with a single investor:

	Pension Plans		
	<u>Police</u>	<u>Fire Service</u>	<u>Other</u>
State Street /PIMCO			
Bond Fund	\$ 89,735,919	\$ 40,018,212	\$ 38,409,221
Percentage	10.65%	10.44%	9.26%
State Street /Causway International			
Equity Fund	49,930,498	23,413,373	21,444,093
Percentage	5.93%	6.11%	5.17%
State Street /Pointer LP			
Alternative Investments	49,079,252	21,945,877	21,626,900
Percentage	5.83%	5.72%	5.22%
State Street / SSGA S&P 500			
Equity Fund	53,087,160	22,610,448	-
Percentage	6.30%	5.90%	-
State Street / Ballie Gifford Funds			
Equity Fund	48,383,680	25,515,161	-
Percentage	5.74%	6.65%	-

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(e) Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County or the Plans will not be able to recover deposits or collateral securities that are in the possession of an outside party. Deposits include bank accounts and non-negotiable certificates of deposit. Deposits at financial institutions were fully insured or collateralized at year-end.

Primary Government Cash and Investments Balances (in thousands)
as of June 30, 2016

Cash in Bank	\$ 16,219
Outstanding checks in zero balance accounts	(16,993)
Investments	<u>740,844</u>
	<u><u>\$ 740,070</u></u>

Custodial credit risk for investments is the risk that securities are uninsured, unregistered, and held by the counterparty, or by its trust department or agent, but not in the County or the Plans' name. As of June 30, 2016, there were no investments exposed to custodial credit risk.

(f) Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The primary government's policy does not allow investments in foreign denominations. The Pension Plans' policy allows the Plans to invest in foreign currency denominations, but does not address foreign currency exposure. The table below lists the Plans' foreign currency exposure for fixed income and equity securities as of June 30, 2016.

Other Pension Fund Investments (in thousands)
Foreign Currency Exposure

Local Currency	Equity	Income	Other	Total	%
Australian Dollar	1,942	-	851	2,793	0.17%
Canadian Dollar	1,323	90	5,337	6,750	0.41%
Danish Krone	458	-	-	458	0.03%
Euro Currency	6,682	223	-	6,905	0.42%
Hong Kong Dollar	1,790	21	306	2,117	0.13%
Japanese Yen	6,021	107	-	6,128	0.37%
New Zealand Dollar	-	1	-	1	0.00%
Norwegian Krone	208	8	-	216	0.01%
Pound Sterling	4,924	64	1,059	6,047	0.37%
Singapore Dollar	742	7	-	749	0.05%
South Korean Won	1,903	-	-	1,903	0.12%
Swedish Krona	1,249	8	-	1,257	0.08%
Swish Franc	1,528	4	-	1,532	0.09%
Total Foreign Holdings	<u>\$ 28,770</u>	<u>\$ 533</u>	<u>\$ 7,553</u>	<u>\$ 36,856</u>	

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(g) Securities Lending

The Board of Trustees for the Plans authorizes the lending of securities to broker-dealers for collateral that will be returned for the same securities in the future. The collateral securities, letters of credit and cash are initially pledged at 100% of the market value of the securities lent and revalued daily to ensure that the collateral does not fall below 100%. The Plans are indemnified of credit risk as it relates to counterparty loan activity. The collateral securities and letters of credit cannot be sold or pledged unless the borrower defaults. As a result, such amounts have not been reported as assets and liabilities in the combined statement of plan net position of the Pension Trust Funds. Cash collateral is invested in the Plans' custodian's short-term investment pool, which at year-end had an average duration of 43 days and an average weighted maturity of 83 days. As of the date of the report the duration pool had an average duration of 45 days and an average weighted maturity of 2,211 days for USD collateral. The relationship between the maturities of the investment pool and the Plans' loans is affected by the maturities of the securities loans made by other entities that use the pool, which the Plans cannot determine. Securities lent for cash collateral are unclassified in the Combined Statement of Plan Net Position. Securities lent for securities or letters of credit collateral are classified according to the category of custodial risk for the collateral. The collateral held and the fair value of securities on loan as of June 30, 2016 totaled \$34,844,378 and \$34,199,999, respectively. Cash collateral held, amounting to \$26,497,460 is included as an asset and liability in the accompanying financial statements at year-end.

(h) Derivatives

The Investment Policy of the Pension Plans allows the plans to invest in certain derivatives in order to increase potential earnings and hedge against potential losses. In fiscal year 2016 the Plans invested directly in various derivatives including futures contracts, forward currency contacts, and rights. During the fiscal year the plans had the following derivative instrument activity:

Investment Type	Notional Amount	Changes in Fair Value	Classification	Fair Value at June 30, 2016
Rights	-	(177)	Common Stock	-
Warrants	2,793	-	Common Stock	-
	\$ 2,793	\$ (177)		\$ -

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(5) Interfund Receivables, Payables, and Transfers

Interfund balances for the Primary Government as of June 30, 2016 are as follows:

Due from/to other funds:

Receivable Fund	Payable Fund	<u>Amount</u>
General Fund	Federal and State Aided Programs	\$ 19,500,000
	Capital Projects	93,000,000
	Solid Waste Fund	5,500,000
		\$ 118,000,000

Due from/to other entities:

Receivable Entity	Payable Entity	<u>Amount</u>
Component Unit - Board of Education	Primary Government - Capital Projects Fund	\$ 9,243,989
Component Unit - Memorial Library	Primary Government - Capital Projects Fund	441,749
		\$ 9,685,738
Primary Government - General Fund	Component Unit - Housing Authority	\$ 5,296,161
Primary Government - General Fund	Component Unit - Community Television	450,000
Primary Government - General Fund	Component Unit - Revenue Authority	799,938
Primary Government - General Fund	Component Unit - Board of Education	915,816
Primary Government - General Fund	Component Unit - Memorial Library	156,063
Primary Government - Internal Service Funds	Component Unit - Memorial Library	247,861
		\$ 7,865,839

The balance due to the General Fund from other funds is the result of temporary borrowing to cover cash deficits. Amounts due from component units are related to risk management or other contractual agreements.

Interfund transfers for the Primary Government as of June 30, 2016 are as follows:

Transfers from/to other funds:

Transfers From	Transfers To	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	94,344,167
General Fund	Capital Projects	690,000
		\$ 95,034,167

Transfers are to support contributions to grants and debt service.

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(6) Due From Other Governmental Units

The State owes the Primary Government \$111,550,396 for its share of income tax collections. The other Primary Government amounts are primarily grant-related receivables. A summary of amounts due from other governmental units at June 30, 2016 is listed below:

	<u>State of Maryland</u>	<u>Federal Government</u>	<u>Other Sources</u>	<u>Total</u>
Primary Government	\$ 167,698,119	23,454,611	14,887,768	206,040,498
Component Units:				
Board of Education	9,433,157	20,786,111	25,887,170	56,106,438
Other Component Units	<u>1,271,114</u>	<u>3,407,068</u>	<u>210,331</u>	<u>4,888,513</u>
Total	<u>10,704,271</u>	<u>24,193,179</u>	<u>26,097,501</u>	<u>60,994,951</u>
Total Reporting Entity	<u>\$ 178,402,390</u>	<u>47,647,790</u>	<u>40,985,269</u>	<u>267,035,449</u>

(7) Capital Assets

(a) Governmental Activities

Changes in capital assets during fiscal year 2016 were as follows:

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Disposals and Completed Construction</u>	<u>Balance June 30, 2016</u>
Primary Government:				
Capital assets, not being depreciated:				
Land	\$ 97,964,238	5,143,333	-	103,107,571
Construction in progress	<u>88,339,803</u>	<u>70,369,703</u>	<u>61,294,042</u>	<u>97,415,464</u>
Total capital assets, not being depreciated:	<u>186,304,041</u>	<u>75,513,036</u>	<u>61,294,042</u>	<u>200,523,035</u>
Capital assets, being depreciated:				
Buildings and improvements	594,366,593	9,026,045	-	603,392,638
Equipment	185,490,731	20,831,818	13,272,131	193,050,418
Infrastructure	<u>2,800,456,274</u>	<u>102,638,625</u>	<u>-</u>	<u>2,903,094,899</u>
Total capital assets, being depreciated:	<u>3,580,313,598</u>	<u>132,496,488</u>	<u>13,272,131</u>	<u>3,699,537,955</u>
Less accumulated depreciation for:				
Buildings and improvements	150,507,435	11,772,657	-	162,280,092
Equipment	146,547,062	17,606,576	11,951,790	152,201,848
Infrastructure	<u>1,171,033,918</u>	<u>49,159,157</u>	<u>-</u>	<u>1,220,193,075</u>
Total accumulated depreciation	<u>1,468,088,415</u>	<u>78,538,390</u>	<u>11,951,790</u>	<u>1,534,675,015</u>
Total capital assets being depreciated, net	<u>2,112,225,183</u>	<u>53,958,098</u>	<u>1,320,341</u>	<u>2,164,862,940</u>
Governmental activities capital assets	<u>\$ 2,298,529,224</u>	<u>129,471,134</u>	<u>62,614,383</u>	<u>2,365,385,975</u>

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Depreciation expense was charged to functions/programs of governmental activities as follows:

Governmental Activities:	
General government	\$ 13,076,966
Public safety	13,650,038
Environmental	339,449
Health and Human Services	475,112
Infrastructure and Development	50,862,926
Capital assets being held by internal service funds are charged to the various functions based on their usage of the assets	133,899
Total depreciation expense - governmental activities	\$ 78,538,390

Construction of capital assets in progress for the Primary Government at June 30, 2016, exclusive of Proprietary Fund assets and improvements not capitalized, is as follows:

	<u>Project No.</u>	<u>Expended through</u> <u>June 30, 2016</u>
Training/Administration Headquarters	3.50.0006	\$ 34,101,868
Records Management System	8.31.0001	7,914,701
Contee Road	4.66.0007	5,237,547
Regional Health Center	3.70.0001	393,616
Other public facilities	Various	436,618
Other library projects	Various	19,741,591
Public safety projects	Various	6,758,131
Other road and bridge projects	Various	22,831,392
Total Primary Government		\$ 97,415,464

Prince George's County, Maryland
Notes Financial Statements

(b) Business-type Activities

Changes in capital assets during fiscal year 2016 were as follows:

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Disposals and Completed Construction</u>	<u>Balance June 30, 2016</u>
Capital assets, not being depreciated:				
Land/Land Infrastructure	\$ 27,035,977	8,500	-	27,044,477
Construction in progress	<u>103,097,747</u>	<u>33,131,656</u>	<u>2,709,208</u>	<u>133,520,195</u>
Total capital assets, not being depreciated:	<u>130,133,724</u>	<u>33,140,156</u>	<u>2,709,208</u>	<u>160,564,672</u>
Capital assets, being depreciated:				
Buildings and improvements	34,621,730	-	-	34,621,730
Equipment and vehicles	32,694,812	795,433	7,818,713	25,671,532
Landfill property in service	121,336,027	-	-	121,336,027
Stormwater property in service	<u>195,398,267</u>	<u>2,700,708</u>	<u>-</u>	<u>198,098,975</u>
Total capital assets being depreciated:	<u>384,050,836</u>	<u>3,496,141</u>	<u>7,818,713</u>	<u>379,728,264</u>
Less accumulated depreciation for:				
Buildings and improvements	16,083,891	859,843	-	16,943,734
Equipment and vehicles	24,912,998	4,813,084	7,818,713	21,907,369
Landfill property in service	103,795,160	5,928,243	-	109,723,403
Stormwater property in service	<u>57,482,941</u>	<u>3,436,740</u>	<u>-</u>	<u>60,919,681</u>
Total accumulated depreciation	<u>202,274,990</u>	<u>15,037,910</u>	<u>7,818,713</u>	<u>209,494,187</u>
Total capital assets being depreciated, net	<u>181,775,846</u>	<u>(11,541,769)</u>	<u>-</u>	<u>170,234,077</u>
Business-type activities capital assets	<u>\$ 311,909,570</u>	<u>21,598,386</u>	<u>2,709,208</u>	<u>330,798,749</u>

Depreciation expense was charged to functions / programs of the business-type activities as follows:

Solid Waste Fund	\$ 11,126,883
Stormwater Management Fund	<u>3,911,027</u>
Total depreciation expense - business-type activities	<u>\$ 15,037,910</u>

As of June 30, 2016, construction requisitions outstanding for governmental and proprietary funds of the Primary Government totaled approximately \$9.5 million and \$4.6 million, respectively.

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Changes in capital assets for the Stormwater Management Fund during 2016 were as follows:

	Balance <u>July 1, 2015</u>	Additions	Disposals and <u>Completed Construction</u>	Balance <u>June 30, 2016</u>
Capital assets, not being depreciated:				
Land/Land Infrastructure	\$ 15,729,896	8,500	-	15,738,396
Construction in progress	<u>74,114,070</u>	<u>29,622,860</u>	<u>2,709,208</u>	<u>101,027,722</u>
Total capital assets, not being depreciated:	<u>89,843,966</u>	<u>29,631,360</u>	<u>2,709,208</u>	<u>116,766,118</u>
Capital assets, being depreciated:				
Buildings and improvements	242,525	-	-	242,525
Equipment and vehicles	4,085,871	-	47,289	4,038,582
Stormwater property in service	<u>195,398,267</u>	<u>2,700,708</u>	<u>-</u>	<u>198,098,975</u>
Total capital assets being depreciated:	<u>199,726,663</u>	<u>2,700,708</u>	<u>47,289</u>	<u>202,380,082</u>
Less accumulated depreciation for:				
Buildings and improvements	242,525	-	-	242,525
Equipment and vehicles	3,343,235	474,287	47,289	3,770,233
Stormwater property in service	<u>57,482,941</u>	<u>3,436,740</u>	<u>-</u>	<u>60,919,681</u>
Total accumulated depreciation	<u>61,068,701</u>	<u>3,911,027</u>	<u>47,289</u>	<u>64,932,439</u>
Total capital assets being depreciated, net	<u>138,657,962</u>	<u>(1,210,319)</u>	<u>-</u>	<u>137,447,643</u>
Stormwater Management Fund capital assets	<u>\$ 228,501,928</u>	<u>28,421,041</u>	<u>2,709,208</u>	<u>254,213,761</u>

Changes in capital assets for the Solid Waste Fund during 2016 were as follows:

	Balance <u>July 1, 2015</u>	Additions	Disposals and <u>Completed Construction</u>	Balance <u>June 30, 2016</u>
Capital assets, not being depreciated:				
Land	\$ 11,306,081	-	-	11,306,081
Construction in progress	<u>28,983,677</u>	<u>3,508,796</u>	<u>-</u>	<u>32,492,473</u>
Total capital assets, not being depreciated:	<u>40,289,758</u>	<u>3,508,796</u>	<u>-</u>	<u>43,798,554</u>
Capital assets, being depreciated:				
Buildings and improvements	34,379,205	-	-	34,379,205
Equipment and vehicles	28,608,941	795,433	7,771,424	21,632,950
Landfill property in service	<u>121,336,027</u>	<u>-</u>	<u>-</u>	<u>121,336,027</u>
Total capital assets being depreciated:	<u>184,324,173</u>	<u>795,433</u>	<u>7,771,424</u>	<u>177,348,182</u>
Less accumulated depreciation for:				
Buildings and improvements	15,841,366	859,843	-	16,701,209
Equipment and vehicles	21,569,763	4,338,797	7,771,424	18,137,136
Landfill property in service	<u>103,795,160</u>	<u>5,928,243</u>	<u>-</u>	<u>109,723,403</u>
Total accumulated depreciation	<u>141,206,289</u>	<u>11,126,883</u>	<u>7,771,424</u>	<u>144,561,748</u>
Total capital assets being depreciated, net	<u>43,117,884</u>	<u>(10,331,450)</u>	<u>-</u>	<u>32,786,434</u>
Solid Waste Fund capital assets	<u>\$ 83,407,642</u>	<u>(6,822,654)</u>	<u>-</u>	<u>76,584,988</u>

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Construction in progress in the enterprise funds as of June 30, 2016 consists of the following:

Primary Government - Business-type Activities:

o Stormwater Management Enterprise Fund		
- Stormdrain Relief Program (5.54.0005)	\$	16,095,479
- Water Quality Control Facility (5.54.0006)		718,190
- Anacostia Retrofit (5.54.0008)		3,378,277
- Street Tree Removal & REplacement (5.66.0001)		726,744
- Stormwater Management Restoration (5.66.0002)		15,788,404
- Watershed Implementation Plan II (5.54.0017)		10,688,366
- Major Reconstruction – DPWT (5.54.0011)		28,839,762
- Clean Water Partnership/NPDES (5.54.0018)		7,040,697
- COE Anacostia Restoration (5.54.0012)		5,320,946
- MS4/NPDES Compliance & Restoration (5.54.0019)		1,524,807
- Bladensburg Environmental Revitalization (5.54.0013)		6,866,210
- Other miscellaneous projects		4,039,840
		<u>101,027,722</u>
o Solid Waste Enterprise Fund		
- Brown Station Landfill Expansion (5.54.0001)		12,595,989
- Rural Convenience Center (5.54.0002)		318,703
- Sandy Hill Landfill Expansion (5.54.0003)		18,668,222
- Commercial Manufacturer/Waste Transfer Station (5.54.0004)		909,559
		<u>32,492,473</u>
Total Primary Government - Business-type Activities	\$	<u>133,520,195</u>

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(c) Component Units Capital Assets Activity

Changes in Board of Education capital assets during fiscal year 2016 were as follows:

	Balance <u>July 1, 2015</u>	<u>Additions</u>	Disposals and <u>Completed Construction</u>	Balance <u>June 30, 2016</u>
Capital assets, not being depreciated:				
Land	\$ 23,619,039	-	-	23,619,039
Construction in progress	66,325,569	77,285,179	27,369,430	116,241,318
Total capital assets, not being depreciated:	<u>89,944,608</u>	<u>77,285,179</u>	<u>27,369,430</u>	<u>139,860,357</u>
Capital assets, being depreciated:				
Buildings and improvements	1,785,622,558	31,991,347	264,242	1,817,349,663
Equipment and vehicles	185,356,349	18,440,399	12,539,856	191,256,892
Total capital assets, being depreciated:	<u>1,970,978,907</u>	<u>50,431,746</u>	<u>12,804,098</u>	<u>2,008,606,555</u>
Less accumulated depreciation for:				
Buildings and improvements	707,339,801	52,150,904	192,109	759,298,596
Equipment and vehicles	95,856,497	14,677,186	12,193,182	98,340,501
Total accumulated depreciation	<u>803,196,298</u>	<u>66,828,090</u>	<u>12,385,291</u>	<u>857,639,097</u>
Total capital assets being, depreciated, net	<u>1,167,782,609</u>	<u>(16,396,344)</u>	<u>48,807</u>	<u>1,150,967,458</u>
Component units - Board of Education capital assets	<u>\$ 1,257,727,217</u>	<u>60,888,835</u>	<u>27,788,237</u>	<u>1,290,827,815</u>

Changes in other component units' capital assets during fiscal year 2016 were as follows:

	Balance <u>July 1, 2015</u>	<u>Additions</u>	Disposals and <u>Completed Construction</u>	Balance <u>June 30, 2016</u>
Capital assets, not being depreciated:				
Land (restated)	\$ 67,416,895	6,307,431	3,983,176	69,741,150
Construction in progress	21,372,220	19,724,766	18,172,345	22,924,641
Total capital assets, not being depreciated:	<u>88,789,115</u>	<u>26,032,197</u>	<u>22,155,521</u>	<u>92,665,791</u>
Capital assets, being depreciated:				
Buildings and improvements	275,832,612	18,715,765	332,772	294,215,605
Equipment and vehicles	57,693,956	2,885,152	2,868,177	57,710,931
Total capital assets, being depreciated:	<u>333,526,568</u>	<u>21,600,917</u>	<u>3,200,949</u>	<u>351,926,536</u>
Less accumulated depreciation for:				
Buildings and improvements	105,142,917	8,790,709	88,601	113,845,025
Equipment and vehicles	38,642,977	6,641,037	2,852,535	42,431,479
Total accumulated depreciation	<u>143,785,894</u>	<u>15,431,746</u>	<u>2,941,136</u>	<u>156,276,504</u>
Total capital assets being, depreciated, net	<u>189,740,674</u>	<u>6,169,171</u>	<u>259,813</u>	<u>195,650,032</u>
Other component units - capital assets	<u>\$ 278,529,789</u>	<u>32,201,368</u>	<u>22,415,334</u>	<u>288,315,823</u>

Prince George's County, Maryland
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(8) Risk Management

Details of estimated liabilities on pending claims, by fund, at June 30, 2016 are as follows:

	Risk Management <u>Pools</u>	Other <u>Self-Insurance</u>	<u>Total</u>
Primary Government:			
Internal Service Funds:			
Unemployment Compensation	\$ -	\$ 132,898	\$ 132,898
Property Loss	573,195	-	573,195
Automobile Liability	2,601,442	-	2,601,442
Workers' Compensation	141,281,054	-	141,281,054
General Liability	16,515,446	-	16,515,446
Life and Health Benefits	-	13,787,971	13,787,971
Total Primary Government	<u>\$ 160,971,137</u>	<u>\$ 13,920,869</u>	<u>\$ 174,892,006</u>

The Primary Government, together with the Board of Education, the Board of Trustees for Prince George's Community College, and the Board of Trustees of Prince George's County Memorial Library are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains various pooled risk management Internal Service Funds (comprised of the above mentioned members) to account for and finance its uninsured losses. Under this program, the County is an approved self-insurer by the State of Maryland, and as such, is subject to provide coverage according to State mandatory limits of \$500,000 per injury. Property coverage is self-insured for \$250,000 per incident with excess insurance above this level provided by American International Group, Inc. (AIG), which includes replacement values of both structures and contents. Liability coverage is self-insured. The County has a liability limit under the State Tort Claims Act of \$400,000 per person not to exceed \$800,000 per incident for all participants with the exception of the Board of Education, which retains immunity at \$400,000 per incident. These limits do not apply to claims brought under Federal jurisdiction.

Participants of the risk management pools normally make contributions based upon prior experience with evaluations conducted annually by an actuary. In fiscal year 2016, the Primary Government made contributions amounting to \$36,378,421. The actuarially computed claims liability has been discounted at a rate of .5 percent, based on the pool's investment yield rate and current economic conditions. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

The total claims liability of \$160,971,137 reported for the risk management pools at June 30, 2016 is based upon the requirements of GAAP, which requires that a liability for claims be recognized if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated, including claims incurred but not reported. The liability estimates are supported by an independent actuarial review made as of June 30, 2016. The funds do not utilize annuity contracts from commercial insurers; therefore, all known liabilities have been disclosed during this reporting period. Changes in the funds' claims liability amounts in fiscal years 2015 and 2016 were as follows:

	Balance at Beginning <u>of Fiscal Year</u>	Current Year Claims and <u>Changes in Estimates</u>	<u>Claim Payments</u>	Balance at End <u>of Fiscal Year</u>
Fiscal year 2015	\$134,339,582	56,684,617	(45,323,393)	145,700,806
Fiscal year 2016	\$145,700,806	59,186,751	(43,916,420)	160,971,137

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The following is a summary of the fiscal year 2016 claims expense by fund:

	<u>Total Claim Payments</u>	<u>Liability on Pending Claims Adjustment</u>	<u>Total Claims Expenses</u>
Property Loss Fund	\$ 82,891	\$ 133,429	\$ 216,320
Auto Liability Fund	1,594,222	(220,507)	1,373,715
Workers' Compensation Fund	38,822,004	9,285,390	48,107,394
General Liability Fund	<u>3,417,303</u>	<u>6,072,019</u>	<u>9,489,322</u>
	<u>\$ 43,916,420</u>	<u>\$ 15,270,331</u>	<u>\$ 59,186,751</u>

The Primary Government maintains separate Internal Service Funds for unemployment compensation and life and health benefits. An independent actuary is not involved in evaluating contribution levels and estimated claims for the Unemployment Compensation or Life and Health Benefits Internal Service Funds. Changes in these funds' claims liability amount in fiscal years 2015 and 2016 were as follows:

	<u>Balance at Beginning of Fiscal Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Fiscal Year</u>
Fiscal year 2015	\$12,334,369	51,659,526	(51,198,334)	12,795,561
Fiscal year 2016	\$12,795,561	56,686,500	(55,561,192)	13,920,869

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(9) Pension Plans

(a) Primary Government

Employees of the Primary Government participate in the following pension plans:

The majority of employees participate in the statewide local government retirement system pension plan listed below. It is a cost-sharing, multiple-employer, defined benefit pension plan administered by the Maryland State Retirement and Pension System (MSRPS)], in accordance with Article 73B of the annotated Code of Maryland.

- Employees Retirement and Pension System of Maryland

Public safety employees of the Primary Government may participate in the following single-employer, defined benefit pension plans:

- Police Pension Plan
- Fire Service Pension Plan
- Deputy Sheriffs' Comprehensive Pension Plan
- Correctional Officers' Comprehensive Pension Plan

Qualified employees can also supplement the State Retirement and Pension System plan with one of the following single-employer, defined benefit "Supplemental Plans":

- Deputy Sheriffs' Supplemental Pension Plan
- Correctional Officers' Association Supplemental Pension Plan
- AFSCME Local 241 (Crossing Guards) Supplemental Pension Plan
- AFSCME Local 2462, and 2735 Supplemental Pension Plan
- General Schedule Employees Supplemental Pension Plan
- Fire Civilian Supplemental Pension Plan
- Police Civilian Supplemental Pension Plan

(i) Plans Administered by the State Retirement and Pension System of Maryland (MSRPS) - [Multiple-employer, Cost-sharing, Defined Benefit Pension Plans]

Qualified full-time and permanent part-time general service employees and officers of the Primary Government participate in the statewide Retirement System or Pension System plans administered by the MSRPS. Effective June 1, 1984, employees who were members of a Retirement System on December 31, 1979, could elect to join a Pension System or remain in a Retirement System. All employees hired on or after January 1, 1980, are required to join the Pension System. All MSRPS plans have provisions for early retirement, death, and disability benefits.

Article 73B of the Annotated Code of Maryland assigns the authority to establish and amend benefit and contribution provisions to SRPS' Board of Trustees. MSRPS issues a publicly available financial report that includes financial statements and required supplementary information on the Plans. Requests for copies of annual financial reports should be addressed to MSRPS' administrative offices located at 120 East Baltimore Street, Baltimore, Maryland 21202, or can be made by telephoning (410) 625-5555 or 1-800-492-5909.

Participants of the Pension System plan contribute 5% of earnings above the Social Security wage base and may retire with full benefits after 30 years of service regardless of age or at age 62 or older with specified years of service. Retirement benefits are based on the participant's highest average annual compensation during any 3 consecutive years of credited service.

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Participants of the Retirement System plan contribute 7% of annual compensation and upon retirement are entitled to unlimited cost-of-living adjustments, or contribute 5% of annual compensation and upon retiring are limited to 5% cost-of living increases annually. Retirement System participants may retire with full benefits after attaining age 60, or after completing 30 years of service, regardless of age. Annual retirement benefits are equal to 1/55 of the average of the participant's three highest years of annual compensation, multiplied by the number of years of credited service. The Primary Government made the actuarially required contributions of \$15,745,854 for fiscal year 2015

(ii) Police, Fire Service, Deputy Sheriff's, Correctional Officers', and Supplemental Pension Plans [Single-Employer, Defined Benefit Pension Plans]

Plan Descriptions

The Primary Government has adopted the Police Pension Plan, Fire Service Pension Plan, Deputy Sheriff's Comprehensive Pension Plan, Correctional Officers' Comprehensive Pension Plan, Deputy Sheriff's Supplemental Pension Plan, Correctional Officers' Association Supplemental Pension Plan, AFSCME Local 241 (Crossing Guards) Supplemental Pension Plan, AFSCME Locals 1691, 2462, and 2735 Supplemental Pension Plan, General Schedule Employees Supplemental Pension Plan, Fire Civilian Supplemental Pension Plan, and Police Civilian Supplemental Pension Plan. The Pension Plans provide retirement and disability benefits for all full-time employees. Administrative, investment, and member benefit service responsibilities are provided by a separate Board of Trustees for each Plan. Such Trustees have the authority to amend benefit provisions and contribution requirements. Currently, each Plan has the same Retirement Administrator, who is an employee of the Primary Government.

Normal retirement is at age 55 or after 20 years of service for firefighters, paramedics, deputy sheriffs and correctional officers under the Comprehensive Plans. Police officers hired after June 30, 2016 are eligible to retired with 25 years of services. For AFSCME Local 241 (Crossing Guards), AFSCME Locals 2462 and 2735, general schedule employees, and deputy sheriff's under the supplemental plan, normal retirement age is the earliest of age 62 with 5 years of service, age 55 with 15 years of service, any age with 30 years of service, or 25 years of service for deputy sheriff's. For correctional officers under the supplemental plan, normal retirement is the earliest of age 60 or 25 years of County service. Retirement benefits are calculated as a percentage of average compensation, with such percentage determined by length of credited service up to a maximum of 85% for 30 years of service for police officers, firefighters, paramedics, deputy sheriffs, and correctional officers under the Comprehensive Plans. For general schedule, fire civilian employees, AFSCME Locals 2462, and 2735, and police civilian employees the maximum retirement benefit is 30% for 30 years of service, 22.5% for 30 years of service for AFSCME Local 241 (crossing guards), 36% for 30 years of service for deputy sheriff's, and 38.75% for 30 years of service for correctional officers under the Supplemental Plans.

The Pension Plans are classified by the Primary Government as Pension Trust Funds and separate financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenue in the period in which employee services are performed and expenses, benefits, and refunds are recognized when corresponding liabilities are incurred, regardless of when payment is made. Investments of the pension funds, represented by equity in pooled pension trust funds and cash and investments are carried at market value (or at a fair value when a quoted market value is not available) as reported by the investment managers. Complete separate financial statements may be obtained at the following address: Prince George's County Office of Personnel, 1400 McCormick Drive, Room 110, Largo, Maryland 20774.

Funding Policy

Contributions to the Plans for 2016 were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of July 1, 2015. The Primary Government's fiscal year 2016 total payroll was \$521,314,755. Employee contribution rates are determined by collective-bargaining agreements or by the Board of Trustees for each Plan. Participant contributions are included in the plan assets and are 100% vested with the employee. Upon termination of employment, a participant may elect to receive a refund of contributions; if there has been at least five years of credited service, the participant may instead elect a retirement annuity upon attaining retirement age. Participants begin vesting in employer contributions after 5 years of credited service.

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The contribution rates as a percentage of covered payrolls during fiscal year 2016 were as follows:

	<u>July 1, 2015 to June 30, 2016</u>	
	<u>Employee</u>	<u>Employer</u>
	<u>Rates</u>	<u>Rates</u>
Comprehensive Plans:		
Police	6.00%	50.19%
Fire Service	6.00	63.62
Deputy Sheriff's	10.00	45.17
Correctional Officers'	12.00	36.53
Supplemental Plans:		
Deputy Sheriff's	5.20	\$ 846,400 *
Correctional Officers'	5.75	42.78%
Crossing Guards	4.17	5.31
AFSCME	1.43	6.49
General Schedule	3.23	7.20
Fire Civilian	4.62	11.89
Police Civilian	3.76	4.86

For the Police Pension Plan, officers hired on or before July 1, 2013, contribute 9% for the first five years, 8% for the second five years and 6% thereafter. Officers hired after July 1, 2013, contribute 9% of pay. For the Fire Service Pension Plan, members hired before July 1, 2008, contribute 6% of basic compensation and members hired on or after July 1, 2008, contribute 10% of basic compensation. For the Deputy Sheriffs' Pension Plan, 10% of base pay (11% of base pay for employees hired on or after July 1, 2005). For the correctional Officers Pension Plan, 12% of base pay (13% of base pay for officers hired on or after July 1, 1995).

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions

At June 30, 2016 the County reported a liability of \$151,482,409 for its proportionate share of the net pension liability of the MSRPS. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. As of June 30, 2015, the County's proportionate share was 0.729%.

At June 30, 2016 the County reported a liability of \$1,383,164,373 for its other County Plans. The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of July 1, 2015. The total pension liability was rolled forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles.

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For fiscal year ended June 30, 2016, the County recognized pension expense of \$205,690,493.

	<u>Net Pension Liability</u>	<u>Pension Expense</u>
Proportionate share of MSRPS	\$ 1,148,409	\$ 17,351,002
County Plans		
Comprehensive Plans:		
Police	678,844,485	91,389,879
Fire Service	420,064,072	55,937,063
Deputy Sheriff's	65,222,771	9,193,132
Correctional Officers'	113,243,845	14,787,162
Supplemental Plans:		
Deputy Sheriff's	5,537,094	388,318
Correctional Officers'	1,913,593	913,552
Crossing Guards	589,687	77,642
AFSCME	20,841,084	4,500,371
General Schedule	63,090,783	9,325,576
Fire Civilian	5,058,894	572,778
Police Civilian	8,758,065	1,254,018
Total	<u>\$ 1,534,646,782</u>	<u>\$ 205,690,493</u>

The County's change in total pension liability, plan fiduciary net position and net pension liability for the year ended June 30, 2016, was as follows:

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	(A)	(B)	(A)-(B)
Balance as of June 30, 2015	\$ 2,908,035	\$ 1,697,174	\$ 1,210,861
Service Cost	71,358	-	71,358
Interest	214,562	-	214,562
Differences between expected and actual experience	2,537	-	2,537
Contributions-employer	-	125,840	(125,840)
Contributions-employee	-	22,429	(22,429)
Net Investment	-	(30,061)	30,061
Benefit Payments, including refunds of employee contributions	(167,513)	(167,513)	-
Administrative expenses	-	(2,054)	2,054
Balance as of June 30, 2016	<u>\$ 3,028,979</u>	<u>\$ 1,645,815</u>	<u>\$ 1,383,164</u>

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At June 30, 2016 the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes in assumptions		
Proportionate share of MSRPS	\$ 11,415,087	-
Changes in proportions		
Proportionate share of MSRPS	4,667,283	
Difference between expected and actuarial experience		
Comprehensive Plans:		
Proportionate share of MSRPS	1,758,422	3,102,229
Police	4,729,592	8,761,341
Fire Service	16,171,906	-
Deputy Sheriff's	1,568,414	315,589
Correctional Officers'	5,455,632	-
Supplemental Plans:		
Crossing Guards	-	38,048
AFSCME	-	2,270,835
General Schedule	2,370,292	536,702
Fire Civilian	141,817	84,553
Police Civilian	244,376	-
Net difference between projected and actual earnings on pension plan investments		
Proportionate share of MSRPS	13,342,443	10,140,518
Comprehensive Plans:		
Police	87,558,678	-
Fire Service	39,968,698	-
Deputy Sheriff's	5,463,814	-
Correctional Officers'	10,062,979	-
Supplemental Plans:		
Deputy Sheriff's	336,295	-
Correctional Officers'	692,061	-
Crossing Guards	113,057	-
AFSCME	7,175,717	-
General Schedule	11,223,332	-
Fire Civilian	651,280	-
Police Civilian	1,829,365	-
County contributions subsequent to the measurement		
Proportionate share of MSRPS	13,366,027	-
	\$ 240,276,567	\$ 25,249,815

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The \$13,366,027 reported as deferred outflows of resources related to pensions resulting from the County's contributions will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended			
June 30	MSRPS	Other Plans	Total
2017	\$ 3,472,337	48,877,137	52,349,474
2018	3,472,337	48,877,137	52,349,474
2019	3,472,337	48,899,446	52,371,783
2020	5,575,112	35,276,178	40,851,290
2021	1,948,365	1,082,427	3,030,792
Thereafter	-	707,912	707,912
Total	<u>\$ 17,940,488</u>	<u>183,720,237</u>	<u>201,660,725</u>

Actuarially Assumptions

The total pension liability in the actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	MSRPS Plan		County Plans
Valuation Date	June 30, 2015	Valuation Date	July 1, 2015
Measurement Date	June 30, 2015	Measurement Date	June 30, 2016
Inflation	2.70% general, 3.20% Payroll growth rate	Inflation	2.75% general, 3.00% Payroll growth rate
Salary Increases	3.20% - 9.20%, inflation	Salary Increases	1.00% - 7.00%
Investment Rate of Return	7.55%	Investment Rate of Return	7.50%
Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2006-2010.		Experience-based table of rates that are specific to the type of eligibility condition. Updated for the 2014 valuation pursuant to an experience study of the period 2008-2013.	
RP 2000 Combined Healthy Mortality Table projected to the year 2025		RP 2014 Health Annuitant Mortality Table with rates multiplied by 0.75 for males and 1.10 for females for non-disabled annuitants and 1.00 and 1.35 for disabled annuitants.	
There were no benefit changes during the year. Adjustments to roll forward liabilities were made to reflect the following assumption changes in the 2015 valuation		There were no benefit changes during the year. The total pension liability was rolled forward from the actuarial valuation date to the measurement date.	
Investment rate of return changed from 7.65% to 7.55%			
Inflation assumption changed from 2.9% to 2.7%.			

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The long-term expected rate of return on pension plan investment are determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major class included in the pension plan's target asset allocation are presented in the table below:

MSRPS			Police and Fire Service Plans			Other Comprehensive and Supplemental Plans	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	35.00%	6.30%	Hedge Funds	10.00%	3.50%	10.00%	3.50%
Fixed Income	10.00%	0.60%	Private Equity	10.00%	7.25%	10.00%	7.25%
Credit Opportunity	10.00%	3.20%	Real Assets	10.00%	6.75%	10.00%	6.75%
Real Return	14.00%	1.80%	TIPS	5.00%	0.00%	4.00%	0.00%
Absolute Return	10.00%	4.20%	High Yield	5.00%	3.25%	4.00%	3.25%
Private Equity	10.00%	7.20%	Core/Core Fixed Income	15.00%	12.5%	19.00%	12.5%
Real Estate	10.00%	4.40%	Emerging Market	4.50%	7.50%	4.50%	7.50%
Cash	100%	0.00%	International Developed	18.00%	5.50%	17.00%	5.50%
			Domestic Small Cap	4.50%	4.00%	4.50%	4.00%
			Domestic Large Cap	18.00%	3.75%	17.00%	3.75%

For the year ended June 30, 2015 the money-weighted weight of return on pension plan investments, net of pension plan investment expense, for the MSRPS was 2.71%. For the year ended June 30, 2016 the money-weighted weight of return on pension plan investments, net of pension plan investment expense, for the Police, Fire Service, and Other Comprehensive and Supplemental Plans was -2.66%, -2.59%, and -0.59% respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

Single discount rates of 7.55% and 7.5% were used to measure the total pension liability for the MSRPS and Other County Plans, respectively. The single discount rate was based on the expected rate of return on pension plan investments of 7.55 and 7.5%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Sensitivity of the Net Pension Liability

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using single discount rate that is 1-percent-point lower or 1-percentage-point higher:

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

Plan	Current Single Discount Rate (SDR) Assumption	1% Decrease	SDR	1% Increase
MSRPS	7.55%	\$ 214,097,154	\$ 151,482,409	\$ 99,562,307
Police	7.50%	861,545,613	678,844,485	526,925,130
Fire Service	7.50%	516,908,983	420,064,072	339,569,444
Deputy Sheriffs' Comprehensive	7.50%	80,339,151	65,222,771	52,583,874
Correctional Officers' Comprehensive	7.50%	141,988,592	113,243,845	89,336,112
Deputy Sheriffs' Supplemental	7.50%	6,419,976	5,537,094	4,782,317
Correctional Officers' Supplemental	7.50%	2,980,994	1,913,593	1,007,212
Crossing Guards	7.50%	763,488	589,687	436,983
AFSCME	7.50%	32,405,111	20,841,084	11,024,032
General Schedule	7.50%	83,320,844	63,090,783	45,847,857
Fire Civilian	7.50%	6,405,469	5,058,894	3,909,991
Police Civilian	7.50%	12,410,587	8,758,065	5,704,084
		\$ 1,959,585,962	\$ 1,534,646,782	\$ 1,180,689,343

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's net position is available in the separately issued financial reports. The MSRPS plan may be obtained on the Internet at <http://www.sra.maryland.gov/Agency/Downloads/CAFR/>; by writing to the MSRPS at 120 East Baltimore Street, Baltimore, Maryland 21202; or by calling (410)- 625-5555 or 1-800-492-5909. The County's other reports may be obtained by contain the Prince George's County Office of Personnel at 1400 McCormick Drive, Room 110, Largo, Maryland 20774.

(b) Component Units

Generally, all employees of the Board of Education, the Housing Authority, the Community College, the Memorial Library, and certain employees of the PGCT participate in one of the statewide Employee's Retirement and Pension Systems or Teacher's Retirement and Pension Systems. Information covering the Housing Authority and PGCT is included with the Primary Government because those individuals are also employees of the Primary Government. Separate financial statements prepared for the Board of Education, Memorial Library, and Community College, are available to the general public [see note 1(a)], and reflect detailed information relevant to their participation in MSRPS. Review of these financial statements indicates the Component Units individually met the actuarially determined contribution requirements for fiscal years 2016, 2015, and 2014. Additional MSRPS information is included in the table below:

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	Board of Education	Community College	Memorial Library
Proportionate share of MSRPS	0.83300%	0.02080%	0.00787%
Net Pension Liability	\$ 183,391,231	\$ 4,331,013	\$ 2,213,082
Pension Expense	7,417,252	539,502	547,750
Deferred Outflows	56,011,693	1,431,947	527,032
Deferred Inflows	3,755,694	353,175	167,712

The State of Maryland is required to contribute certain amounts to the Teacher's Retirement and Pension Systems on behalf of the Board of Education, Community College, and Memorial Library. Such contributions, made by the State on behalf of these Component Units during fiscal year 2016 amounted to \$99,337,099, \$5,068,307 and \$1,944,490, respectively, and are reflected in the Component Units' financial statements.

In addition to the statewide plans mentioned above, the Community College also offers to its employees two single-employer, defined contribution pension plans. The State of Maryland made "on behalf" employer contributions totaling \$857,411 to these plans during fiscal year 2016. The Revenue Authority established a single-employer, defined contribution pension plan for its employees on July 1, 1987. Detailed information concerning these plans may also be obtained from the separately issued financial reports of these Component Units.

(10) Postemployment Benefits Other Than Pensions

(a) Plan Description

In addition to providing pension plan benefits, the County also extends certain health care and life insurance benefits to retired persons (the Plan). The legal authority for providing these benefits was established by the County Council, Executive Orders 42-1980 and 43A-1980, "Continuation of Life and Health Benefits at Retirement", and certain collective bargaining agreements form the legal basis for providing such benefits to retirees of the Primary Government. The Plan is a single employer defined benefit health care plan. Effective June 25, 2008, the County established the Prince George's County, Maryland Non-Pension Post Employment Benefits Trust Fund to hold all contributions made by the County together with any income, gains or profits and taking into account any losses. A description of the types of benefits and eligibility requirements is summarized below:

Medical Insurance

- All State Retirement and Pension System of Maryland, Police, Fire Service, Correctional Officers' Comprehensive, and Deputy Sheriffs' Comprehensive Pension Plan retirees who are enrolled in a qualified plan at the time of retirement may continue this benefit.

Life Insurance

- Reduced coverage is available to all State Retirement and Pension System of Maryland, Police, Fire Service, Correctional Officers' Comprehensive, and Deputy Sheriffs' Comprehensive Pension Plan retirees.

Vision Care and Prescription Drug Insurance

- The County pays premium costs of this benefit for Police, Fire Service, Correctional Officers' Comprehensive, and Deputy Sheriffs' Comprehensive Plan retirees. State Retirement and Pension System of Maryland retirees pay 100% of the monthly cost for vision care and 75% for prescription insurance. The County pays the remaining 25% of prescription coverage.

The Plan is classified by the Primary Government as a Trust Fund and separate financial statements are prepared using the accrual basis of accounting. Complete separate financial statements may be obtained at the following address: Prince George's County Office of Personnel, 1400 McCormick Drive, Room 110, Largo, Maryland 20774.

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(b) Funding Policy

The County negotiates the contribution percentages between the County and the plan members through union contracts and personnel policy. A non-public safety and public safety retiree pays the same percentage of the premium contribution for the HMOs (20%), POS/PPO (25%), and dental (100%) plans. Non-public safety retirees pay 10% to 100% of the premium cost for each of the prescription and vision plans; whereas, the public safety retirees pay 1% to 10% of the premium contribution for each of the same two plans. The public safety group bargained these premium contributions for the retirees of this group during prior bargaining negotiations. The premium contribution share outlined above applies to a retiree who qualifies for retirement under their specified pension plan and is enrolled in the plans at the time of retirement. The County contribution is based on projected pay-as-you-go financing requirements with an additional amount to prefund benefits as approved in the annual budget. The County contributed \$30.6 million, during fiscal year 2016 for current employer premiums (approximately 68% of total premium contributions). Plan members contributed \$13.2 million (approximately 29% of total premium contributions) to the OPEB Plan.

(c) Annual Other Postemployment Benefit (OPEB) Costs

Annual OPEB costs (AOC) are the actuarially determined annual required contribution (ARC) to the OPEB plan. The net OPEB obligation (NOPEBO) represents the difference between the AOC and the actual employer contributions. The County's AOC for fiscal year 2016 was \$125.6 million. Actual contributions for the fiscal year were \$31.8 million. The resulting NOPEBO of \$93.8 million along with the \$464.9 million NOPEBO from fiscal year 2015, results in a total NOPEBO at the end of the year of \$558.7 million. Three-year trend information for the County's AOC, percentage of AOC contributed to the plan, and net NOPEBO are as follows (in thousands):

Year Ended <u>June 30</u>	NOPEBO <u>beginning of year</u>	Annual OPEB Cost (AOC)				Decrease in NOPEBO	NOPEBO <u>end of year</u>	Percentage of AOC Contributed
		ARC	Interest	Adjustment	Total			
2016	\$ 464,906	125,978	16,936	(17,287)	125,627	(31,785)	558,748	25%
2015	\$ 378,336	119,906	13,242	(13,517)	119,631	(33,061)	464,906	28%
2014	270,753	143,837	10,803	(10,320)	144,320	(36,737)	378,336	25%

(d) Funding Status and Funding Progress

The following is the funded status for the OPEB plan as of July 1, 2014, the most recent actuarial valuation date:

Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered payroll
<u>(a)</u>	<u>(b)</u>	<u>(b-a)</u>	<u>(a/b)</u>	<u>(c)</u>	<u>((b-a)/c)</u>
\$ 48,140	\$ 1,651,196	\$ 1,603,056	2.92%	\$ 524,603	305.58%

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(e) Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits costs between employers and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The actuarial assumptions used in the latest valuation are as follows:

Actuarial valuation date	07/01/2014
Actuarial cost method	Projected unit credit cost method
Inflation rate	2.75%
Discount rate	3.5% which is based on paygo funding
Health care trends	
Medical Pre-65	8.5% in 2013 with annual decrease of 0.375% through 2022, 0.125% decrease in 2023, and remain at 5% annually thereafter
Medical 65 +	7% in 2013 with annual decrease of 0.25% through 2020, and remain at 5% annually thereafter
Prescription	8% in 2013 with annual decrease of 0.375% through 2021, and remain at 5% annually thereafter
Vision and administrative expenses	4%
Amortization method	Level percent of payroll, open
Remaining amortization period	30 years

Actuarial valuations of the OPEB Plan involve estimates of the value of reported amounts and assumptions about the probability of future events. Actuarially determined amounts are subject to revisions as actual results are compared to past expectations and new estimates are made about the future.

The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

(f) Component Units

The Housing Authority and the Memorial Library participate in the County's retiree life and health insurance benefit plan. Fiscal year 2016 employer contributions to the Plan by the Housing Authority and the Memorial Library were \$87,000 and \$337,793, respectively. The Board of Education and the Community College operate separate retiree benefit plans. The Board of Education paid employer contribution of \$111.1 million and recognized a NOPEBO of \$1.25 billion in fiscal year 2015. The Community College contributed \$4.4 million in employer contribution with an NOPEBO of \$1.3 million. Separate financial statements prepared for the Board of Education, Housing Authority, Memorial Library, and Community College, are available to the general public [see note 1(a)], and reflect detailed information relevant to their OPEB plans.

(g) Other Benefits - LOSAP

In 1974, the County created the Length of Service Awards Program (LOSAP). LOSAP provides 597 annuities to former volunteer members of the County's fire companies or rescue squads who met certain age and service criteria. Benefits totaling \$3,414,198 in fiscal year 2016 also include survivor annuities and lump-sum death benefits and are reported in the Primary Government's General Fund, on a "pay-as-you-go" basis. The most recent actuarial review was performed as of July 1, 2006. If the County were to implement an advance funding program, the estimated contribution beginning with fiscal year 2008 would be approximately \$1.8 million. The unfunded liability of approximately \$21.1 million as of July 1, 2006, was projected to be funded over 30 years.

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(11) Unavailable and Unearned Revenue

Unavailable revenue reported in the General and other Governmental Funds represents tax billings and other receivables not available at June 30, 2016 for funding of current operations. These amounts are reported as a deferred inflow of resources in the governmental funds. Unearned revenue in the Federal and State Aided Programs Fund represents the unexpended portion of funds received for various grants and unrealized revenue relating to notes receivable arising from the sale of property. The Enterprise Funds' unearned revenue represents billings or receipts for future services collected in advance. Unearned revenue in the Internal Service funds is a combination of premiums paid in advance for life and health benefits, and accumulated premium contributions of component units in excess of related risk management expenses. Unearned revenue reported in the Government-wide statements represents billings and receivables collected in advance related to items such as property tax deferrals and grant programs. The following is a summary of all primary government deferred and unearned revenue as of June 30, 2016:

	Unavailable	Unearned	Total
General Fund			
Income Taxes Receivable	\$ 59,074,723	\$ -	\$ 59,074,723
Property Taxes Receivable	4,377,598	-	4,377,598
Notes Receivable	-	<u>15,418,089</u>	<u>15,418,089</u>
Subtotal	<u>63,452,321</u>	<u>15,418,089</u>	<u>78,870,410</u>
Federal And State Aided Programs			
Grant Drawdowns in Excess of Expenditures	-	46,017,671	46,017,671
Internal Service Funds			
Receipt of Revenue prior to Service Provided	-	8,126,262	8,126,262
	<u>\$ 63,452,321</u>	<u>\$ 69,562,022</u>	<u>\$ 133,014,343</u>

12) Deferred Compensation Plans

The County offers its employees various Deferred Compensation Plans, which have been created in accordance with Internal Revenue Code Section 457. The plans permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseen emergency. All assets and income deferred by County plan participants are held in trust for the exclusive benefit of the participants and their beneficiaries and are not reflected in the accompanying financial statements.

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(13) Long-term Liabilities

(a) Outstanding Long-term Liabilities

The following is a summary of all primary government outstanding long-term liabilities as of June 30, 2016:

	Governmental Activities		Business-type Activities		Total		Total
	Amounts Due Within One Year	Amounts Due in More Than One Year	Amounts Due Within One Year	More Than One Year	Amounts Due Within One Year	Amounts Due in More Than One Year	
Bonds payable							
General obligation bonds	\$ 92,905,000	1,193,963,805	9,800,000	178,032,633	102,705,000	1,371,996,438	1,474,701,438
Bond premium	-	122,925,719	-	-	-	122,925,719	122,925,719
Total bonds payable	92,905,000	1,316,889,524	9,800,000	178,032,633	102,705,000	1,494,922,157	1,597,627,157
Notes payable	10,671,700	55,045,500	5,278	6,475,001	10,676,978	61,520,501	72,197,479
Capital lease obligations	11,508,661	30,453,739	-	-	11,508,661	30,453,739	41,962,400
Estimated liabilities on pending claims	49,469,753	125,422,253	-	-	49,469,753	125,422,253	174,892,006
Compensated absences and termination benefits payable	44,488,186	32,552,834	2,059,514	156,603	46,547,700	32,709,437	79,257,137
Net pension liability	-	1,512,318,094	-	22,328,688	-	1,534,646,782	1,534,646,782
OPEB obligations	-	558,747,985	-	-	-	558,747,985	558,747,985
Landfill closure / postclosure	-	-	1,265,273	75,428,596	1,265,273	75,428,596	76,693,869
Other long-term liabilities	116,138,300	2,314,540,405	3,330,065	104,388,888	119,468,365	2,418,929,293	2,538,397,658
Total long-term liabilities	\$ 209,043,300	3,631,429,929	13,130,065	282,421,521	222,173,365	3,913,851,450	4,136,024,815

(b) Bonded Debt Transactions

The following is a summary of bonded debt transactions of the County for the fiscal year ended June 30, 2016:

	Primary Government				Component Units	Total
	Governmental Activities	Business-type Activities		Total		
		Solid Waste	Stormwater Management			
Bonded debt at July 1, 2015	\$ 1,268,947,000	36,923,000	153,060,000	1,458,930,000	51,585,000	1,510,515,000
Debt issued	165,346,805	3,954,545	4,848,650	174,150,000	-	174,150,000
Debt retired	(89,000,000)	(3,555,000)	(7,460,000)	(100,015,000)	(5,340,000)	(105,355,000)
Debt defeased	(58,425,000)	(2,260,000)	(5,470,000)	(66,155,000)	-	(66,155,000)
Bonded debt (including current portion)						
As of June 30, 2016	1,286,868,805	35,062,545	144,978,650	1,466,910,000	46,245,000	1,513,155,000
Less current portion	(92,905,000)	(1,920,000)	(7,880,000)	(102,705,000)	(5,590,000)	(108,295,000)
Noncurrent portion as of June 30, 2016	\$ 1,193,963,805	33,142,545	137,098,650	1,364,205,000	40,655,000	1,404,860,000

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(c) Debt Service Requirements

The annual requirements to amortize all bonded debt outstanding as of June 30, 2016 are as follows:

Year ended June 30,	Primary Government								Component Units	Total	
	Governmental Activities				Business-type Activities						
	Principal	Interest	Solid Waste		Stormwater Management		Total	Principal			Interest
			Principal	Interest	Principal	Interest					
2017	\$ 92,905,000	50,029,119	1,920,000	1,431,058	7,880,000	6,064,923	160,230,100	5,590,000	2,391,969	168,212,069	
2018	97,765,000	49,039,700	2,100,000	1,409,610	7,970,000	5,762,094	164,046,405	5,865,000	2,123,535	172,034,940	
2019	99,610,000	44,714,032	2,110,000	1,313,385	8,345,000	5,370,594	161,463,011	6,145,000	1,839,554	169,447,565	
2020	101,933,639	40,022,541	2,378,030	1,210,225	8,993,331	4,950,178	159,487,944	2,030,000	1,539,102	163,057,046	
2021	103,421,033	35,223,597	2,370,627	1,099,939	8,978,339	4,514,719	155,608,254	2,125,000	1,436,886	159,170,140	
2022 - 2026	502,944,543	109,158,500	11,709,129	3,878,062	44,396,328	16,474,434	688,560,996	12,225,000	5,301,204	706,087,200	
2027 - 2031	230,912,590	31,148,065	8,951,759	1,605,045	40,450,652	7,841,199	320,909,310	12,265,000	1,538,338	334,712,648	
2032 - 2036	55,817,000	4,041,515	3,393,000	277,535	17,965,000	1,123,175	82,617,225	-	-	82,617,225	
2037	1,560,000	31,200	130,000	2,600	-	-	1,723,800	-	-	1,723,800	
	<u>\$ 1,286,868,805</u>	<u>363,408,270</u>	<u>35,062,545</u>	<u>12,227,458</u>	<u>144,978,650</u>	<u>52,101,317</u>	<u>1,894,647,045</u>	<u>46,245,000</u>	<u>16,170,588</u>	<u>1,957,062,633</u>	

(d) Bonded Debt Details

Details of the County's long-term bonded debt at June 30, 2016 are as follows:

<u>Primary Government:</u>	<u>Interest Rates</u>	<u>Calendar Year Maturity Dates</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Governmental Activities:				
General obligation bonds:				
2003, 2006-2007B, 2008, 2009A, 2009B CPI; 2009A TQSC, 2009B TESC; 2010 A/B; 2011, 2011A/11B, 2013 A/B/C, 2014A/B, 2016A/B	1.615 - 6.05%	2036	\$ 2,022,556,805	\$ 1,286,868,805
Total governmental activities long-term bonded debt			<u>\$ 2,022,556,805</u>	<u>\$ 1,286,868,805</u>

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<u>Business-type Activities:</u>	<u>Interest Rates</u>	<u>Calendar Year Maturity Dates</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
2006, 2007A, 2007B, 2008, 2010 A/B, 2011A/B, 2013 A/B/C, 2014 A, 2016 B stormwater management - general obligation	2.50 - 5.50%	2034	\$ 179,728,650	\$ 144,978,650
2003B, 2005, 2007B, 2008, 2009A and 2009B, 2010A/B, 2011A/B, 2013A/B/C, 2014A/B, 2016 A/B solid waste management system - general	2.50 - 5.50%	2036	<u>\$ 104,697,545</u>	<u>\$ 35,062,545</u>
Total business-type activities long-term bonded debt			<u>\$ 284,426,195</u>	<u>\$ 180,041,195</u>
Total primary government long-term bonded debt			<u>\$ 2,306,983,000</u>	<u>\$ 1,466,910,000</u>
 Component Units:				
Revenue bonds:				
Housing Authority -				
Capital Fund Securitization Revenue Bonds	2.0 - 4.55%	2023	\$ 1,465,000	\$ 690,000
Industrial Development Authority -				
2003A refunding lease revenue	2.0 - 5.125%	2019	27,430,000	12,040,000
2003B subordinated lease revenue	3.5 - 4.75%	2030	22,085,000	14,310,000
2009 taxable lease revenue bonds	0.64 - 6.169%	2030	<u>23,850,000</u>	<u>19,205,000</u>
Total Component Units revenue bonds			<u>\$ 74,830,000</u>	<u>\$ 46,245,000</u>
Total long-term bonded debt			<u>\$ 2,381,813,000</u>	<u>\$ 1,513,155,000</u>

(e) Bond Additions

On June 07, 2016, the Primary Government issued \$115,800,000 of General Obligation Consolidated Public Improvement Bonds, Series 2016A dated June 22, 2016 maturing on July 1 of the years 2017 through 2036. To provide funds for planning, construction, reconstruction, extension, enlargement, demolition, improvement or acquisition of certain capital projects. Of the total \$115,800,000 bonds issued, \$1,965,000 for Solid Waste is reported as business-type activities and the remainder as governmental activities.

(f) Bond Authorizations

The County Charter requires that any borrowing to finance capital projects must be authorized by an enabling act of the General Assembly of Maryland or by an enabling act of the County Council. The County Council is required by the Charter to submit to voter referendum any act enabling the County to borrow money to finance capital projects, except for school construction bonds. In addition, the County Council is required by the Charter to adopt a bond authorization act before bonds may be issued. The amount of bonds enabled and authorized but not yet issued at June 30, 2016 is summarized as follows:

	<u>Enabled Amount</u>	<u>Authorized and Unissued amount</u>
Enabled by authority of the State of Maryland:		
Health	\$ 22,144,000	-
Roads, parking and mass transit	1,025,398,000	220,235,000
Public buildings	692,710,765	117,934,000
Public Safety	<u>634,913,000</u>	<u>105,071,000</u>
	<u>\$ 2,375,165,765</u>	<u>443,240,000</u>

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The legal debt limit and margin at June 30, 2016 were \$5,274,854,558 and \$4,305,972,523 respectively. The County was in compliance with all significant bond covenants at June 30, 2016.

(g) Advance Refunding

On June 07, 2016, the Primary Government issued \$58,350,000 of General Obligation Consolidated Public Improvement Refunding Bonds, Series 2016B, dated June 22, 2016 to advance refund \$66,155,000 of certain maturities of the County's (i) General Obligation Consolidated Public Improvement Bonds, Series 2008, dated June 1, 2008. Of the \$66,155,000 advance refunded bonds, \$7,730,000 (\$2,260,000 for Solid Waste and \$5,470,000 for Stormwater) is reported as business-type activities. The remaining \$58,425,000 Refunded Bonds relate to governmental activities. The net Refunding Bond proceeds of \$71,750,273 were deposited in an irrevocable trust with an escrow agent for purchase of U.S. government securities, together with interest earnings and cash on hand to pay the principal, interest and early redemption premium on all refunded bonds referenced above. The \$66,771 deferred inflow of resources generated by this refunding will be amortized over the remaining life of the refunded debt. The refunding was designed to restructure debt to effect reduction in overall debt service of \$12,000,446 and to net economic present value debt service savings of \$6,053,394.

(h) Prior Period Defeasance of Debt

In prior periods, the County defeased or participated in the defeasance of certain long-term bonded debt. The proceeds of new bonds were placed in an irrevocable trust to provide for future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the County's financial statements. A general description of the defeased debt and the amounts outstanding at June 30, 2016 follows:

- On August 3, 2000, the Primary Government issued \$8,370,000 of Water Quality Refunding Bonds, Series 2000B, dated August 3, 2000 to advance refund \$7,770,000 of certain selected callable maturities of the County's (i) General Obligation Stormwater Management Bonds, Series 1993, dated February 1, 1993, and (ii) Unlimited Tax General Obligation Stormwater Management Bonds, Series 1997, dated June 15, 1997. At June 30, 2016, \$420,000 of the refunded bonds outstanding that mature in fiscal year 2017 are considered defeased.
- On July 15, 2003, the Primary Government issued \$90,585,000 of General Obligation Public Improvement Refunding Bonds, Series 2003B, dated June 15, 2003 to advance refund \$94,935,000 of certain maturities of the County's (i) General Obligation Consolidated Public Improvement Bonds, Series 1994, dated January 15, 1994, (ii) General Obligation Consolidated Public Improvement Bonds, Series 1995, dated May 1, 1995, (iii) General Obligation Consolidated Public Improvement Bonds, Series 1996, dated May 15, 1996, (iv) General Obligation Consolidated Public Improvement Bonds, Series 1997A, dated June 15, 1997. Of the \$94,935,000 advance refunded bonds, \$7,785,000 are bonds of the Solid Waste Enterprise Fund. The remaining \$87,150,000 refunded bonds relate to governmental activities. At June 30, 2016, \$800,000 of the outstanding refunded bonds that mature in the year 2017 are considered defeased.
- On December 15, 2004, the Primary Government issued \$141,130,000 of General Obligation Public Improvement Bonds, 2004 Refunding Series A, B, C, D, E and F, dated December 1, 2004 to advance refund certain portions of the County's (i) General Obligation Consolidated Public Improvement Bonds, Series 1996 (ii) General Obligation Public Improvement Bonds, Series 1997A, (iii) General Obligation Public Improvement Bonds, Series 1998, (iv) General Obligation Public Improvement Bonds, Series 1999, (v) General Obligation Public Improvement Bonds, Series 2000, and (vi) General Obligation Public Improvement Bonds, Series 2001. Of the \$141,170,000 advance refunded bonds, \$8,490,000 are bonds of the Solid Waste Enterprise Funds. The remaining \$132,680,000 Refunded Bonds relate to governmental activities. At June 30, 2016, \$13,340,000 of the refunded bonds outstanding that mature in the years 2017 through 2018 are considered defeased.
- On June 21, 2007, the Primary Government issued \$80,735,000 of General Obligation Consolidated Public Improvement Refunding Bonds, Series 2007B, dated June 1, 2007 to (a) currently refund \$1,600,000 of certain maturities of the County's Unlimited Tax General Obligation Stormwater Management Bonds, Series 1997B and b) advance refund certain portions of the County's (i) Consolidated Public Improvement Bonds, Series 1998, (ii) Consolidated Public Improvement Bonds, Series 1999, (iii) Consolidated Public Improvement Bonds, Series 2000, (iv) Consolidated Public Improvement Bonds, Series 2001, and (v) Consolidated Public Improvement Bonds, Series 2003A. Of the \$80,070,000 advance refunded bonds, \$7,960,000 are bonds of the Stormwater Enterprise Fund, \$2,710,000 are bonds of the Solid Waste Enterprise Fund and the remaining \$69,400,000 refunded bonds relate to governmental activities. At June 30, 2016, \$79,470,000 of the refunded bonds outstanding that mature in the years 2017 through 2024 are considered defeased.

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- On September 15, 2011, the Primary Government issued \$182,375,000 of General Obligation Consolidated Public Improvement Refunding Bonds, Series 2011B, dated September 27, 2011 to advance refund \$201,895,000 of certain maturities of the County's (i) General Obligation Consolidated Public Improvement Bonds, Series 2001, dated November 28, 2001, (ii) General Obligation Consolidated Public Improvement Bonds, Series 2002, dated September 15, 2002, (iii) General Obligation Consolidated Public Improvement Bonds, Series 2003 A, dated June 15, 2003, and (iv) General Obligation Consolidated Public Improvement Bonds, Series 2004, dated June 15, 2004. Of the \$201,895,000 advance refunded bonds, \$7,440,000 (\$4,570,000 for Stormwater and \$2,870,000 for Solid Waste) is reported as business-type activities. The remaining \$194,455,000 Refunded Bonds relate to governmental activities. At June 30, 2016, \$150,830,000 of the refunded bonds outstanding that mature in the years 2017 through 2025 are considered defeased.
- On February 20, 2013, the Primary Government issued \$200,390,000 of General Obligation Consolidated Public Improvement Refunding Bonds, Series 2013B, dated February 5, 2013 to advance refund \$190,055,000 of certain maturities of the County's (i) General Obligation Consolidated Public Improvement Bonds, Series 2005, dated Jul 1, 2005, (ii) General Obligation Consolidated Public Improvement Bonds, Series 2006, dated May 15, 2006, and (iii) General Obligation Consolidated Public Improvement Bonds, Series 2007 A, dated June 1, 2007. Of the \$190,055,000 advance refunded bonds, \$8,865,000 (\$6,765,000 for Stormwater and \$2,100,000 for Solid Waste) is reported as business-type activities. The remaining \$181,190,000 Refunded Bonds relate to governmental activities. At June 30, 2016, \$190,055,000 of the refunded bonds outstanding that mature in the years 2017 through 2028 are considered defeased.
- On September 16, 2014, the Primary Government issued \$28,800,000 of General Obligation Consolidated Public Improvement Refunding Bonds, Series 2014B, dated September 30, 2014 to advance refund \$30,305,000 of certain maturities of the County's (i) General Obligation Consolidated Public Improvement Bonds, 2004 Refunding Series C, dated December 1, 2004, (ii) General Obligation Consolidated Public Improvement Bonds, 2004 Refunding Series D, dated December 1, 2004, and (iii) General Obligation Consolidated Public Improvement Bonds, Refunding Series E, dated December 1, 2004, (iv) General Obligation Consolidated Public Improvement Bonds, 2004 Refunding Series F, dated December 1, 2004. Of the \$30,305,000 advance refunded bonds, \$1,325,000 (\$1,325,000 for Solid Waste) is reported as business-type activities. The remaining \$28,980,000 Refunded Bonds relate to governmental activities. At June 30, 2016, \$13,370,000 of the refunded bonds outstanding that mature in the years 2017 through 2018 are considered defeased.

(14) Conduit Debt Transactions

The County encourages private industry to locate and remain in the County by, among other things, the issuance of tax exempt Economic Development Revenue Bonds, which bear the County's name and benefit the private enterprise. The funds provided from the sale of such debt are used for the public interest, such as for hospital construction or expansion of private businesses to increase employment and the County's tax base. These bonds do not constitute indebtedness or a charge against the general credit or taxing power of the County. The bond indentures explicitly state the absence of any legal obligation by the County to repay the indebtedness. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2016, there were one hundred and seventy series of Economic Development Revenue Bonds outstanding. The aggregate principal amount, for the one series issued after July 1, 1995 that remain outstanding, is \$48.3 million. The aggregate principal amount payable on June 30, 2016 for the one hundred and sixty-eight series issued prior to July 1, 1995, could not be determined; however, their original issue amounts totaled approximately \$1.1 billion.

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(15) Special Taxing Districts

The County has issued various special taxing district bonds pursuant to Section 10-279 of the Prince George's County Code and Section 9-1301 of Article 24 of the Annotated Code of Maryland. Neither the full faith and credit nor the taxing power of the County is pledged for the payment of these bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. Details of the outstanding debt as of June 30, 2016 are as follows.

Bond	Project	Issuance Date	Amount Issued	Amount Outstanding	Final Maturity
Prince George's County, Maryland Taxable Subordinate Special Obligation Bonds, Series 2005	National Harbor Convention Center Project	05/11/2005	\$ 95,000,000	82,405,000	07/01/2033
Prince George's County, Maryland Special Tax District Bonds, Series 2005	Victoria Falls Project	09/08/2005	12,000,000	11,210,000	07/01/2035
Prince George's County, Maryland Special Obligation Bonds, Series 2005	National Harbor Project	09/21/2005	65,000,000	58,310,000	07/01/2034
Prince George's County, Maryland Special Obligation Bonds, Series 1997A	Woodview Village Improvements Projects	10/25/2006	7,450,000	4,930,000	07/01/2026
Prince George's County, Maryland Special Obligation Refunding Bonds, Series 2006	Woodview Village Phase II Infrastructure Improvements	11/20/2006	8,205,000	6,360,000	07/01/2032
Prince George's County, Maryland Taxable Subordinate Special Obligation Bonds, Series 2008	National Harbor Convention Center Project	04/02/2008	50,000,000	50,000,000	09/01/2037
Prince George's County, Maryland Special Obligation Bonds, Series 2009	National Harbor Project	01/27/2009	35,000,000	34,357,000	01/01/2039
Prince George's County Woodmore Towne Centre at Glenarden Special Obligation Developer Note, Series 2012	Woodmore Town Center	01/18/2012	17,000,000	14,516,722	01/01/2032
Prince George's County Brandywine Shopping Center Phase II Special Obligation Developer Notes, Series 2014A	Bradywine Shopping Center	05/06/2014	2,220,000	1,963,359	01/01/2043
Prince George's County Brandywine Shopping Center Phase II Special Obligation Developer Notes, Series 2014B	Bradywine Shopping Center	05/06/2014	2,280,000	2,016,423	01/01/2043
Prince George's County Town Center at Camp Springs Special Obligation Developer Notes, Series 2014A	Camp Springs Town Center	06/30/2014	4,900,000	4,900,000	01/01/2043
Prince George's County, Maryland Special Obligation Developer Note, Series 2015	Calvert Tract Project	09/17/2015	3,000,000	200,000	01/01/1935
			<u>\$ 302,055,000</u>	<u>271,168,504</u>	

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(16) Other Long-term and Short-term Debt

The following represents the changes in other long-term liabilities for governmental activities:

	Balance <u>July 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2016</u>
Net Pension Liability	\$ 1,317,668,013	222,416,000	27,765,919	\$ 1,512,318,094
OPEB obligations	464,906,168	125,627,000	31,785,183	558,747,985
Compensated absences and termination benefits payable	72,805,473	48,723,733	44,488,186	77,041,020
Estimated liabilities on pending claims and judgments	158,496,367	115,873,251	99,477,612	174,892,006
Capital lease obligations	41,572,611	10,161,624	9,771,835	41,962,400
Notes payable:				
Purchase agreements and certificates of participation	72,116,502	-	10,376,502	61,740,000
MILA loans	49,867	-	49,867	-
Commercial Building Loan Fund	4,038,000	-	322,000	3,716,000
Maryland CDA Infrastructure Financing	339,000	-	77,800	261,200
Total notes payable	<u>76,543,369</u>	<u>-</u>	<u>10,826,169</u>	<u>65,717,200</u>
	<u>\$ 2,319,920,011</u>	<u>522,801,608</u>	<u>224,114,904</u>	<u>\$ 2,430,678,705</u>

The following represents the changes in other long-term liabilities for business-type activities:

	Balance <u>July 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2016</u>
Compensated absences and termination benefits payable	\$ 2,163,556	2,112,075	2,059,514	\$ 2,216,117
Landfill closure / postclosure costs	83,101,471	-	6,407,602	76,693,869
Net Pension Liability	16,718,566	6,791,751	1,181,629	22,328,688
Notes payable:				
Purchase agreements and certificates of participation	-	6,480,279	-	6,480,279
Total notes payable	-	6,480,279	-	6,480,279
	<u>\$ 10,198,593</u>	<u>15,384,105</u>	<u>9,648,745</u>	<u>\$ 10,718,953</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for internal service funds are included as part of the above for governmental activities. At year-end, \$1,476,162 (\$1,254,898 within one year, and \$221,564 due in more than one year) of internal service fund compensated absences are included in the above amounts. For the remainder of compensated absences the General Fund normally liquidates over 90 percent and the remainder is liquidated by the Federal and State Aided Programs Special Revenue Fund. Also, for governmental activities net pension obligations, net other post employment benefit obligations, and capital lease obligations are generally liquidated by the General Fund. Estimated liability on pending claims and judgments is reported in risk management internal service funds and will be liquidated by those funds. Notes payables are generally liquidated by the General Fund with the exception of the Commercial Building Loan Fund which is liquidated by the Federal and State Aided Programs Special Revenue Fund.

a) Capital Lease Obligations

The County entered into agreements with Grant Capital Management to finance the purchase of snow removal equipment and Fire/EMS ambulances in April of 2011; snow removal equipment and Fire/EMS ambulances in May 2013; Fire/EMS ambulances and other Public Safety vehicles in June 2014; and Public Safety and other County agency vehicles and equipment in June 2015. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

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The assets acquired through capital leases are as follows:

	Governmental Activities
Asset:	
Equipment	\$ 44,562,106
Less: Accumulated depreciation	(17,318,227)
Total	\$ 27,243,879

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2016, were as follows:

<u>Year ending June 30</u>	Governmental Activities
2017	\$12,021,466
2018	10,377,657
2019	8,733,847
2020	5,608,076
2021	3,569,286
2022	1,530,495
2023	1,530,495
Total minimum lease payments	43,371,322
Less: amount representing interest	(1,408,922)
Present value of minimum lease payments	\$41,962,400

b) Pension Liability and OPEB Obligations

The Net Pension Liability represents the difference between the actuarially determined total pension liability and plan fiduciary net position and Net OPEB obligations represents the difference between the actuarially required and the actual employer contributions. The balance as of June 30, 2016 for the Pension and OPEB liabilities was \$1,534,646,782 (see note 9 – Pension Plans) and \$558,747,985 (see note 10 – Postemployment Benefits Other Than Pensions), respectively.

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c) Compensated Absences and Termination Benefits

County employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation in full, and for sick leave in varying amounts based on years of service. Participants in the plans administered by the State Retirement and Pension System of Maryland may apply accrued sick leave as service credits toward retirement.

Vested or accumulated vacation and sick leave that relates to employees who terminated employment with the County on or before June 30, 2016 are reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation and sick leave that do not meet the above criteria are not reported in the governmental funds.

For purposes of reporting in the County's government-wide financial statements and the proprietary fund financial statements, vested or accumulated vacation and sick leave are recognized as an expense and liability as the benefits accrue to employees. Current amounts are such amounts expected to be paid within one year.

The liability includes an accrual at the current rate for ancillary salary-related payments (i.e., employer's share of Social Security and Medicare taxes) associated with its ultimate liquidation.

The following is a summary of compensated absences and termination benefits payable at June 30, 2016 (in thousands):

	Governmental Activities	Primary Government				Component Units
		Business-type Activities			Total	
		Solid Waste	Stormwater Management	Total		
Primary Government	\$ 77,041	912	1,304	2,216	79,257	-
Component Units:						
Board of Education	-	-	-	-	-	69,990
Housing Authority	-	-	-	-	-	547
Memorial Library	-	-	-	-	-	1,780
Community College	-	-	-	-	-	2,367
	<u>77,041</u>	<u>912</u>	<u>1,304</u>	<u>2,216</u>	<u>79,257</u>	<u>74,684</u>
Less current portion	<u>44,488</u>	<u>833</u>	<u>1,227</u>	<u>2,060</u>	<u>46,548</u>	<u>4,189</u>
Total long-term portion	\$ <u><u>32,553</u></u>	<u><u>79</u></u>	<u><u>77</u></u>	<u><u>156</u></u>	<u><u>32,709</u></u>	<u><u>70,495</u></u>

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d) Notes Payable

(i) Purchase Agreement and Certificates of Participation Notes Payable

The County has entered into certain financing/purchasing agreements for the purpose of acquiring real estate, equipment, textbooks, vehicles, and school buses. Under these agreements, the financing amounts are deposited with a fiscal escrow agent who will pay the vendors as the County takes delivery of the assets. The County makes periodic loan repayments directly to the lender over a specified period of time.

The interest rates on all financing/purchasing agreements in force range from 2.0% to 6.5%. The liability for the debt is carried as notes payable in various funds as listed below. Following is a schedule by year of future principal and interest payments as of June 30, 2016 (in thousands):

Year ending <u>June 30,</u>	Primary Government				
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		
			<u>Solid Waste</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 10,235	2,538	437	56	13,266
2018	5,435	2,194	886	101	8,616
2019	5,520	1,957	902	85	8,464
2020	5,670	1,706	917	70	8,363
2021	5,780	1,448	933	54	8,215
2022- 2026	22,240	3,664	2,405	63	28,372
2027- 2031	<u>6,860</u>	<u>890</u>	<u>-</u>	<u>-</u>	<u>7,750</u>
Total note payments	\$ <u>61,740</u>	<u>14,397</u>	<u>6,480</u>	<u>429</u>	<u>83,046</u>

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(ii) Other General Long-Term Debt Notes Payable

The Primary Government is obligated for promissory notes in the amount of \$49,867, payable to the Maryland Industrial Land Act (MILA) of the State of Maryland with interest rate of 6.9%. The loan was paid in full September 15, 2015.

The Primary Government entered into an agreement with HUD to administer a \$10,000,000 Section 108 Commercial Building Loan Fund. The first project financed under the loan fund was a \$2,000,000 loan paid to a private partnership for land acquisition. The first principal payment of \$165,000 was paid August 1, 2002. The loan was paid in full on August 1, 2011. The second project financed under the loan fund was a \$2,600,000 loan paid to a developer for the construction of a restaurant. The developer is responsible for servicing the loan balance that matures August 1, 2022, at rates ranging from 1.21% to 5.69%. At June 30, 2016, \$1,485,000 remains outstanding. The third project financed under this loan was a \$1,900,000 loan paid to a developer for land acquisition and the construction of rental housing units. The first principal payment of \$70,000 was paid on August 1, 2006. The developer is responsible for servicing the loan balance that matures August 1, 2023, at rates ranging from 2.31% to 5.97%. At June 30, 2016, \$1,068,000 was outstanding. The fourth project financed under this loan was a \$1,837,000 loan paid to a sign manufacturing company for building acquisition and construction renovations to relocate the company. The first principal payment of \$46,000 was paid on August 1, 2006. The company is responsible for servicing the loan balance that matures on August 1, 2024, at 4.41%. The outstanding balance as of June 30, 2016 was \$1,163,000.

On March 10, 1999, the Primary Government issued for the benefit of the Community Development Administration ("CDA"), a division of the Maryland Department of Housing and Community Development, a general obligation bond designated as "Prince George's County, Maryland Infrastructure Bond, 1999 Series A" in the amount of \$1,217,800 secured by the full faith and credit of the County. Secured by the pledges of seven participating local governments, including the Primary Government, the CDA issued on March 10, 1999 Infrastructure Financing Bonds (MBIA Insured) 1999 Series A in the aggregate principal amount of \$6,985,000. The Primary Government used the proceeds to provide funds to refinance certain outstanding loans and to purchase a fire truck for Accokeek Volunteer Fire Department, Inc. ("AVFD") and to pay the costs of issuance of bonds. Because the County issued the obligation to obtain a loan for the benefit of AVFD, the latter executed a promissory note on March 11, 1999 promising to pay to the Primary Government the principal sum of \$1,217,800, plus interest on the unpaid principal amount. The debt service payment made by AVFD to the Primary Government equals the Primary Government's debt service payments to the CDA. The debt is repayable to the State in 20 annual installments with interest rates ranging from 4.125% to 5.0%, and matures May 1, 2019. At June 30, 2016, \$261,000 remained outstanding.

Following is a schedule by year of future principal and interest payments as of June 30, 2016 (in thousands):

Primary Government - Governmental Activities

Year ending	<u>CBLF</u>		<u>CDA</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2017	\$ 354	199	83	13	649
2018	368	180	87	9	644
2019	400	158	91	5	654
2020	432	135	-	-	567
2021	455	110	-	-	565
2022- 2026	<u>1,707</u>	<u>155</u>	<u>-</u>	<u>-</u>	<u>1,862</u>
Total note payments	\$ <u>3,716</u>	<u>937</u>	<u>261</u>	<u>27</u>	<u>4,941</u>

Prince George's County, Maryland
Notes Financial Statements

(17) Fund Balance Policy and Reporting

The County has not adopted a minimum fund balance policy for its governmental funds. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed, except for capital projects which use unrestricted resources first. Furthermore within the unrestricted fund balance the County will apply expenditures against committed, then assigned, and then unassigned amounts.

Stabilization Arrangement - Per voter referendum and Council Bills (CB-81-1992 & CB-6-2003) the County is required to maintain a Charter Mandated contingency reserve equal to 5% of the annual budget. Funds can only be used to meet a public emergency, which constitutes a sudden, unexpected or unforeseen condition or occurrence, creating an imminent hazard to life, health or property and requiring an immediate action, the Council may, by resolution and upon the recommendation of the County Executive, make emergency appropriations from contingent reserve. Withdrawals may be used only for appropriations which have become unfunded. The balance in the stabilization fund is disclosed in the table below.

A schedule of fund balance classifications at June 30, 2016 follows:

	Primary Government				
	Total	General Fund	Federal and State Aided Programs	Capital Projects Fund	Non-Major Funds
Restricted Fund Balances					
Restricted for contingencies:					
Economic Stabilization	\$ 148,391,975	\$ 148,391,975	\$ -	\$ -	\$ -
Health and human services	-	-	-	-	-
Infrastructure and development	1,197,212	-	-	1,197,212	-
Education	25,454,182	-	-	25,454,182	-
Debt Service	1,726,915	-	1,726,915	-	-
Restricted for other purposes					
Domestic Violence	64,196	-	-	-	64,196
Drug Enforcement and Education	8,337,977	-	-	-	8,337,977
Unspent Proceeds from debt issuances:					
Equipment purchases	11,921,168	11,921,168	-	-	-
Real estate purchases	737,971	737,971	-	-	-
Total restricted fund balances	<u>\$ 201,991,535</u>	<u>161,051,114</u>	<u>\$ 1,726,915</u>	<u>\$ 30,811,333</u>	<u>\$ 8,402,173</u>

Prince George's County, Maryland
Notes Financial Statements

	Total	General Fund	Federal and State Aided Programs	Capital Projects Fund	Non-Major Funds
Nonspendable:					
Inventory	\$ 2,134,534	\$ 2,134,534	\$ -	\$ -	\$ -
Unrestricted - Committed Fund Balance					
Operating Reserve	\$ 59,356,790	59,356,790	\$ -	\$ -	\$ -
Infrastructure and development	2,322,523	-	-	2,322,523	-
Environmental	2,592,584	-	-	2,592,584	-
Total committed fund balances	<u>\$ 64,271,897</u>	<u>59,356,790</u>	<u>\$ -</u>	<u>\$ 4,915,107</u>	<u>\$ -</u>
Unrestricted - Assigned Fund Balance					
Economic Development	\$ -	\$ -	\$ -	\$ -	\$ -
Property Sales and Acquisitions	717,014	717,014	-	-	-
Drug Enforcement and Education	3,677,951	-	-	-	3,677,951
Other	11,294,860	11,294,860	-	-	-
Appropriation of Fund Balance for Subsequent Year's Budget	36,914,560	36,914,560	-	-	-
Total assigned fund balances	<u>\$ 52,604,385</u>	<u>48,926,434</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,677,951</u>
Unassigned:	\$ 116,418,173	\$ 116,418,173	\$ -	\$ -	\$ -
Total fund balance	<u><u>\$ 437,420,524</u></u>	<u><u>\$ 387,887,045</u></u>	<u><u>\$ 1,726,915</u></u>	<u><u>\$ 35,726,440</u></u>	<u><u>\$ 12,080,124</u></u>

Prince George's County, Maryland
Notes Financial Statements

(18) Encumbrances

Certain governmental funds use encumbrance accounting for budgetary purposes. Encumbrances represent claims against appropriations for purchase order and executed contracts that have not been expended. All outstanding encumbrances were closed as of three end of fiscal year 2016.

(19) Summary Disclosure of Significant Contingencies

(a) Litigation

In addition to those suits in which claims for liability are adequately covered by insurance, the County is involved in numerous lawsuits with a potential liability ranging up to \$1.0 million. In the opinion of legal counsel and management, it is reasonably possible that some of these cases will be settled against the County, resulting in varying degrees of monetary damages.

(b) Contingent Liabilities

(i) Questioned Costs

The County participates in a number of Federally-assisted grant programs. These programs are currently under examination in accordance with Uniform Grant Guidance. The final results of this examination for fiscal year 2016 have not yet been determined. The amount of expenditures which may be disallowed by the granting agencies cannot be specifically determined at this time. The County expects any disallowed costs to be immaterial, as has been the case in previous audits.

(ii) Brown Station Road Landfill

The Primary Government owns and operates the Brown Station Road Landfill, which is accounted for in the Solid Waste Enterprise Fund. Phase I of the landfill was closed in September 1993 after 25 years of operation. Phase II of the landfill began operations on May 13, 1992 and approximately 77.2% of total estimated capacity has been utilized as of June 30, 2016. It is expected to operate through the year 2028.

To close both Phase I and Phase II of the landfill, State and Federal laws and regulations require the County to place a final cover on both landfill phases. (The closure and post-closure plan for both phases is pending final State approval.) These laws also require the County to perform certain maintenance and monitoring functions at the landfill site. In accordance with statutory requirements, the Primary Government estimates closure costs only for Phase I, of approximately \$16.8 million (\$14.2 million of which has been liquidated), and closure and 30-year post-closure costs for Phase II of \$53.9 million. Estimated costs are "as if incurred" in fiscal year 2016 and may change due to inflation, technological enhancements, and revisions to State and Federal requirements - as well as any additional measures that may be undertaken to safeguard the quality of life for residents. These estimates are updated annually.

At June 30, 2016, the Primary Government has recorded an accumulated total liability for closure and post-closure costs of \$43.6 million for Phases I and II based on the percentage of capacity of Phases I and II utilized to date multiplied by the total capacity of Phases I and II. As of June 30, 2016, the Primary Government's Solid Waste Enterprise Fund shows restricted assets of \$94,371,263 for landfill closure costs for Brown Station Road Landfill as well as Sandy Hill Landfill.

(iii) Sandy Hill Landfill

On July 1, 1992, the Primary Government entered into a three-part agreement with The Maryland-National Capital Park and Planning Commission (M-NCPPC), a joint venture, to operate the Sandy Hill Landfill. The daily operations and responsibility to develop and to maintain the "Existing Landfill" through closure and one year of post-closure of this refuse disposal facility had been contracted to Waste Management, Inc., for the period May 1977 to March 2007. Since 2007, post-closure activities have been the responsibility of the County.

Prince George's County, Maryland
Notes Financial Statements

As part of the 1992 Agreement, the County received \$1,890,485 from M-NCPPC when responsibility for the landfill was assigned to the County. The funds are held in a Trust Fund for post-closure construction phase and maintenance of the Landfill and its environmental control facilities including monitoring.

In May 1997, the County was granted a permit by the Maryland Department of the Environment (MDE) to vertically expand the operation. The Landfill stopped accepting waste in June 2000 and was certified closed by the State effective August 6, 2012.

As with the Brown Station Road Landfill, State and Federal laws and regulations require a final landfill cover and 30 years of post-closure activities. The Primary Government has recorded an estimated liability for 30 years of post-closure costs of \$33.1 million because this landfill is substantially full. Estimated costs for post-closure activities, are "as if incurred," and will be updated annually for changes in technology, applicable regulations and inflation.

(c) Operating Leases

Under the terms of various operating lease agreements for facilities, the Primary Government's approximate future minimum annual rental payments for facilities are as follows (in thousands):

Year ending <u>June 30,</u>		
2017	\$	14,343
2018		14,542
2019		14,737
2020		10,526
2021		10,736
2022-2026		55,935
2027-2031		58,641
2032-2036		<u>51,980</u>
	\$	<u>231,440</u>

During fiscal year 2016, rent expense under these lease agreements amounted to approximately \$15.5 million.

20) Joint Ventures

The County participates in the financial activities of certain entities providing services within the County, which are deemed joint venture activities. The joint ventures described in the following paragraphs are not reflected in the accompanying financial statements because the County has no equity interest in the operations of these entities.

(a) Washington Suburban Transit Commission (WSTC)

The WSTC is a State of Maryland bi-county agency, which receives funds from Montgomery and Prince George's Counties, both of which participate in the Washington Metropolitan Area Transit Authority (WMATA), to construct and maintain a cohesive and uniform transportation system. WSTC is composed of seven members; two from each county, two members appointed by the Governor of Maryland, and one ex officio representative from the Maryland Department of Transportation. WSTC acts as a coordinator for transit-related information and provides a forum for the discussion, formulation and transmittal of Federal, state and local funds paid to WMATA on behalf of the Maryland region. The annual operating costs of WSTC are shared equally by Montgomery and Prince George's Counties. The Primary Government's share of these costs for fiscal year 2016 amounted to \$122,137.

Prince George's County, Maryland
Notes Financial Statements

(b) The Maryland-National Capital Park and Planning Commission (M-NCPPC)

M-NCPPC is a bi-county agency servicing Montgomery and Prince George's Counties' regional system of parks. It also conducts the recreation program for Prince George's County. The Commission consists of ten members - five from each County. The County can modify its share of the budget and also approves applicable fees and sets the recreational tax rate. The County must also approve any debt issuances and is obligated to honor any bonded debt deficiencies (which to date have not occurred). At June 30, 2016 the Primary Government was contingently liable as guarantor on bonds issued by M-NCPPC in the amount of \$69,083,127.

(c) Washington Metropolitan Area Transit Authority (WMATA)

On January 9, 1970 the County entered into an agreement with other local jurisdictions for construction of the Washington Metropolitan Area Rapid Transit System. Since then, the County has entered into several additional agreements providing for financing of both construction and operations. The County's obligation for funding the construction of the rail transit facilities is borne by the State of Maryland. WMATA is governed by a board of six directors and six alternates, who are appointed on a pro rata basis by the Northern Virginia Transportation Commission, the City Council of the Government of the District of Columbia, and the WSTC (mentioned above).

In 2016, the State contributed \$4.9 million toward the payment of principal and interest on WMATA revenue bonds. This was provided pursuant to amended Chapter 530, Acts of Maryland General Assembly 1980, which provides for State payment of 100% of the debt service bond repayment costs.

(d) Washington Suburban Sanitary Commission (WSSC)

The WSSC is a bi-county political subdivision of the State of Maryland created to provide water supply and sewage disposal facilities for Montgomery and Prince George's Counties. WSSC's governing body is composed of six members, three from each county; the budgeting authority and financing responsibility is shared equally by the participating counties.

(e) Availability of Financial Statements

Complete separate financial statements may be obtained at the administrative offices of the individual joint ventures as follows:

Washington Suburban Transit Commission
8720 Georgia Avenue, Suite 904
Silver Spring, Maryland 20910

Washington Metropolitan Area Transit Authority
600 Fifth Street, N.W.
Washington, D.C. 20001

The Maryland-National Capital Park and Planning Commission
6611 Kenilworth Avenue
Riverdale, Maryland 20737

Washington Suburban Sanitary Commission
14501 Sweitzer Lane
Laurel, Maryland 29797

(21) Jointly Governed Organization

The Metropolitan Washington Council of Governments (COG) provides resources to participating local governments within the Washington, D.C. metropolitan area for a regional approach to local urban problems, emphasizing regional planning, community and economic development and conservation. Under COG's bylaws, contributions of participating local governments are calculated on a per capita basis. The twenty-four board members are elected by the local jurisdiction which they represent; two members are appointed by the Primary Government. The Primary Government's fiscal year 2016 contributions to COG amounted to approximately \$555,850.



REQUIRED SUPPLEMENTARY INFORMATION

Prince George's County, Maryland
 Schedule of Funding Progress - Other Post Employment Benefits
 For the fiscal year ended June 30, 2016

Analysis of the dollar amounts of actuarial value of assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of funding status on a going-concern basis. Analysis of the plan over time indicates whether the plans are becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plans' progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller the percentage, the stronger the plan. The OPEB Plan had actuarial valuations as of July 1, 2008, July 1, 2010, July 1, 2012 and July 1, 2014. The significant actuarial assumptions used to compute the accrued actuarial liability are the same as those used to compute the actuarially determined contribution requirements.

Actuarial Valuation <u>Date</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
OPEB Plan Net Assets						
07/01/14	48,140	\$ 1,651,196	\$ 1,603,056	2.92%	\$ 524,603	305.58%
07/01/13	49,856	1,690,289	1,640,433	2.95%	504,339	325.26%
07/01/12	47,938	1,584,584	1,536,646	3.03%	494,980	310.45%
07/01/11	44,457	875,301	830,844	5.08%	477,915	173.85%
07/01/10	42,444	825,330	782,886	5.14%	419,062	186.82%
07/01/09	35,295	842,813	807,518	4.19%	460,100	175.51%

Prince Georges County Maryland
Police Pension Plan
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 32,875,100	32,427,700	38,339,800
Interest	108,826,271	104,196,812	97,116,878
Difference between expected and actual experience	(10,608,284)	7,177,558	-
Assumption changes	-	-	40,734,204
Benefit payments	(82,938,604)	(79,160,257)	(76,560,744)
Refunds	(1,753,711)	(823,760)	(1,272,420)
Net change in total pension liability	<u>46,400,772</u>	<u>63,818,053</u>	<u>98,357,718</u>
Total pension liability - beginning	<u>1,476,457,171</u>	<u>1,412,639,118</u>	<u>1,314,281,400</u>
Total pension liability - ending (a)	<u><u>\$ 1,522,857,943</u></u>	<u><u>1,476,457,171</u></u>	<u><u>1,412,639,118</u></u>
Plan fiduciary net position			
Employer contributions	58,726,423	65,705,413	66,113,037
Employee contributions	8,415,273	8,710,935	8,190,741
Net investment income	(19,270,258)	31,033,375	120,575,139
Benefit payments	(82,938,604)	(79,160,257)	(76,560,744)
Refunds	(1,753,711)	(823,760)	(1,272,420)
Administrative expense	(628,194)	(585,034)	(517,840)
Net transfers	-	-	-
Net change in plan fiduciary net position	<u>(37,449,071)</u>	<u>24,880,672</u>	<u>116,527,913</u>
Plan fiduciary net position - beginning	<u>881,462,529</u>	<u>856,581,857</u>	<u>740,053,944</u>
Plan fiduciary net position - end (b)	<u><u>\$ 844,013,458</u></u>	<u><u>881,462,529</u></u>	<u><u>856,581,857</u></u>
Net pension liability - (a) - (b)	<u><u>\$ 678,844,485</u></u>	<u><u>594,994,642</u></u>	<u><u>556,057,261</u></u>
Plan fiduciary net position as a percentage of total pension liability	55.42%	59.70%	60.64%
Covered employee payroll⁽²⁾	\$ 127,185,700	123,481,300	121,886,100
Net pension liability as a percentage of covered employee payroll	533.74%	481.85%	456.21%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
 Fire Service Pension Plan
 Required Supplementary Information
 Schedule of Changes in Net Pension Liability and Related Ratios
 Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 18,580,700	18,272,700	17,384,400
Interest	56,434,441	53,654,660	49,506,707
Benefit changes	-	-	-
Difference between expected and actual experience	10,729,376	10,759,866	-
Assumption changes	-	-	31,788,934
Benefit payments	(46,067,060)	(43,816,726)	(41,916,128)
Refunds	(482,418)	(1,210,716)	(719,912)
Net change in total pension liability	<u>39,195,039</u>	<u>37,659,784</u>	<u>56,044,001</u>
Total pension liability - beginning	<u>766,190,785</u>	<u>728,531,001</u>	<u>672,487,000</u>
Total pension liability - ending (a)	<u>\$ 805,385,824</u>	<u>766,190,785</u>	<u>728,531,001</u>
Plan fiduciary net position			
Employer contributions	38,078,291	37,391,396	34,826,767
Employee contributions	4,303,868	4,159,906	3,835,790
Net investment income	(7,803,168)	12,392,319	56,155,443
Benefit payments	(46,067,060)	(43,816,726)	(41,916,128)
Refunds	(482,418)	(1,210,716)	(719,912)
Administrative expense	(479,212)	(456,462)	(413,936)
Net transfers	-	-	-
Net change in plan fiduciary net position	<u>(12,449,699)</u>	<u>8,459,717</u>	<u>51,768,024</u>
Plan fiduciary net position - beginning	<u>397,771,451</u>	<u>389,311,734</u>	<u>337,543,710</u>
Plan fiduciary net position - end (b)	<u>\$ 385,321,752</u>	<u>397,771,451</u>	<u>389,311,734</u>
Net pension liability - (a) - (b)	<u>\$ 420,064,072</u>	<u>368,419,334</u>	<u>339,219,267</u>
Plan fiduciary net position as a percentage of total pension liability	47.84%	51.92%	53.44%
Covered employee payroll ⁽²⁾	\$ 60,992,900	59,216,400	58,003,300
Net pension liability as a percentage of covered employee payroll	688.71%	622.16%	584.83%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
Deputy Sheriff's Comprehensive Pension Plan
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 4,359,000	4,085,500	3,871,100
Interest	8,922,118	8,333,756	7,628,903
Benefit changes		-	-
Difference between expected and actual experience	(372,277)	2,253,312	-
Assumption changes	-	-	4,557,828
Benefit payments	(6,954,174)	(6,730,533)	(6,582,813)
Refunds	(90,039)	(152,216)	(68,733)
Net change in total pension liability	<u>5,864,628</u>	<u>7,789,819</u>	<u>9,406,285</u>
Total pension liability - beginning	<u>120,279,904</u>	<u>112,490,085</u>	<u>103,083,800</u>
Total pension liability - ending (a)	<u>\$ 126,144,532</u>	<u>120,279,904</u>	<u>112,490,085</u>
Plan fiduciary net position			
Employer contributions	6,780,148	6,613,913	5,853,975
Employee contributions	1,580,443	1,562,200	1,405,110
Net investment income	(432,595)	1,894,023	8,305,560
Benefit payments	(6,954,174)	(6,730,533)	(6,582,813)
Refunds	(90,039)	(152,216)	(68,733)
Administrative expense	(280,425)	(220,964)	(211,737)
Net transfers	-	-	-
Net change in plan fiduciary net position	<u>603,358</u>	<u>2,966,423</u>	<u>8,701,362</u>
Plan fiduciary net position - beginning	<u>60,318,403</u>	<u>57,351,980</u>	<u>48,650,618</u>
Plan fiduciary net position - end (b)	<u>\$ 60,921,761</u>	<u>60,318,403</u>	<u>57,351,980</u>
Net pension liability - (a) - (b)	<u>\$ 65,222,771</u>	<u>59,961,501</u>	<u>55,138,105</u>
Plan fiduciary net position as a percentage of total pension liability	48.30%	50.15%	50.98%
Covered employee payroll ⁽²⁾	\$ 15,679,200	15,222,500	14,251,600
Net pension liability as a percentage of covered employee payroll	415.98%	393.90%	386.89%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
 Correctional Officers' Comprehensive Pension Plan
 Required Supplementary Information
 Schedule of Changes in Net Pension Liability and Related Ratios
 Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 7,200,400	6,809,700	6,838,600
Interest	15,560,139	14,532,414	12,993,205
Benefit changes		-	-
Difference between expected and actual experience	4,780,950	1,847,358	-
Assumption changes	-	-	9,933,562
Benefit payments	(9,305,786)	(8,724,601)	(8,354,218)
Refunds	(697,058)	(640,680)	(742,136)
Net change in total pension liability	<u>17,538,645</u>	<u>13,824,191</u>	<u>20,669,013</u>
Total pension liability - beginning	<u>208,844,404</u>	<u>195,020,213</u>	<u>174,351,200</u>
Total pension liability - ending (a)	<u>\$ 226,383,049</u>	<u>208,844,404</u>	<u>195,020,213</u>
Plan fiduciary net position			
Employer contributions	9,525,885	9,198,374	7,363,022
Employee contributions	3,416,276	3,282,970	3,054,222
Net investment income	(795,879)	3,510,171	15,128,737
Benefit payments	(9,305,786)	(8,724,601)	(8,354,218)
Refunds	(697,058)	(640,680)	(742,136)
Administrative expense	(219,077)	(175,666)	(240,480)
Net transfers	-	-	-
Net change in plan fiduciary net position	<u>1,924,361</u>	<u>6,450,568</u>	<u>16,209,147</u>
Plan fiduciary net position - beginning	<u>111,214,843</u>	<u>104,764,275</u>	<u>88,555,128</u>
Plan fiduciary net position - end (b)	<u>\$ 113,139,204</u>	<u>111,214,843</u>	<u>104,764,275</u>
Net pension liability - (a) - (b)	<u>\$ 113,243,845</u>	<u>97,629,561</u>	<u>90,255,938</u>
Plan fiduciary net position as a percentage of total pension liability	49.98%	53.25%	53.72%
Covered employee payroll ⁽²⁾	\$ 27,898,000	27,085,400	25,445,200
Net pension liability as a percentage of covered employee payroll	405.92%	360.45%	354.71%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
Deputy Sheriff's Supplemental Pension Plan
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 40,300	39,600	45,400
Interest	694,511	695,358	658,384
Benefit changes		-	-
Difference between expected and actual experience	(152,939)	87,731	-
Assumption changes	-	-	615,240
Benefit payments	(790,199)	(819,027)	(805,234)
Refunds	(36,363)	(22,784)	-
Net change in total pension liability	<u>(244,690)</u>	<u>(19,122)</u>	<u>513,790</u>
Total pension liability - beginning	<u>9,646,168</u>	<u>9,665,290</u>	<u>9,151,500</u>
Total pension liability - ending (a)	<u><u>\$ 9,401,478</u></u>	<u><u>9,646,168</u></u>	<u><u>9,665,290</u></u>
Plan fiduciary net position			
Employer contributions	846,400	815,900	768,500
Employee contributions	26,337	30,157	29,030
Net investment income	(17,544)	131,609	521,224
Benefit payments	(790,199)	(819,027)	(805,234)
Refunds	(36,363)	(22,784)	-
Administrative expense	(31,822)	(31,774)	(27,614)
Net transfers	-	-	-
Net change in plan fiduciary net position	<u>(3,191)</u>	<u>104,081</u>	<u>485,906</u>
Plan fiduciary net position - beginning	<u>3,867,575</u>	<u>3,763,494</u>	<u>3,277,588</u>
Plan fiduciary net position - end (b)	<u><u>\$ 3,864,384</u></u>	<u><u>3,867,575</u></u>	<u><u>3,763,494</u></u>
Net pension liability - (a) - (b)	<u><u>\$ 5,537,094</u></u>	<u><u>5,778,593</u></u>	<u><u>5,901,796</u></u>
Plan fiduciary net position as a percentage of total pension liability	41.10%	40.09%	38.94%
Covered employee payroll ⁽²⁾	\$ 600,800	583,300	574,600
Net pension liability as a percentage of covered employee payroll	921.62%	990.67%	1027.11%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
 Correctional Officers' Supplemental Pension Plan
 Required Supplementary Information
 Schedule of Changes in Net Pension Liability and Related Ratios
 Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 136,800	128,100	140,000
Interest	682,481	651,696	581,835
Benefit changes		-	-
Difference between expected and actual experience	573,596	17,577	-
Assumption changes	-	-	557,170
Benefit payments	(398,513)	(369,988)	(309,055)
Refunds	(8,936)	(5,512)	-
Net change in total pension liability	<u>985,428</u>	<u>421,873</u>	<u>969,950</u>
Total pension liability - beginning	<u>9,232,623</u>	<u>8,810,750</u>	<u>7,840,800</u>
Total pension liability - ending (a)	<u>\$ 10,218,051</u>	<u>9,232,623</u>	<u>8,810,750</u>
Plan fiduciary net position			
Employer contributions	620,834	675,703	559,655
Employee contributions	83,472	90,308	84,396
Net investment income	(32,724)	281,057	1,045,836
Benefit payments	(398,512)	(369,988)	(309,055)
Refunds	(8,936)	(5,512)	-
Administrative expense	(31,822)	(31,774)	(27,614)
Net transfers	-	-	-
Net change in plan fiduciary net position	<u>232,312</u>	<u>639,794</u>	<u>1,353,218</u>
Plan fiduciary net position - beginning	<u>8,072,146</u>	<u>7,432,352</u>	<u>6,079,134</u>
Plan fiduciary net position - end (b)	<u>\$ 8,304,458</u>	<u>8,072,146</u>	<u>7,432,352</u>
Net pension liability - (a) - (b)	<u>\$ 1,913,593</u>	<u>1,160,477</u>	<u>1,378,398</u>
Plan fiduciary net position as a percentage of total pension liability	81.27%	87.43%	84.36%
Covered employee payroll ⁽²⁾	\$ 1,669,100	1,620,500	1,519,300
Net pension liability as a percentage of covered employee payroll	114.65%	71.61%	90.73%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
 Crossing Guards Pension Plan
 Required Supplementary Information
 Schedule of Changes in Net Pension Liability and Related Ratios
 Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 60,700	60,100	66,300
Interest	151,447	149,464	140,397
Benefit changes		-	-
Difference between expected and actual experience	(37,977)	(15,625)	-
Assumption changes	-		81,491
Benefit payments	(145,303)	(150,128)	(144,342)
Refunds	(15,063)	(24,818)	(9,611)
Net change in total pension liability	<u>13,804</u>	<u>18,993</u>	<u>134,235</u>
Total pension liability - beginning	<u>2,068,228</u>	<u>2,049,235</u>	<u>1,915,000</u>
Total pension liability - ending (a)	<u>\$ 2,082,032</u>	<u>2,068,228</u>	<u>2,049,235</u>
Plan fiduciary net position			
Employer contributions	85,297	87,270	81,888
Employee contributions	66,985	68,869	64,330
Net investment income	(11,504)	89,869	222,555
Benefit payments	(145,303)	(150,128)	(144,342)
Refunds	(15,063)	(24,818)	(9,611)
Administrative expense	(29,501)	(28,122)	(21,310)
Net transfers	-	-	(220)
Net change in plan fiduciary net position	<u>(49,089)</u>	<u>42,940</u>	<u>193,290</u>
Plan fiduciary net position - beginning	<u>1,541,434</u>	<u>1,498,494</u>	<u>1,305,204</u>
Plan fiduciary net position - end (b)	<u>\$ 1,492,345</u>	<u>1,541,434</u>	<u>1,498,494</u>
Net pension liability - (a) - (b)	<u>\$ 589,687</u>	<u>526,794</u>	<u>550,741</u>
Plan fiduciary net position as a percentage of total pension liability	71.68%	74.53%	73.12%
Covered employee payroll ⁽²⁾	\$ 1,460,700	1,418,200	1,402,400
Net pension liability as a percentage of covered employee payroll	40.37%	37.15%	39.27%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
 AFSCME Pension Plan
 Required Supplementary Information
 Schedule of Changes in Net Pension Liability and Related Ratios
 Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 2,405,400	2,404,200	2,949,000
Interest	7,166,483	6,865,340	6,434,666
Benefit changes		-	-
Difference between expected and actual experience	(1,961,698)	(864,476)	-
Assumption changes	-	-	755,549
Benefit payments	(4,339,973)	(4,075,963)	(3,860,360)
Refunds	(131,065)	(236,734)	(92,288)
Net change in total pension liability	<u>3,139,147</u>	<u>4,092,367</u>	<u>6,186,567</u>
Total pension liability - beginning	<u>96,567,234</u>	<u>92,474,867</u>	<u>86,288,300</u>
Total pension liability - ending (a)	<u>\$ 99,706,381</u>	<u>96,567,234</u>	<u>92,474,867</u>
Plan fiduciary net position			
Employer contributions	3,248,913	4,203,607	3,924,252
Employee contributions	715,902	924,937	862,630
Net investment income	(583,438)	2,579,265	11,124,936
Benefit payments	(4,339,971)	(4,075,963)	(3,860,360)
Refunds	(131,065)	(236,734)	(92,288)
Administrative expense	(99,769)	(96,546)	(116,210)
Net transfers	-	(51,363)	(125,063)
Net change in plan fiduciary net position	<u>(1,189,428)</u>	<u>3,247,203</u>	<u>11,717,897</u>
Plan fiduciary net position - beginning	<u>80,054,725</u>	<u>76,807,522</u>	<u>65,089,625</u>
Plan fiduciary net position - end (b)	<u>\$ 78,865,297</u>	<u>80,054,725</u>	<u>76,807,522</u>
Net pension liability - (a) - (b)	<u>\$ 20,841,084</u>	<u>16,512,509</u>	<u>15,667,345</u>
Plan fiduciary net position as a percentage of total pension liability	79.10%	82.90%	83.06%
Covered employee payroll ⁽²⁾	\$ 52,869,200	51,329,300	51,111,200
Net pension liability as a percentage of covered employee payroll	39.42%	32.17%	30.65%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
General Schedule Pension Plan
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 4,712,000	4,665,500	5,213,600
Interest	13,234,761	12,468,033	11,683,071
Benefit changes		-	-
Difference between expected and actual experience	(650,926)	3,639,626	-
Assumption changes	-	-	3,805,637
Benefit payments	(10,377,212)	(9,850,377)	(9,661,847)
Refunds	(641,289)	(292,878)	(135,253)
Net change in total pension liability	<u>6,277,334</u>	<u>10,629,904</u>	<u>10,905,208</u>
Total pension liability - beginning	<u>179,559,712</u>	<u>168,929,808</u>	<u>158,024,600</u>
Total pension liability - ending (a)	<u>\$ 185,837,046</u>	<u>179,559,712</u>	<u>168,929,808</u>
Plan fiduciary net position			
Employer contributions	6,607,768	7,757,860	7,189,526
Employee contributions	2,983,908	3,531,597	3,338,347
Net investment income	(913,560)	4,006,797	17,349,257
Benefit payments	(10,377,212)	(9,850,377)	(9,661,847)
Refunds	(641,289)	(292,878)	(135,253)
Administrative expense	(117,761)	(115,975)	(153,155)
Net transfers	-	21,670	152,316
Net change in plan fiduciary net position	<u>(2,458,146)</u>	<u>5,058,694</u>	<u>18,079,191</u>
Plan fiduciary net position - beginning	<u>125,204,409</u>	<u>120,145,715</u>	<u>102,066,524</u>
Plan fiduciary net position - end (b)	<u>\$ 122,746,263</u>	<u>125,204,409</u>	<u>120,145,715</u>
Net pension liability - (a) - (b)	<u>\$ 63,090,783</u>	<u>54,355,303</u>	<u>48,784,093</u>
Plan fiduciary net position as a percentage of total pension liability	66.05%	69.73%	71.12%
Covered employee payroll ⁽²⁾	\$ 95,570,500	92,786,900	90,154,600
Net pension liability as a percentage of covered employee payroll	66.01%	58.58%	54.11%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
Fire Civilian Pension Plan
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 187,400	180,400	218,900
Interest	854,877	836,587	789,219
Benefit changes		-	-
Difference between expected and actual experience	186,157	(154,697)	-
Assumption changes	-	-	256,389
Benefit payments	(599,487)	(572,118)	(603,003)
Refunds	(18,593)	(53,345)	-
Net change in total pension liability	<u>610,354</u>	<u>236,827</u>	<u>661,505</u>
Total pension liability - beginning	<u>11,609,832</u>	<u>11,373,005</u>	<u>10,711,500</u>
Total pension liability - ending (a)	<u>\$ 12,220,186</u>	<u>11,609,832</u>	<u>11,373,005</u>
Plan fiduciary net position			
Employer contributions	474,312	511,188	455,754
Employee contributions	181,788	198,816	177,317
Net investment income	(52,155)	232,048	1,014,503
Benefit payments	(599,487)	(572,118)	(603,003)
Refunds	(18,593)	(53,345)	-
Administrative expense	(67,687)	(65,939)	(57,930)
Net transfers	-	-	(4,197)
Net change in plan fiduciary net position	<u>(81,822)</u>	<u>250,650</u>	<u>982,444</u>
Plan fiduciary net position - beginning	<u>7,243,114</u>	<u>6,992,464</u>	<u>6,010,020</u>
Plan fiduciary net position - end (b)	<u>\$ 7,161,292</u>	<u>7,243,114</u>	<u>6,992,464</u>
Net pension liability - (a) - (b)	<u>\$ 5,058,894</u>	<u>4,366,718</u>	<u>4,380,541</u>
Plan fiduciary net position as a percentage of total pension liability	58.60%	62.39%	61.48%
Covered employee payroll ⁽²⁾	\$ 3,987,900	3,871,700	3,638,800
Net pension liability as a percentage of covered employee payroll	126.86%	112.79%	120.38%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
Police Civilian Pension Plan
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Fiscal Year 2014 through 2016⁽¹⁾

Fiscal year ending June 30	2016	2015	2014
Total Pension Liability			
Service cost	\$ 799,900	795,600	1,023,800
Interest	2,034,463	1,938,410	1,908,551
Benefit changes		-	-
Difference between expected and actual experience	51,023	212,896	-
Assumption changes	-	-	(785,355)
Benefit payments	(1,474,674)	(1,397,887)	(1,395,958)
Refunds	(247,230)	(218,740)	(260,381)
Net change in total pension liability	<u>1,163,482</u>	<u>1,330,279</u>	<u>490,657</u>
Total pension liability - beginning	<u>27,578,836</u>	<u>26,248,557</u>	<u>25,757,900</u>
Total pension liability - ending (a)	<u>\$ 28,742,318</u>	<u>27,578,836</u>	<u>26,248,557</u>
Plan fiduciary net position			
Employer contributions	845,730	1,089,407	1,068,827
Employee contributions	654,575	838,457	802,285
Net investment income	(148,154)	649,268	2,833,208
Benefit payments	(1,474,674)	(1,397,887)	(1,395,958)
Refunds	(247,230)	(218,740)	(260,381)
Administrative expense	(69,349)	(67,533)	(64,464)
Net transfers	-	29,693	(22,836)
Net change in plan fiduciary net position	<u>(439,102)</u>	<u>922,665</u>	<u>2,960,681</u>
Plan fiduciary net position - beginning	<u>20,423,355</u>	<u>19,500,690</u>	<u>16,540,009</u>
Plan fiduciary net position - end (b)	<u>\$ 19,984,253</u>	<u>20,423,355</u>	<u>19,500,690</u>
Net pension liability - (a) - (b)	<u>\$ 8,758,065</u>	<u>7,155,481</u>	<u>6,747,867</u>
Plan fiduciary net position as a percentage of total pension liability	69.53%	74.05%	74.29%
Covered employee payroll ⁽²⁾	\$ 18,662,200	18,118,600	17,183,600
Net pension liability as a percentage of covered employee payroll	46.93%	39.49%	39.27%

⁽¹⁾ GASB67 implemented in Fiscal Year 2014. Ultimately 10 years will be displayed.

⁽²⁾ Payroll from actuarial valuation performed at fiscal year end.

Prince Georges County Maryland
 Maryland State Retirement and Pension System
 Required Supplementary Information
 Schedule of Proportionate Share of Net Pension Liability
 Fiscal Year 2015 and 2014⁽¹⁾

Measurement Date	2015	2014
County's proportionate share of net pension liability	0.7289217%	0.6960475%
County's proportionate share of net pension liability	\$ 151,482,409	123,525,669
County's covered payroll	\$ 195,770,350	196,774,400
County's proportionate share of the net pension liability as a percentage of its covered employee payroll	77.38%	62.78%
Plan fiduciary net position as a percentage of the total pension liability	68.78%	71.87%

⁽¹⁾ GASB68 implemented in Fiscal Year 2015. Ultimately 10 years will be displayed.

Prince Georges County Maryland
Required Supplementary Information
Schedule of County Contributions
Last 10 Fiscal Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Police										
Actuarially determined contribution	\$ 58,726,423	\$ 65,705,413	\$ 66,113,037	\$ 56,265,491	\$ 52,792,772	\$ 47,358,991	\$ 40,746,884	\$ 41,312,456	\$ 40,899,662	\$ 37,460,992
Contributions in relation to the actuarially determined contribution	58,726,423	65,705,413	66,113,037	56,265,491	52,792,772	47,358,991	40,746,884	41,312,456	40,899,662	37,460,992
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>							
Covered-employee payroll	\$ 121,869,863	\$ 121,869,863	\$ 132,856,596	\$ 113,612,283	\$ 110,472,635	\$ 105,941,115	\$ 105,067,297	\$ 110,266,912	\$ 97,043,082	\$ 98,591,589
Contributions as a percentage of covered-employee payroll	48.19%	53.91%	49.76%	49.52%	47.79%	44.70%	38.78%	37.47%	42.15%	38.00%
Fire										
Actuarially determined contribution	\$ 38,078,591	\$ 37,391,396	\$ 34,826,767	\$ 29,993,835	\$ 31,141,432	\$ 25,956,943	\$ 23,247,348	\$ 25,628,801	\$ 25,411,809	\$ 20,371,224
Contributions in relation to the actuarially determined contribution	38,078,591	37,391,396	34,826,767	29,993,835	31,141,432	25,956,943	23,247,348	25,628,801	25,411,809	20,371,224
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>							
Covered-employee payroll	\$ 58,868,793	\$ 58,868,793	\$ 61,520,842	\$ 51,609,161	\$ 58,769,965	\$ 49,076,124	\$ 48,791,822	\$ 54,472,521	\$ 50,944,023	\$ 50,094,360
Contributions as a percentage of covered-employee payroll	64.68%	63.52%	56.61%	58.12%	52.99%	52.89%	47.65%	47.05%	49.88%	40.67%
Deputy Sheriff's Comprehensive										
Actuarially determined contribution	\$ 6,780,148	\$ 6,613,913	\$ 5,853,975	\$ 5,171,709	\$ 5,243,696	\$ 4,627,135	\$ 3,898,491	\$ 4,110,295	\$ 4,138,909	\$ 4,172,392
Contributions in relation to the actuarially determined contribution	6,780,148	6,613,913	5,853,975	5,171,709	5,243,696	4,627,135	3,898,491	4,110,295	4,138,909	4,172,392
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>							
Covered-employee payroll	\$ 14,760,637	\$ 14,760,637	\$ 14,819,114	\$ 13,408,926	\$ 13,689,694	\$ 13,180,174	\$ 13,060,220	\$ 13,868,817	\$ 12,455,970	\$ 11,766,144
Contributions as a percentage of covered-employee payroll	45.93%	44.81%	39.50%	38.57%	38.30%	35.11%	29.85%	29.64%	33.23%	35.46%
Correctional Officers' Comprehensive										
Actuarially determined contribution	\$ 9,525,885	\$ 9,198,374	\$ 7,363,022	\$ 6,361,469	\$ 6,655,547	\$ 6,196,486	\$ 5,082,212	\$ 5,001,190	\$ 4,932,268	\$ 4,636,499
Contributions in relation to the actuarially determined contribution	9,525,885	9,198,374	7,363,022	6,361,469	6,655,547	6,196,486	5,082,212	5,001,190	4,932,268	4,636,499
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>							
Covered-employee payroll	\$ 25,545,117	\$ 25,545,117	\$ 26,087,235	\$ 23,470,084	\$ 25,215,683	\$ 24,347,628	\$ 23,217,583	\$ 24,013,591	\$ 22,030,546	\$ 22,076,288
Contributions as a percentage of covered-employee payroll	37.29%	36.01%	28.22%	27.10%	26.39%	25.45%	21.89%	20.83%	22.39%	21.00%

Prince Georges County Maryland
Required Supplementary Information
Schedule of County Contributions
Last 10 Fiscal Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Deputy Sheriff's Supplemental										
Actuarially determined contribution	\$ 846,400	\$ 815,900	\$ 768,500	\$ 652,200	\$ 274,717	\$ 257,053	\$ 255,608	\$ 214,001	\$ 224,419	\$ 204,941
Contributions in relation to the actuarially determined contribution	846,400	815,900	768,500	652,200	274,717	257,053	255,608	214,001	224,419	204,941
Contribution deficiency (excess)	<u>\$ -</u>									
Covered-employee payroll	\$ 579,946	\$ 579,946	\$ 558,262	\$ 717,237	\$ 1,021,708	\$ 1,105,715	\$ 1,307,494	\$ 1,259,659	\$ 1,292,922	\$ 1,367,827
Contributions as a percentage of covered-employee payroll	145.94%	140.69%	137.66%	90.93%	26.89%	23.25%	19.55%	16.99%	17.36%	14.98%
Correctional Officers' Supplemental										
Actuarially determined contribution	\$ 620,834	\$ 675,703	\$ 559,655	\$ 528,851	\$ 568,320	\$ 546,421	\$ 142,397	\$ 149,743	\$ 167,390	\$ 154,982
Contributions in relation to the actuarially determined contribution	620,834	675,703	559,655	528,851	568,320	546,421	142,397	149,743	167,390	154,982
Contribution deficiency (excess)	<u>\$ -</u>									
Covered-employee payroll	\$ 1,567,767	\$ 1,567,767	\$ 1,613,254	\$ 1,547,850	\$ 1,689,161	\$ 1,726,284	\$ 1,825,432	\$ 1,940,038	\$ 2,075,209	\$ 2,045,106
Contributions as a percentage of covered-employee payroll	39.60%	43.10%	34.69%	34.17%	33.65%	31.65%	7.80%	7.72%	8.07%	7.58%
Crossing Guards										
Actuarially determined contribution	\$ 85,297	\$ 87,270	\$ 81,888	\$ 86,674	\$ 85,002	\$ 79,090	\$ 74,880	\$ 85,965	\$ 78,794	\$ 74,160
Contributions in relation to the actuarially determined contribution	85,297	87,270	81,888	86,674	85,002	79,090	74,880	85,965	78,794	74,160
Contribution deficiency (excess)	<u>\$ -</u>									
Covered-employee payroll	\$ 1,568,767	\$ 1,568,767	\$ 1,478,859	\$ 1,576,052	\$ 1,560,515	\$ 1,480,461	\$ 1,635,018	\$ 1,666,680	\$ 1,596,052	\$ 1,580,337
Contributions as a percentage of covered-employee payroll	5.44%	5.56%	5.54%	5.50%	5.45%	5.34%	4.58%	5.16%	4.94%	4.69%
AFSCME										
Actuarially determined contribution	\$ 3,248,913	\$ 4,203,607	\$ 3,924,252	\$ 3,876,642	\$ 4,063,116	\$ 3,907,035	\$ 3,761,772	\$ 4,100,704	\$ 3,978,481	\$ 1,704,492
Contributions in relation to the actuarially determined contribution	3,248,913	4,203,607	3,924,252	3,876,642	4,063,116	3,907,035	3,761,772	4,100,704	3,978,481	1,704,492
Contribution deficiency (excess)	<u>\$ -</u>									
Covered-employee payroll	\$ 51,962,760	\$ 51,962,760	\$ 54,596,819	\$ 54,115,932	\$ 56,189,039	\$ 54,702,748	\$ 57,385,298	\$ 59,410,466	\$ 55,667,983	\$ 38,750,947
Contributions as a percentage of covered-employee payroll	6.25%	8.09%	7.19%	7.16%	7.23%	7.14%	6.56%	6.90%	7.15%	4.40%

Prince Georges County Maryland
 Required Supplementary Information
 Schedule of County Contributions
 Last 10 Fiscal Years

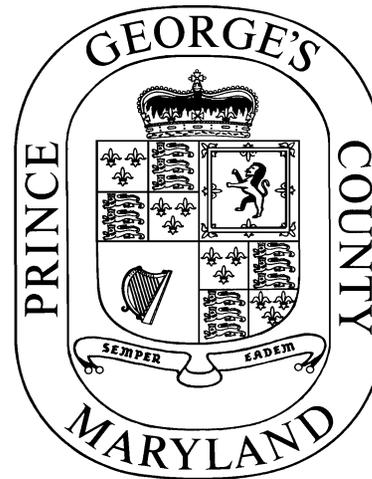
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Schedule										
Actuarially determined contribution	\$ 6,607,768	\$ 7,757,860	\$ 7,189,526	\$ 6,269,930	\$ 6,225,415	\$ 5,687,109	\$ 5,355,284	\$ 5,477,978	\$ 5,104,563	\$ 5,643,606
Contributions in relation to the actuarially determined contribution	6,607,768	7,757,860	7,189,526	6,269,930	6,225,415	5,687,109	5,355,284	5,477,978	5,104,563	5,643,606
Contribution deficiency (excess)	<u>\$ -</u>									
Covered-employee payroll	\$ 92,547,260	\$ 92,547,260	\$ 96,687,856	\$ 83,866,383	\$ 84,317,601	\$ 79,224,231	\$ 81,358,176	\$ 81,562,184	\$ 77,971,726	\$ 84,430,989
Contributions as a percentage of covered-employee payroll	7.14%	8.38%	7.44%	7.48%	7.38%	7.18%	6.58%	6.72%	6.55%	6.68%
Fire Civilian										
Actuarially determined contribution	\$ 474,312	\$ 511,188	\$ 455,754	\$ 412,724	\$ 425,660	\$ 374,931	\$ 339,173	\$ 346,042	\$ 350,325	\$ 328,707
Contributions in relation to the actuarially determined contribution	474,312	511,188	455,754	412,724	425,660	374,931	339,173	346,042	350,325	328,707
Contribution deficiency (excess)	<u>\$ -</u>									
Covered-employee payroll	\$ 3,772,598	\$ 3,772,598	\$ 4,007,893	\$ 3,634,202	\$ 3,879,187	\$ 3,935,198	\$ 4,213,435	\$ 4,280,833	\$ 4,154,906	\$ 4,063,497
Contributions as a percentage of covered-employee payroll	12.57%	13.55%	11.37%	11.36%	10.97%	9.53%	8.05%	8.08%	8.43%	8.09%
Police Civilian										
Actuarially determined contribution	\$ 845,730	\$ 1,089,407	\$ 1,068,827	\$ 998,499	\$ 1,050,281	\$ 968,151	\$ 882,194	\$ 956,128	\$ 892,370	\$ 889,899
Contributions in relation to the actuarially determined contribution	845,730	1,089,407	1,068,827	998,499	1,050,281	968,151	882,194	956,128	892,370	889,899
Contribution deficiency (excess)	<u>\$ -</u>									
Covered-employee payroll	\$ 17,614,642	\$ 17,614,642	\$ 19,058,383	\$ 17,251,532	\$ 17,910,236	\$ 17,347,443	\$ 17,631,392	\$ 17,799,883	\$ 16,006,191	\$ 14,599,716
Contributions as a percentage of covered-employee payroll	4.80%	6.18%	5.61%	5.79%	5.86%	5.58%	5.00%	5.37%	5.58%	6.10%

Prince Georges County Maryland
 Required Supplementary Information
 Schedule of County Contributions
 Fiscal Year 2015 and 2014

MSRPS	
Contractually required contribution	\$ 15,363,699 \$ 16,220,418
Contributions in relation to the contractually determined contribution	15,363,699 16,220,418
Contribution deficiency (excess)	<u>\$ -</u> <u>\$ -</u>
Covered-employee payroll	\$ 195,770,350 \$ 196,774,400
Contributions as a percentage of covered-employee payroll	7.85% 8.24%

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

This sub-section contains the Combining and Individual Fund Statements for the General Fund, Nonmajor Governmental Funds, Internal Service Funds, Fiduciary Funds, and Nonmajor Component Units. Also included are Supplementary Schedules.



GENERAL FUND

The General Fund is used to account for resources traditionally associated with government which are not legally or by sound financial management required to be accounted for in another fund.

PRINCE GEORGE'S COUNTY, MARYLAND
 Balance Sheet
 General Fund
 June 30, 2016

<u>Assets</u>		<u>Liabilities, Deferred Inflow of Resources, and Fund Balance</u>	
Cash and investments	\$ 194,639,727	Liabilities:	
Taxes receivable:		Compensated absences and	
Property taxes	15,771,121	termination benefits payable	\$ 339,556
Less allowance for uncollectible taxes	<u>(11,488,705)</u>	Accounts payable	10,440,474
Net property taxes	<u>4,282,416</u>	Accrued costs	22,829,375
Accounts receivable	37,082,122	Unearned revenue	15,418,089
Less allowance for uncollectible accounts	<u>(673,269)</u>	Deposits	<u>29,063,927</u>
Net accounts receivable	<u>36,408,853</u>	Total liabilities	<u>78,091,421</u>
Notes receivable	15,418,089	Deferred Inflow of Resources:	
Accrued interest receivable	172,859	Unavailble revenue - income taxes	59,074,723
Due from other funds:		Unavailable revenue - property taxes	<u>4,377,598</u>
Special Revenue	19,500,000	Total deferred inflow of resources	<u>63,452,321</u>
Capital Projects	93,000,000	Fund balance:	
Solid Waste	5,500,000	Nonspendable	2,134,534
Total due from other funds	<u>118,000,000</u>	Restricted	
Due from component units:		Economic stabilization	148,391,975
Housing Authority, net of allowance	5,296,161	Equipment purchases	11,921,168
Revenue Authority	799,938	Real estate purchases	<u>737,971</u>
Memorial Library	156,063	Total Restricted	<u>161,051,114</u>
Board of Education	915,816	Committed - Operating Reserve	59,356,790
Community Television	<u>450,000</u>	Assigned	
Total due from component units	<u>7,617,978</u>	Economic Development	36,914,560
Due from other governmental units:		Local Impact Grant	62,418
State	123,741,317	Summer Youth Enrichment Program	1,729,492
Federal	2,203,764	Property Sales and Acquisition	717,014
Other	<u>12,099,209</u>	Other	9,502,950
Total due from other governmental units	<u>138,044,290</u>	Total Assigned	<u>48,926,434</u>
Inventories, at average cost	2,134,534	Unassigned	<u>116,418,173</u>
Cash and investments-restricted	12,662,041	Total fund balance	<u>387,887,045</u>
Other assets	50,000		
	<u>\$ 529,430,787</u>		<u>\$ 529,430,787</u>

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Revenue, Expenditures, and Changes in Fund Balance
 General Fund
 For the year ended June 30, 2016

Revenues:	
Taxes	\$ 1,630,956,629
Licenses and permits	37,407,084
Fines and forfeitures	14,400,073
Use of money and property	7,950,672
Charges for services	44,731,302
Intergovernmental	38,716,861
Miscellaneous	<u>2,358,597</u>
Total revenues	<u>1,776,521,218</u>
Expenditures:	
General government	192,650,810
Public safety	639,120,163
Environmental	3,424,087
Health and Human Services	22,101,157
Infrastructure and Development	19,514,149
Payments to component units	719,426,125
Debt Service	<u>25,718,240</u>
Total expenditures	<u>1,621,954,731</u>
Excess of revenues over expenditures	<u>154,566,487</u>
Other financing sources (uses):	
Purchase agreement financing	10,161,624
Transfers out - other funds	<u>(95,034,167)</u>
Total other financing sources (uses)	<u>(84,872,543)</u>
Excess of revenues and other financing sources under expenditures and other uses	<u>69,693,944</u>
Fund balance, beginning of year	<u>318,193,101</u>
Fund balance, end of year	<u>\$ <u>387,887,045</u></u>

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Revenue-Budget and Actual (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	Budget As Revised	Actual Revenues			Total	Variance Positive (Negative)
		General Fund	Economic Incentive	Property Management		
General property taxes:						
Real property (net of credits)	\$ 699,572,400	704,315,323	-	-	704,315,323	4,742,923
Unincorporated business personal property	4,322,700	1,372,959	-	-	1,372,959	(2,949,741)
Railroad and public utility	32,421,000	32,507,423	-	-	32,507,423	86,423
Corporate personal property	34,023,500	42,628,797	-	-	42,628,797	8,605,297
Total general property taxes	770,339,600	780,824,502	-	-	780,824,502	10,484,902
Local taxes:						
Income	533,731,300	547,566,946	-	-	547,566,946	13,835,646
State income disparity grant	23,088,266	23,088,290	-	-	23,088,290	24
Recordation	36,950,100	44,455,892	-	-	44,455,892	7,505,792
Interest and penalties on delinquent taxes	3,736,325	3,463,109	-	-	3,463,109	(273,216)
Transfer	86,087,400	107,785,252	-	-	107,785,252	21,697,852
Trailer camp	35,000	41,145	-	-	41,145	6,145
Hotel/motel	7,989,500	9,073,043	-	-	9,073,043	1,083,543
Amusement	14,245,800	13,515,562	-	-	13,515,562	(730,238)
Telecommunications tax	34,660,400	31,227,520	-	-	31,227,520	(3,432,880)
Energy tax	63,394,400	66,394,765	-	-	66,394,765	3,000,365
Total local taxes	803,918,491	846,611,524	-	-	846,611,524	42,693,033
Shared taxes:						
Gas and motor vehicle	3,243,000	2,970,706	-	-	2,970,706	(272,294)
State transfer taxes	750,000	549,897	-	-	549,897	(200,103)
Total shared taxes	3,993,000	3,520,603	-	-	3,520,603	(472,397)
Total taxes	1,578,251,091	1,630,956,629	-	-	1,630,956,629	52,705,538

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Revenue-Budget and Actual (Non-GAAP Budgetary Basis), Continued
 General Fund
 For the year ended June 30, 2016

	Budget As Revised	Actual Revenues			Total	Variance Positive (Negative)
		General Fund	Economic Incentive	Property Management		
Licenses and permits:						
Street privileges and permits	\$ 6,329,600	3,924,114	-	-	3,924,114	(2,405,486)
Liquor license and permits	1,832,400	2,370,273	-	-	2,370,273	537,873
Traders	787,500	834,021	-	-	834,021	46,521
Hawkers and peddlers	3,000	77,206	-	-	77,206	74,206
Taxicab	500,000	456,895	-	-	456,895	(43,105)
Dance licenses	5,000	-	-	-	-	(5,000)
Bonder's license fees	662,300	604,282	-	-	604,282	(58,018)
Animal registration	120,000	89,005	-	-	89,005	(30,995)
Mechanics	12,000	16,649	-	-	16,649	4,649
Electrical licenses	150,000	319,955	-	-	319,955	169,955
Building permits	12,893,700	22,206,385	-	-	22,206,385	9,312,685
Single family and apartment rental license fee	3,460,000	3,493,734	-	-	3,493,734	33,734
New sign permits	56,100	81,507	-	-	81,507	25,407
Towing facility	120,000	-	-	-	-	(120,000)
Palmist	2,000	-	-	-	-	(2,000)
Burglar alarm	306,000	398,776	-	-	398,776	92,776
Benefit performance and casino permits	-	3,148	-	-	3,148	3,148
Board of registration - contractor's fee	7,300	10,012	-	-	10,012	2,712
Health permits	2,100,000	2,447,554	-	-	2,447,554	347,554
Secondhand dealers	40,000	22,995	-	-	22,995	(17,005)
Other	74,800	50,573	-	-	50,573	(24,227)
Total licenses and permits	29,461,700	37,407,084	-	-	37,407,084	7,945,384
Fines and forfeitures:						
Motor vehicles	849,600	586,296	-	-	586,296	(263,304)
Animal	47,800	49,175	-	-	49,175	1,375
Automated Speed Enforcement	8,507,800	8,759,276	-	-	8,759,276	251,476
Traffic Light	3,189,900	4,840,011	-	-	4,840,011	1,650,111
Other	72,000	165,315	-	-	165,315	93,315
Total fines and forfeitures	12,667,100	14,400,073	-	-	14,400,073	1,732,973

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Revenue-Budget and Actual (Non-GAAP Budgetary Basis), Continued
 General Fund
 For the year ended June 30, 2016

	Budget As Revised	Actual Revenues				Variance Positive (Negative)
		General Fund	Economic Incentive	Property Management	Total	
Use of money and property:						
Interest and dividends	\$ 10,813,900	2,444,470	125,952	-	2,570,422	(8,243,478)
Telephone commissions	-	286,450	-	-	286,450	286,450
Rental of County-owned property	1,000,000	3,350,336	-	-	3,350,336	2,350,336
Xerox commissions	2,400	74,994	-	-	74,994	72,594
Vending machines and cafeteria commissions	-	48,678	-	-	48,678	48,678
Other use of money and property	1,025,500	230,390	1,389,402	-	1,619,792	594,292
Total use of money and property	<u>12,841,800</u>	<u>6,435,318</u>	<u>1,515,354</u>	<u>-</u>	<u>7,950,672</u>	<u>(4,891,128)</u>
Charges for services:						
Sheriff's fees	2,762,000	3,709,700	-	-	3,709,700	947,700
Zoning Appeals Board fee	31,100	32,089	-	-	32,089	989
Tax certification fees	17,000	21,150	-	-	21,150	4,150
Tax collection service	65,000	65,000	-	-	65,000	-
Health fees	1,200,000	1,291,957	-	-	1,291,957	91,957
Appearance and witness fees	206,200	186,063	-	-	186,063	(20,137)
Emergency transport and related services	10,065,900	12,341,137	-	-	12,341,137	2,275,237
Tax sale cost recoveries	70,200	60,241	-	-	60,241	(9,959)
Housing - State prisoners	630,000	746,640	-	-	746,640	116,640
Housing - Federal prisoners	261,500	108,496	-	-	108,496	(153,004)
Contractual police services	440,000	896,261	-	-	896,261	456,261
Fire inspection fee	400,000	325,892	-	-	325,892	(74,108)
Inmate commissions	264,900	196,790	-	-	196,790	(68,110)
County sales	400	-	-	-	-	(400)
Animal control fees	71,500	175,750	-	-	175,750	104,250
Circuit Court marriage ceremonies	31,600	26,270	-	-	26,270	(5,330)
Public safety surcharge	-	1,600,000	-	-	1,600,000	1,600,000
Local 911 fee	6,520,500	6,613,303	-	-	6,613,303	92,803
Cable franchise fees	12,256,000	12,941,876	-	-	12,941,876	685,876
Stadium contract revenue	1,500,000	1,699,439	-	-	1,699,439	199,439
Jury fees reimbursements	769,900	760,300	-	-	760,300	(9,600)
Sex offenders registration fee	178,500	149,600	-	-	149,600	(28,900)
Interpreter fee	540,900	239,945	-	-	239,945	(300,955)
Other	707,800	543,403	-	-	543,403	(164,397)
Total charges for services	<u>38,990,900</u>	<u>44,731,302</u>	<u>-</u>	<u>-</u>	<u>44,731,302</u>	<u>5,740,402</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Revenue-Budget and Actual (Non-GAAP Budgetary Basis), Continued
 General Fund
 For the year ended June 30, 2016

	Budget As Revised	Actual Revenues			Total	Variance Positive (Negative)
		General Fund	Economic Incentive	Property Management		
Intergovernmental revenues:						
Civil defense	\$ -	-	-	-	-	-
Police protection	10,736,400	10,630,760	-	-	10,630,760	(105,640)
Land management	10,000	10,282	-	-	10,282	282
Health Department - State share	6,131,000	2,658,266	-	-	2,658,266	(3,472,734)
Racing grant	948,000	1,000,000	-	-	1,000,000	52,000
Fish and wildlife service	140,000	159,088	-	-	159,088	19,088
Teacher Retirement grant	9,628,700	9,628,702	-	-	9,628,702	2
FEMA Reimbursement	-	2,207,660	-	-	2,207,660	2,207,660
State grants	564,529	28,515	-	-	28,515	(536,014)
Federal grants	1,696,586	230,777	-	-	230,777	(1,465,809)
Prince George's County Public Schools reimbursment	-	500,000	-	-	500,000	500,000
DSS salary reimbursement	250,000	210,078	-	-	210,078	(39,922)
M-NCPPC reimbursemnent	9,704,900	8,067,575	-	-	8,067,575	(1,637,325)
Other	1,133,285	3,385,158	-	-	3,385,158	2,251,873
Total intergovernmental revenues	40,943,400	38,716,861	-	-	38,716,861	(2,226,539)
Miscellaneous revenues:						
Cedarville state forest	-	10,223	-	-	10,223	10,223
Sale of surplus property	315,300	172,961	-	-	172,961	(142,339)
Sale of voter lists	11,000	6,833	-	-	6,833	(4,167)
Sale of accident reports and photos	165,000	160,219	-	-	160,219	(4,781)
Other miscellaneous sales	65,000	94,322	-	155,690	250,012	185,012
Miscellaneous revenue	1,000,000	1,758,349	-	-	1,758,349	758,349
Total miscellaneous revenues	1,556,300	2,202,907	-	155,690	2,358,597	802,297
Total	\$ 1,714,712,291	1,774,850,174	1,515,354	155,690	1,776,521,218	61,808,927

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	Year ended June 30, 2016		
	Budget as revised	Expenditures	Variance Positive (Negative)
General government:			
County Executive:			
Compensation	\$ 4,127,450	4,042,499	84,951
Fringe benefits	990,730	957,761	32,969
Other current expenses	361,914	316,479	45,435
Total County Executive	5,480,094	5,316,739	163,355
Legislative Branch:			
Compensation	9,443,800	9,224,002	219,798
Fringe benefits	2,946,400	2,649,680	296,720
Other current expenses	2,508,500	2,112,627	395,873
Capital Outlay	29,400	-	29,400
Project charges	(1,139,500)	(1,184,803)	45,303
Total Legislative Branch	13,788,600	12,801,506	987,094
Office of Ethics and Accountability:			
Compensation	406,518	408,012	(1,494)
Fringe benefits	107,522	95,224	12,298
Other current expenses	34,986	28,977	6,009
Total Ethics and Accountability	549,026	532,213	16,813
Circuit Court:			
Compensation	9,284,148	9,297,378	(13,230)
Fringe benefits	2,946,744	2,881,236	65,508
Other current expenses	3,577,588	3,500,506	77,082
Project charges	(129,360)	-	(129,360)
Total Circuit Court	15,679,120	15,679,120	-

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	Year ended June 30, 2016		
	Budget as revised	Expenditures	Variance Positive (Negative)
General government, continued:			
Orphan's Court:			
Compensation	\$ 310,666	312,654	(1,988)
Fringe benefits	85,534	85,507	27
Other current expenses	15,778	11,363	4,415
Total Orphan's Court	<u>411,978</u>	<u>409,524</u>	<u>2,454</u>
Personnel Board:			
Compensation	188,748	193,944	(5,196)
Fringe benefits	51,156	47,227	3,929
Other current expenses	79,870	70,109	9,761
Total Personnel Board	<u>319,774</u>	<u>311,280</u>	<u>8,494</u>
Office of Finance:			
Compensation	4,353,258	4,424,478	(71,220)
Fringe benefits	1,548,890	1,402,639	146,251
Other current expenses	782,824	846,358	(63,534)
Project charges	(3,047,898)	(3,117,871)	69,973
Total Office of Finance	<u>3,637,074</u>	<u>3,555,604</u>	<u>81,470</u>
Citizen Complaint Oversight Panel:			
Compensation	124,794	125,913	(1,119)
Fringe benefits	41,748	41,805	(57)
Other current expenses	81,042	64,211	16,831
Total Citizen Complaint Oversight Panel	<u>247,584</u>	<u>231,929</u>	<u>15,655</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	Year ended June 30, 2016		
	Budget as revised	Expenditures	Variance Positive (Negative)
General government, continued:			
Office of Community Relations			
Compensation	\$ 2,855,082	2,762,388	92,694
Fringe benefits	915,118	860,661	54,457
Other current expenses	224,798	215,366	9,432
Total Office of Community Relations	<u>3,994,998</u>	<u>3,838,415</u>	<u>156,583</u>
Office of Management and Budget:			
Compensation	1,900,250	1,835,129	65,121
Fringe benefits	571,006	543,240	27,766
Other current expenses	136,024	119,605	16,419
Project charges	(341,334)	(232,234)	(109,100)
Total Office of Management and Budget	<u>2,265,946</u>	<u>2,265,740</u>	<u>206</u>
Board of License Commissioners:			
Compensation	808,038	807,719	319
Fringe benefits	301,116	308,766	(7,650)
Other current expenses	119,524	89,725	29,799
Total Board of License Commissioners	<u>1,228,678</u>	<u>1,206,210</u>	<u>22,468</u>
Office of Law:			
Compensation	4,554,454	4,487,722	66,732
Fringe benefits	1,309,698	1,252,061	57,637
Other current expenses	407,288	412,661	(5,373)
Project charges	(2,740,570)	(2,701,609)	(38,961)
Total Office of Law	<u>3,530,870</u>	<u>3,450,835</u>	<u>80,035</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	Year ended June 30, 2016		
	Budget <u>as revised</u>	<u>Expenditures</u>	Variance Positive (Negative)
General government, continued:			
Office of Human Resources Management			
Compensation	\$ 4,993,226	4,900,476	92,750
Fringe benefits	1,362,230	1,360,105	2,125
Other current expenses	1,064,656	908,495	156,161
Project charges	<u>(1,966,860)</u>	<u>(2,061,356)</u>	<u>94,496</u>
Total Office of Human Resources Management	<u>5,453,252</u>	<u>5,107,720</u>	<u>345,532</u>
Board of Elections:			
Compensation	4,147,174	3,663,001	484,173
Fringe benefits	457,062	455,669	1,393
Other current expenses	<u>776,250</u>	<u>699,594</u>	<u>76,656</u>
Total Board of Elections	<u>5,380,486</u>	<u>4,818,264</u>	<u>562,222</u>
Office of Central Services:			
Compensation	8,166,372	8,161,797	4,575
Fringe benefits	3,187,388	3,065,446	121,942
Other current expenses	9,312,086	8,574,488	737,598
Project charges	<u>(1,551,634)</u>	<u>(1,467,610)</u>	<u>(84,024)</u>
Total Office of Central Services	<u>19,114,212</u>	<u>18,334,121</u>	<u>780,091</u>
Property Management			
Other current expenses	<u>501,200</u>	<u>310,689</u>	<u>190,511</u>
Total Property Management	<u>501,200</u>	<u>310,689</u>	<u>190,511</u>
Collington Center			
Other current expenses	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total Collington Center	<u>5,000</u>	<u>5,000</u>	<u>-</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	Year ended June 30, 2016		
	Budget as revised	Expenditures	Variance Positive (Negative)
General government, continued:			
Non-departmental:			
Grants to community organizations	\$ 5,698,400	4,788,647	909,753
Grants to governmental groups	225,000	164,325	60,675
Grants and contributions to component uni	2,292,600	2,292,600	-
Memberships	631,700	631,530	170
Economic Development	4,090,400	3,983,385	107,015
Economic Development Incentive	9,000,000	7,197,418	1,802,582
Conference and Visitors Bureau	728,900	728,900	-
Discretionary Grants	762,700	1,641,800	(879,100)
General Fund insurance payments	8,314,700	8,756,600	(441,900)
Judgments - associated legal and professional expenses	686,900	408,325	278,575
Professional Service	9,190,000	11,258,323	(2,068,323)
Postage	1,450,000	929,859	520,141
Utilities and leases	57,530,500	50,997,963	6,532,537
Vehicle Purchase	3,000,000	445,383	2,554,617
Debt payments	2,747,000	3,163,712	(416,712)
Debt issuance costs	8,000	11,410	(3,410)
Project charges	(3,664,100)	(3,589,495)	(74,605)
Grant to Dimensions Health Corporation	15,000,000	15,000,000	-
Interest	600,000	759,919	(159,919)
Group Health (Retirees)	23,048,400	23,048,335	65
Group Life (Retirees)	1,000,000	1,118,626	(118,626)
Unemployment Compensation	600,000	453,000	147,000
Deferred compensation contributions	100,000	77,411	22,589
Retired county personnel pension payments	50,000	44,602	5,398
Compensated Absences	-	(45,304)	45,304
Summer Youth Programs	2,337,200	1,908,279	428,921
Workers Compensation	-	142,857	(142,857)
Other miscellaneous	4,143,746	3,002,602	1,141,144
	<u>149,572,046</u>	<u>139,321,012</u>	<u>10,251,034</u>
Total non-departmental			
Total general government	<u>231,159,938</u>	<u>217,495,921</u>	<u>13,664,017</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	Year ended June 30, 2016		
	Budget as revised	Expenditures	Variance Positive (Negative)
Public safety:			
Office of the State's Attorney			
Compensation	\$ 11,056,262	10,873,334	182,928
Fringe benefits	3,451,268	3,411,110	40,158
Other current expenses	1,360,926	1,390,028	(29,102)
Project charges	(124,460)	(53,666)	(70,794)
Total State's Attorney Office	<u>15,743,996</u>	<u>15,620,806</u>	<u>123,190</u>
Police Department:			
Compensation	162,211,957	165,599,015	(3,387,058)
Fringe benefits	102,343,066	93,230,090	9,112,976
Other current expenses	29,502,214	25,768,778	3,733,436
Capital Outlay	-	176,461	(176,461)
Project charges	(289,100)	(277,297)	(11,803)
Total Police Department	<u>293,768,137</u>	<u>284,497,047</u>	<u>9,271,090</u>
Fire Department:			
Fire Department			
Compensation	87,347,473	87,665,997	(318,524)
Fringe benefits	62,130,182	62,215,065	(84,883)
Other current expenses	20,970,572	19,566,405	1,404,167
Capital Outlay	-	59,461	(59,461)
Project charges	(98,000)	(248,484)	150,484
Total Fire Department	<u>170,350,227</u>	<u>169,258,444</u>	<u>1,091,783</u>
Sheriff's Department:			
Compensation	23,109,992	23,098,241	11,751
Fringe benefits	14,060,206	13,926,616	133,590
Other current expenses	5,195,630	3,952,533	1,243,097
Capital Outlay	-	22,621	(22,621)
Project charges	-	(32,107)	32,107
Total Sheriff's Department	<u>42,365,828</u>	<u>40,967,904</u>	<u>1,397,924</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	Year ended June 30, 2016		
	Budget as revised	Expenditures	Variance Positive (Negative)
Public safety, continued			
Department of Corrections:			
Compensation	\$ 48,130,173	48,587,263	(457,090)
Fringe benefits	22,177,106	22,083,104	94,002
Other current expenses	11,186,878	10,463,293	723,585
Project charges	<u>(146,118)</u>	<u>(137,071)</u>	<u>(9,047)</u>
Total Department of Corrections	<u>81,348,039</u>	<u>80,996,589</u>	<u>351,450</u>
Office of Homeland Security			
Compensation	13,038,381	13,016,351	22,030
Fringe benefits	3,917,354	3,630,819	286,535
Other current expenses	8,017,058	8,327,475	(310,417)
Project charges	<u>-</u>	<u>(1,852)</u>	<u>1,852</u>
Total Office of Homeland Security	<u>24,972,793</u>	<u>24,972,793</u>	<u>-</u>
Total public safety	<u>628,549,020</u>	<u>616,313,583</u>	<u>12,235,437</u>
Environmental			
Soil Conservation:			
Compensation	997,500	1,018,421	(20,921)
Fringe benefits	304,200	297,102	7,098
Other current expenses	14,300	15,932	(1,632)
Project charges	<u>(1,316,000)</u>	<u>(1,331,455)</u>	<u>15,455</u>
Total Soil Conservation	<u>-</u>	<u>-</u>	<u>-</u>
Department of the Environment:			
Compensation	5,825,010	5,411,357	413,653
Fringe benefits	2,149,346	1,785,489	363,857
Other current expenses	1,211,476	1,127,121	84,355
Project charges	<u>(5,457,128)</u>	<u>(4,899,880)</u>	<u>(557,248)</u>
Total Department of the Environment	<u>3,728,704</u>	<u>3,424,087</u>	<u>304,617</u>
Total Environmental	<u>3,728,704</u>	<u>3,424,087</u>	<u>304,617</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

DRAFT AS OF 12/14/2016

	Year ended June 30, 2016		
	Budget as revised	Expenditures	Variance Positive (Negative)
Health and Human Services			
Department of Family Services:			
Compensation	\$ 1,277,660	1,071,740	205,920
Fringe benefits	353,486	288,488	64,998
Other current expenses	1,417,862	1,292,381	125,481
Capital Outlay	-	33,481	(33,481)
Project charges	(168,070)	(7,309)	(160,761)
Total Department of Family Services	<u>2,880,938</u>	<u>2,678,781</u>	<u>202,157</u>
Health Department:			
Compensation	11,977,560	11,484,398	493,162
Fringe benefits	4,050,250	3,979,953	70,297
Other current expenses	5,856,760	4,725,128	1,131,632
Project charges	(2,548,000)	(3,385,341)	837,341
Total Health	<u>19,336,570</u>	<u>16,804,138</u>	<u>2,532,432</u>
Department of Social Services:			
Compensation	1,198,724	1,214,688	(15,964)
Fringe benefits	333,690	322,129	11,561
Other current expenses	1,245,490	1,081,421	164,069
Total Department of Social Services	<u>2,777,904</u>	<u>2,618,238</u>	<u>159,666</u>
Total Health and Human Services	<u>24,995,412</u>	<u>22,101,157</u>	<u>2,894,255</u>

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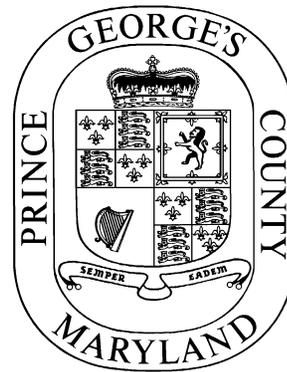
PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	Year ended June 30, 2016		
	Budget as revised	Expenditures	Variance Positive (Negative)
Infrastructure and Development			
Department of Public Works and Transportation			
Compensation	\$ 15,052,080	13,978,379	1,073,701
Fringe benefits	5,148,094	4,958,998	189,096
Other current expenses	42,395,114	41,525,687	869,427
Capital Outlay	100,000	-	100,000
Project charges	(54,072,758)	(52,084,392)	(1,988,366)
Total public works	<u>8,622,530</u>	<u>8,378,672</u>	<u>243,858</u>
Department of Permitting, Inspections and Enforcement			
Compensation	16,377,628	16,526,214	(148,586)
Fringe benefits	5,389,608	5,289,338	100,270
Other current expenses	3,285,248	3,014,175	271,073
Project charges	(16,998,492)	(17,349,722)	351,230
Total Permitting, Inspections and Enforcement	<u>8,053,992</u>	<u>7,480,005</u>	<u>573,987</u>
Department of Housing and Community Development:			
Compensation	2,359,644	2,322,914	36,730
Fringe benefits	700,896	751,239	(50,343)
Other current expenses	496,174	482,561	13,613
Total Department of Housing and Community Development	<u>3,556,714</u>	<u>3,556,714</u>	<u>-</u>
Total Infrastructure and Development	<u>20,233,236</u>	<u>19,415,391</u>	<u>817,845</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2016

	Year ended June 30, 2016		
	Budget as revised	Expenditures	Variance Positive (Negative)
Payments to Component Units:	\$		
Board of Education	669,292,125	669,292,125	-
Community College	31,648,800	31,648,800	-
Memorial Library	18,485,200	18,485,200	-
Total payments to component units	<u>719,426,125</u>	<u>719,426,125</u>	<u>-</u>
Total expenditures	\$ <u>1,628,092,435</u>	<u>1,598,176,264</u>	<u>29,916,171</u>
Other financing uses:			
Transfers out:			
Special revenue funds	\$ (59,000)	(59,000)	-
Capital projects fund	(715,000)	(690,000)	25,000
Debt service fund	<u>(94,334,056)</u>	<u>(94,285,167)</u>	<u>48,889</u>
Total transfers out	<u>(95,108,056)</u>	<u>(95,034,167)</u>	<u>73,889</u>
Total other financing sources (uses)	\$ <u>(95,108,056)</u>	<u>(95,034,167)</u>	<u>73,889</u>



NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Domestic Violence Fund - to account for the receipt of revenue from marriage license fees to finance the costs of shelters for homeless spouses who are the object of domestic violence.

Drug Enforcement and Education Fund - to account for the proceeds from the forfeiture or sale of property seized as a result of the enforcement of drug laws, which will finance costs associated with the County's drug enforcement and education activities.

The *Debt Service Fund* accounts for the payment of general long-term debt of the County (not serviced by Enterprise Funds), including state participation loans and service charges.

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2016

<u>Assets</u>	<u>Domestic Violence</u>	<u>Drug Enforcement and Education</u>	<u>Total</u>	<u>Debt Service</u>	<u>Total</u>
Cash and investments	\$ 125,826	12,759,669	12,885,495	396,295	13,281,790
Cash with fiscal agents	-	-	-	17,506,263	17,506,263
Due from other governmental units	34,775	-	34,775	-	34,775
Restricted cash and investments	-	-	-	14,996,851	14,996,851
	<u>160,601</u>	<u>12,759,669</u>	<u>12,920,270</u>	<u>32,899,409</u>	<u>45,819,679</u>
 <u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	<u>96,405</u>	<u>743,741</u>	<u>840,146</u>	<u>396,295</u>	<u>1,236,441</u>
Total liabilities	<u>96,405</u>	<u>743,741</u>	<u>840,146</u>	<u>396,295</u>	<u>1,236,441</u>
Fund balances:					
Restricted	64,196	8,337,977	8,402,173	32,503,114	40,905,287
Assigned	-	3,677,951	3,677,951	-	3,677,951
Total fund balances	<u>64,196</u>	<u>12,015,928</u>	<u>12,080,124</u>	<u>32,503,114</u>	<u>44,583,238</u>
	<u>\$ 160,601</u>	<u>12,759,669</u>	<u>12,920,270</u>	<u>32,899,409</u>	<u>45,819,679</u>

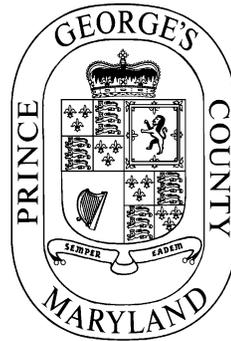
PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2016

	Domestic Violence	Drug Enforcement and Education	Total	Debt Service	Total
Sale of property					
Revenues:					
Taxes	\$ -	-	-	2,506,150	2,506,150
Licenses and permits	327,665	-	327,665	-	327,665
Fines and forfeitures	-	839,469	839,469	-	839,469
Use of money and property:					
Interest and dividends	-	53,239	53,239	14,889	68,128
Charges for services	-	-	-	29,405,570	29,405,570
Intergovernmental	-	-	-	3,922,578	3,922,578
Sale of property	-	382	382	-	382
Total revenues	<u>327,665</u>	<u>893,090</u>	<u>1,220,755</u>	<u>35,849,187</u>	<u>37,069,942</u>
Expenditures:					
General government	-	709	709	1,235,142	1,235,851
Public safety	-	1,200,178	1,200,178	-	1,200,178
Health and Human Services	391,847	-	391,847	-	391,847
Debt service:					
Principal retirement	-	-	-	89,000,000	89,000,000
Interest	-	-	-	52,655,787	52,655,787
Total expenditures	<u>391,847</u>	<u>1,200,887</u>	<u>1,592,734</u>	<u>142,890,929</u>	<u>144,483,663</u>
Excess of revenues over (under) expenc	<u>(64,182)</u>	<u>(307,797)</u>	<u>(371,979)</u>	<u>(107,041,742)</u>	<u>(107,413,721)</u>
Other financing sources (uses):					
Bond premium	-	-	-	11,807,446	11,807,446
Transfers in - other funds	59,000	-	59,000	94,285,167	94,344,167
Bonds issued - refunding	-	-	-	51,511,805	51,511,805
Bond premium - refunding	-	-	-	7,990,279	7,990,279
Payment to refunding escrow agent	-	-	-	(58,956,180)	(58,956,180)
Total other financing sources (uses)	<u>59,000</u>	<u>-</u>	<u>59,000</u>	<u>106,638,517</u>	<u>106,697,517</u>
Net change in fund balances	(5,182)	(307,797)	(312,979)	(403,225)	(716,204)
Fund balances, beginning of year	<u>69,378</u>	<u>12,323,725</u>	<u>12,393,103</u>	<u>32,906,339</u>	<u>45,299,442</u>
Fund balances, end of year	<u>\$ 64,196</u>	<u>12,015,928</u>	<u>12,080,124</u>	<u>32,503,114</u>	<u>44,583,238</u>

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual, Continued
 Nonmajor Governmental Funds - Special Revenue
 For the year ended June 30, 2016

	Domestic Violence				Drug Enforcement and Education				Totals			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:												
Licenses and permits	\$ 308,000	308,000	327,665	19,665	-	-	-	-	308,000	308,000	327,665	-
Interest and Dividends					50,000	50,000	53,239	3,239	50,000	50,000	53,239	3,239
Fines and forfeitures	-	-	-	-	1,450,000	1,450,000	839,469	(610,531)	1,450,000	1,450,000	839,469	(610,531)
Sale of property	-	-	-	-	8,000	8,000	382	(7,618)	8,000	8,000	382	(7,618)
Total revenues	<u>308,000</u>	<u>308,000</u>	<u>327,665</u>	<u>19,665</u>	<u>1,508,000</u>	<u>1,508,000</u>	<u>893,090</u>	<u>(614,910)</u>	<u>1,816,000</u>	<u>1,816,000</u>	<u>1,220,755</u>	<u>(595,245)</u>
Expenditures:												
General government	-	-	-	-	-	-	709	(709)	-	-	709	(709)
Public safety	-	-	-	-	4,500,900	4,500,900	1,200,178	3,300,722	4,500,900	4,500,900	1,200,178	3,300,722
Health and human services	440,000	440,000	391,847	48,153	-	-	-	-	440,000	440,000	391,847	48,153
Total expenditures	<u>440,000</u>	<u>440,000</u>	<u>391,847</u>	<u>48,153</u>	<u>4,500,900</u>	<u>4,500,900</u>	<u>1,200,887</u>	<u>3,300,013</u>	<u>4,940,900</u>	<u>4,940,900</u>	<u>1,592,734</u>	<u>3,348,166</u>
Excess of revenues over (under) expenditures	<u>(132,000)</u>	<u>(132,000)</u>	<u>(64,182)</u>	<u>67,818</u>	<u>(2,992,900)</u>	<u>(2,992,900)</u>	<u>(307,797)</u>	<u>2,685,103</u>	<u>(3,124,900)</u>	<u>(3,124,900)</u>	<u>(371,979)</u>	<u>2,752,921</u>
Other financing sources (uses):												
Transfers in - other funds	59,000	59,000	59,000	-	-	-	-	-	59,000	59,000	59,000	-
Appropriated fund balance	<u>73,000</u>	<u>73,000</u>	<u>-</u>	<u>73,000</u>	<u>2,992,900</u>	<u>2,992,900</u>	<u>-</u>	<u>(2,992,900)</u>	<u>3,065,900</u>	<u>3,065,900</u>	<u>-</u>	<u>(3,065,900)</u>
Total other financing sources (uses)	<u>132,000</u>	<u>132,000</u>	<u>59,000</u>	<u>73,000</u>	<u>2,992,900</u>	<u>2,992,900</u>	<u>-</u>	<u>(2,992,900)</u>	<u>3,124,900</u>	<u>3,124,900</u>	<u>59,000</u>	<u>(3,065,900)</u>
Net change in fund balances (budgetary basis)	<u>\$ -</u>	<u>-</u>	<u>(5,182)</u>	<u>140,818</u>	<u>-</u>	<u>-</u>	<u>(307,797)</u>	<u>(307,797)</u>	<u>-</u>	<u>-</u>	<u>(312,979)</u>	<u>(312,979)</u>
Fund balances, beginning of year basis)			<u>69,378</u>				<u>12,323,725</u>				<u>12,393,103</u>	
			<u>64,196</u>				<u>12,015,928</u>				<u>12,080,124</u>	

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Primary Government and to other government units, on a cost-reimbursement basis.

Self-Insurance Funds - to provide insurance protection to the Primary Government and the participating Component Unit Entities - Board of Education, Library, and Community College. The Life and Health Benefits Fund provides coverage for the Primary Government and Library employees. The Unemployment Compensation Fund covers required payments to the State of Maryland Unemployment Compensation Fund.

Vehicle Maintenance Fund - to account for the activities which provide the maintenance and repair services for County-owned vehicles.

Computer Services Fund - to provide for computer and office automation services to County departments and agencies.

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Statement of Net Position
 Internal Service Funds
 June 30, 2016

<u>Assets</u>	Self-Insurance Funds							<u>Total</u>	
	<u>Unemployment Compensation</u>	<u>Property Loss</u>	<u>Automobile Liability</u>	<u>Worker's Compensation</u>	<u>General Liability</u>	<u>Life and Health Benefits</u>	<u>Vehicle Maintenance Fund</u>		<u>Computer Services Fund</u>
Current assets:									
Cash and investments	\$ 185,361	579,143	2,574,752	25,737,132	16,725,589	37,315,720	9,870,527	12,924,896	105,913,120
Accounts receivable	-	-	66,896	393,902	-	153,778	185,620	1,900,440	2,700,636
Accrued interest receivable	-	20	365	11,582	243	-	-	-	12,210
Due from component units	-	-	-	247,861	-	-	-	-	247,861
Due from other governmental units	-	-	-	-	-	-	-	471,705	471,705
Inventories, at cost	-	-	-	-	-	-	700,578	16,908	717,486
Prepaid costs and deposits	-	-	-	-	6,962	81,840	-	137,815	226,617
Total current assets	185,361	579,163	2,642,013	26,390,477	16,732,794	37,551,338	10,756,725	15,451,764	110,289,635
Noncurrent assets:									
Capital assets:									
Land	-	-	-	-	-	-	1,000,000	-	1,000,000
Buildings	-	-	-	-	-	-	2,640,889	-	2,640,889
Accumulated depreciation	-	-	-	-	-	-	(2,640,889)	-	(2,640,889)
Improvements other than buildings	-	-	-	-	-	-	328,014	-	328,014
Accumulated depreciation	-	-	-	-	-	-	(328,014)	-	(328,014)
Equipment	-	-	-	-	-	-	8,035,706	13,988	8,049,694
Accumulated depreciation	-	-	-	-	-	-	(7,527,338)	(12,234)	(7,539,572)
Total noncurrent assets	-	-	-	-	-	-	1,508,368	1,754	1,510,122
Total assets	185,361	579,163	2,642,013	26,390,477	16,732,794	37,551,338	12,265,093	15,453,518	111,799,757
Deferred outflow of resources									
Pension deferrals	-	-	-	-	-	-	1,316,233	2,203,544	3,519,777
Total deferred outflow of resources	\$ -	-	-	-	-	-	1,316,233	2,203,544	3,519,777

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Statement of Net Position
 Internal Service Funds
 June 30, 2016

Liabilities	Self-Insurance Funds								Total
	Unemployment Compensation	Property Loss	Automobile Liability	Worker's Compensation	General Liability	Life and Health Benefits	Vehicle Maintenance Fund	Computer Services Fund	
Current liabilities:									
Current portion of compensated absences and termination benefits payable	\$ -	-	-	-	-	-	506,823	748,075	1,254,898
Accounts payable	50,758	5,968	40,571	125,823	217,313	2,726,300	365,296	6,135,340	9,667,369
Accrued costs	-	-	-	-	35	-	184,529	310,145	494,709
Unearned revenue	-	-	-	8,077,174	-	49,088	-	-	8,126,262
Current portion of estimated liability on pending claims	132,898	403,415	1,062,169	27,676,959	6,406,341	13,787,971	-	-	49,469,753
Total current liabilities	183,656	409,383	1,102,740	35,879,956	6,623,689	16,563,359	1,056,648	7,193,560	69,012,991
Noncurrent liabilities:									
Compensated absences and termination benefits payable, less current portion	-	-	-	-	-	-	91,902	129,662	221,564
Estimated liability on pending claims, less current portion	-	169,780	1,539,273	113,604,095	10,109,105	-	-	-	125,422,253
Net pension liability	-	-	-	-	-	-	5,289,270	8,777,080	14,066,350
Total long-term liabilities	-	169,780	1,539,273	113,604,095	10,109,105	-	5,381,172	8,906,742	139,710,167
Total liabilities	183,656	579,163	2,642,013	149,484,051	16,732,794	16,563,359	6,437,820	16,100,302	208,723,158
Deferred inflow of resources									
Pension deferrals	-	-	-	-	-	-	304,687	485,068	789,755
Total deferred inflow of resources	-	-	-	-	-	-	304,687	485,068	789,755
Net position									
Net investment in capital assets	-	-	-	-	-	-	1,508,368	1,754	1,510,122
Restricted	-	-	-	-	-	-	-	11,319,891	11,319,891
Unrestricted	1,705	-	-	(123,093,574)	-	20,987,979	5,330,451	(10,249,953)	(107,023,392)
Total net position	\$ 1,705	-	-	(123,093,574)	-	20,987,979	6,838,819	1,071,692	(94,193,379)

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Revenue, Expenses and Changes in Fund Net Position
Internal Service Funds
For the year ended June 30, 2016

	Self-Insurance Funds							Total	
	Unemployment Compensation	Property Loss	Automobile Liability	Worker's Compensation	General Liability	Life and Health Benefits	Vehicle Maintenance Fund		Computer Services Fund
Operating revenues:									
Premium contributions	\$ 453,000	2,264,997	3,505,781	35,516,428	5,937,598	74,751,353	-	-	122,429,157
Sales									
Fuel sales	-	-	-	-	-	-	367,787	-	367,787
Office automation sales	-	-	-	-	-	-	-	26,532,408	26,532,408
Charges for services:									
Maintenance and repair charges	-	-	-	-	-	-	12,692,077	-	12,692,077
Use of money and property - rentals	-	-	-	-	-	-	165,331	-	165,331
Miscellaneous - subrogations and other	-	12,462	372,830	1,264,022	2,500	649,579	15,754	-	2,317,147
Total operating revenues	<u>453,000</u>	<u>2,277,459</u>	<u>3,878,611</u>	<u>36,780,450</u>	<u>5,940,098</u>	<u>75,400,932</u>	<u>13,240,949</u>	<u>26,532,408</u>	<u>164,503,907</u>
Operating expenses:									
Salaries	-	-	-	-	-	-	3,647,786	5,784,554	9,432,340
Fringe benefits	-	-	-	-	-	-	2,717,831	4,322,793	7,040,624
Contractual services	-	-	-	-	-	-	18,611	8,180,232	8,198,843
Materials	-	-	-	-	-	-	111,372	10,466,494	10,577,866
Facility and equipment rental	-	-	-	-	-	-	261,847	64,778	326,625
General and administrative:									
Administrative expenses	15,389	182,388	1,184,988	2,985,188	1,632,532	2,555,353	210,067	830,950	9,596,855
State worker's compensation tax	-	-	-	339,690	-	-	-	-	339,690
Depreciation	-	-	-	-	-	-	133,899	-	133,899
Insurance claims	437,178	216,320	1,373,715	48,107,394	9,489,322	56,249,322	-	-	115,873,251
Insurance premiums	-	1,478,551	-	2,675,497	115,038	17,091,375	-	-	21,360,461
Other:									
Repair and maintenance	-	-	-	-	-	-	4,735,784	35,687	4,771,471
Other operating expenses	-	-	-	-	-	-	-	-	-
Total operating expenses	<u>452,567</u>	<u>1,877,259</u>	<u>2,558,703</u>	<u>54,107,769</u>	<u>11,236,892</u>	<u>75,896,050</u>	<u>11,837,197</u>	<u>29,685,488</u>	<u>187,651,925</u>
Operating income (loss)	<u>433</u>	<u>400,200</u>	<u>1,319,908</u>	<u>(17,327,319)</u>	<u>(5,296,794)</u>	<u>(495,118)</u>	<u>1,403,752</u>	<u>(3,153,080)</u>	<u>(23,148,018)</u>
Nonoperating revenue (expenses):									
Interest income	-	185	7,509	162,323	7,734	-	-	-	177,751
Gain (loss) on sale of capital assets	-	-	-	-	-	-	(9,864)	-	(9,864)
Total nonoperating revenue (expenses)	-	185	7,509	162,323	7,734	-	(9,864)	-	167,887
Income (loss) before transfers	433	400,385	1,327,417	(17,164,996)	(5,289,060)	(495,118)	1,393,888	(3,153,080)	(22,980,131)
Interfund transfer in	-	-	18,091	1,768,317	5,311,484	-	-	-	7,097,892
Intrafund transfers out	-	(400,385)	(1,345,508)	(5,329,575)	(22,424)	-	-	-	(7,097,892)
Change in net position	433	-	-	(20,726,254)	-	(495,118)	1,393,888	(3,153,080)	(22,980,131)
Total net position - beginning	1,272	-	-	(102,367,320)	-	21,483,097	5,444,931	4,224,772	(71,213,248)
Total net position - end	<u>\$ 1,705</u>	<u>-</u>	<u>-</u>	<u>(123,093,574)</u>	<u>-</u>	<u>20,987,979</u>	<u>6,838,819</u>	<u>1,071,692</u>	<u>(94,193,379)</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2016

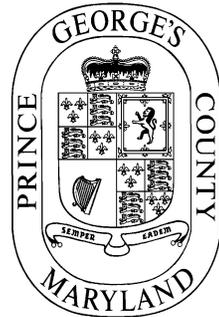
	Self-Insurance Funds							Total	
	Unemployment Compensation	Property Loss	Automobile Liability	Worker's Compensation	General Liability	Life and Health Benefits	Vehicle Maintenance Fund		Computer Services Fund
Cash flows from operating activities:									
Cash received from customers	\$ 453,000	4,021	(10,178)	42,098,156	5,940,124	75,432,165	13,207,794	26,652,946	163,778,028
Cash payments to suppliers for goods and services	(521,016)	-	-	(3,199,090)	(1,589,905)	(72,963,956)	(5,309,372)	(17,145,245)	(100,728,584)
Cash payments to employees for services	-	-	-	-	-	-	(5,785,962)	(9,001,953)	(14,787,915)
Premium and claim payments	-	133,429	(168,288)	(41,497,501)	(3,532,341)	-	-	-	(45,064,701)
Other cash receipts	-	-	-	-	-	649,579	15,754	-	665,333
Net cash and cash equivalents provided (used) by operating activities	(68,016)	137,450	(178,466)	(2,598,435)	817,878	3,117,788	2,128,214	505,748	3,862,161
Cash flows from noncapital financing activities:									
Interfund transfers in	-	-	18,091	1,768,317	5,311,484	-	-	-	7,097,892
Intrafund transfers in (out)	-	(400,385)	(1,345,508)	(5,329,575)	(22,424)	-	-	-	(7,097,892)
Net cash and cash equivalents provided (used) by noncapital financing activities	-	(400,385)	(1,327,417)	(3,561,258)	5,289,060	-	-	-	-
Cash flows from capital and related financing activities:									
Acquisition and construction of capital assets	-	-	-	-	-	-	(313,808)	-	(313,808)
Net cash and cash equivalents used in capital and related financing activities	-	-	-	-	-	-	(313,808)	-	(313,808)
Cash flows from investing activities:									
Interest on investments	-	52	1,447	182,265	7,491	-	-	-	191,255
Net cash and cash equivalents provided by investing activities	-	52	1,447	182,265	7,491	-	-	-	191,255
Net increase (decrease) in cash and cash equivalents	(68,016)	(262,883)	(1,504,436)	(5,977,428)	6,114,429	3,117,788	1,814,406	505,748	3,739,608
Cash and cash equivalents, beginning of year	253,377	441,641	2,751,771	31,714,560	10,611,160	34,197,932	8,056,121	12,419,148	100,445,710
Cash and cash equivalents, end of year	\$ 185,361	178,758	1,247,335	25,737,132	16,725,589	37,315,720	9,870,527	12,924,896	104,185,318

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2016

	Self-Insurance Funds							Total	
	Unemployment Compensation	Property Loss	Automobile Liability	Worker's Compensation	General Liability	Life and Health Benefits	Vehicle Maintenance Fund		Computer Services Fund
Reconciliation of operating income to net cash provided (used) by operating activities									
Operating income (loss)	\$ 433	-	-	(17,327,319)	(5,296,794)	(495,118)	1,403,753	(3,153,080)	(24,868,125)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities									
Depreciation - equipment	-	-	-	-	-	-	133,899	-	133,899
Pension expense	-	-	-	-	-	-	608,138	1,109,013	1,717,151
Effect of changes in operating assets and liabilities:									
Accounts receivable	-	1,024	1,470	(286,435)	26	654,767	(17,401)	120,538	473,989
Inventories	-	-	-	-	-	-	(35,984)	4,683	(31,301)
Prepaid costs	-	-	-	-	(664)	-	43,840	(137,816)	(94,640)
Compensated absences and termination benefits payable	-	-	-	-	-	-	(33,284)	(26,782)	(60,066)
Accounts payable	(96,318)	2,997	(11,648)	125,788	43,267	1,834,655	20,453	2,566,029	4,485,223
Accrued costs	-	-	-	-	24	-	4,800	23,163	27,987
Unearned revenue	-	-	-	5,262,248	-	26,045	-	-	5,288,293
Due from component units	-	-	-	341,893	-	-	-	-	341,893
Estimated liability on pending claims	27,869	133,429	(168,288)	9,285,390	6,072,019	1,097,439	-	-	16,447,858
Total adjustments	(68,449)	137,450	(178,466)	14,728,884	6,114,672	3,612,906	724,461	3,658,828	28,730,286
Net cash and cash equivalents provided (used) by operating activities	(68,016)	137,450	(178,466)	(2,598,435)	817,878	3,117,788	2,128,214	505,748	3,862,161
Non-cash investing, capital and related financing activities:									
Decrease (increase) in accrued interest receivable	-	52	1,447	19,942	(243)	-	-	-	21,198
	\$ -	52	1,447	19,942	(243)	-	-	-	21,198

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FIDUCIARY FUNDS

Trust Funds are used to account for assets held by the Primary Government in a trustee capacity. Agency Funds are used to account for assets held by the Primary Government as an agent for individuals, private organizations, other governments, and/or other funds.

Pension Trusts - are fiduciary funds out of which retirement annuities and/or other benefits are paid to authorized and designated public employees.

Other Post Employment Benefit Trust - is used to account for retiree life and health benefits.

Agency Funds - are legal and accounting methods used by government for the administration of assets that come into its possession and are purely custodial (assets equal liabilities) and do not involve measurement of results of operations.

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Fiduciary Plan Net Position
Pension and Other Postemployment Benefit Trust Funds
June 30, 2016

	Pension Trust Funds	Other Post- Employment Benefit Trust Fund	Total
Assets:			
Equity in pooled cash and investments	\$ 5,079,083	1,684,378	6,763,461
Collateral for loaned securities	26,497,460	-	26,497,460
Investments:			
Pooled separate accounts	414,569,435	48,822,014	463,391,449
U. S. Government & agency securities	27,790,863	-	27,790,863
Corporate bonds	63,105,198	-	63,105,198
Common stock	218,027,651	-	218,027,651
Real estate investment trust	5,410,969	-	5,410,969
International Government securities	816,278	-	816,278
Preferred stock	195,351	-	195,351
Asset-backed securities	21,921,063	-	21,921,063
Money market funds	417,935,455	2,503,087	420,438,542
Short-term investments	17,673,335	-	17,673,335
Alternative investments	452,844,109	-	452,844,109
Accounts receivable	-	60,593	60,593
Accrued interest receivable	1,413,136	447	1,413,583
Prepaid expenses	44,581	21,894	66,475
	<u>1,673,323,967</u>	<u>53,092,413</u>	<u>1,726,416,380</u>
Liabilities:			
Collateral for loaned securities payable	26,497,460	-	26,497,460
Accounts payable	34,282	1,001,920	1,036,202
Accrued costs	977,758	11,810,281	12,788,039
	<u>27,509,500</u>	<u>12,812,201</u>	<u>40,321,701</u>
Net assets held in trust for benefit payments	<u>\$ 1,645,814,467</u>	<u>40,280,212</u>	<u>1,686,094,679</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Changes in Fiduciary Plan Net Position
Pension and Other Postemployment Benefit Trust Funds
For the year ended June 30, 2016

	<u>Pension Trust Funds</u>	<u>Other Post- Employment Benefit Trust Funds</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 125,840,001	30,558,352	156,398,353
Member	22,428,827	13,172,255	35,601,082
Other	-	1,226,831	1,226,831
Total contributions	148,268,828	44,957,438	193,226,266
Investment income:			
Net appreciation (depreciation) in fair value of investments	(66,416,104)	2,551,356	(63,864,748)
Interest and dividends	42,452,882	13,231	42,466,113
Total investment income (loss)	(23,963,222)	2,564,587	(21,398,635)
Less investment expense	6,097,755	99,158	6,196,913
Net investment income (loss)	(30,060,977)	2,465,429	(27,595,548)
Total additions	118,207,851	47,422,867	165,630,718
Deductions:			
Benefits	163,390,984	51,342,846	214,733,830
Refunds of contributions	4,121,765	-	4,121,765
General and administrative expenses	2,054,619	1,046,934	3,101,553
Total deductions	169,567,368	52,389,780	221,957,148
Net increase (decrease)	(51,359,517)	(4,966,913)	(56,326,430)
Net position restricted for benefit payments, beginning of year	1,697,173,984	45,247,125	1,742,421,109
Net position restricted for benefit payments, end of year	\$ 1,645,814,467	40,280,212	1,686,094,679

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Statement of Fiduciary Plan Net Position
 Pension Trust Funds
 June 30, 2016

	Comprehensive Pension Plans				Supplemental Pension Plans							Total
	Police	Fire Service	Deputy Sheriff's	Correctional Officers'	Deputy Sheriff	Correctional Officers'	Crossing Guards	AFSCME	General Schedule	Fire Civilian	Police Civilian	
Assets:												
Equity in pooled cash and investments	\$ 1,190,336	1,683,223	420,890	432,910	144,456	122,086	68,851	217,505	501,261	95,522	202,043	5,079,083
Collateral for loaned securities	14,204,166	6,370,785	864,956	1,611,347	53,143	116,893	20,354	1,124,357	1,747,631	101,016	282,812	26,497,460
Investments:												
Pooled separate accounts	-	-	60,546,033	112,792,610	3,719,978	8,182,382	1,424,755	78,703,815	122,332,335	7,070,989	19,796,538	414,569,435
U. S. Government & agency securities	18,226,453	9,564,410	-	-	-	-	-	-	-	-	-	27,790,863
Corporate bonds	42,964,026	20,141,172	-	-	-	-	-	-	-	-	-	63,105,198
Common stock	156,151,243	61,876,408	-	-	-	-	-	-	-	-	-	218,027,651
Real Estate Investment Trust	3,869,076	1,541,893	-	-	-	-	-	-	-	-	-	5,410,969
International Government securities	546,409	269,869	-	-	-	-	-	-	-	-	-	816,278
Preferred Stock	134,875	60,476	-	-	-	-	-	-	-	-	-	195,351
Asset-backed securities	15,270,609	6,650,454	-	-	-	-	-	-	-	-	-	21,921,063
Money market funds	288,619,109	129,316,346	-	-	-	-	-	-	-	-	-	417,935,455
Short-term investments	12,266,050	5,407,285	-	-	-	-	-	-	-	-	-	17,673,335
Alternative investments	304,271,175	148,572,934	-	-	-	-	-	-	-	-	-	452,844,109
Accrued interest receivable	971,596	440,932	162	406	-	40	-	-	-	-	-	1,413,136
Prepaid expenses	23,260	10,485	1,659	3,092	-	-	41	2,084	3,251	189	520	44,581
Total assets	858,708,383	391,906,672	61,833,700	114,840,365	3,917,577	8,421,401	1,514,001	80,047,761	124,584,478	7,267,716	20,281,913	1,673,323,967
Liabilities:												
Collateral for loaned securities payable	14,204,166	6,370,785	864,956	1,611,347	53,143	116,893	20,354	1,124,357	1,747,631	101,016	282,812	26,497,460
Accounts payable	21,224	5,259	1,161	4,426	50	50	219	550	796	248	299	34,282
Accrued costs	469,535	208,876	45,822	85,388	-	-	1,083	57,557	89,788	5,160	14,549	977,758
Total liabilities	14,694,925	6,584,920	911,939	1,701,161	53,193	116,943	21,656	1,182,464	1,838,215	106,424	297,660	27,509,500
Net position restricted for pension benefits	\$ 844,013,458	385,321,752	60,921,761	113,139,204	3,864,384	8,304,458	1,492,345	78,865,297	122,746,263	7,161,292	19,984,253	1,645,814,467

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Changes in Fiduciary Plan Net Position
Pension Trust Funds
For the year ended June 30, 2016

	Comprehensive Pension Plans				Supplemental Pension Plans							Total
	Police	Fire Service	Deputy Sheriff's	Correctional Officers'	Deputy Sheriff's	Correctional Officers'	Crossing Guards	AFSCME	General Schedule	Fire Civilian	Police Civilian	
Additions:												
Contributions:												
Employer	\$ 58,726,423	38,078,291	6,780,148	9,525,885	846,400	620,834	85,297	3,248,913	6,607,768	474,312	845,730	125,840,001
Employee	8,415,273	4,303,868	1,580,443	3,416,276	26,337	83,472	66,985	715,902	2,983,908	181,788	654,575	22,428,827
Total contributions	67,141,696	42,382,159	8,360,591	12,942,161	872,737	704,306	152,282	3,964,815	9,591,676	656,100	1,500,305	148,268,828
Investment income :												
Net depreciation in fair value of assets	(36,331,930)	(15,371,162)	(2,109,594)	(3,894,171)	(136,374)	(281,686)	(53,829)	(2,836,717)	(4,428,616)	(254,213)	(717,812)	(66,416,104)
Interest and dividends	19,972,369	8,924,684	1,951,259	3,608,032	124,727	261,279	49,054	2,605,183	4,064,014	233,712	658,569	42,452,882
Total investment income	(16,359,561)	(6,446,478)	(158,335)	(286,139)	(11,647)	(20,407)	(4,775)	(231,534)	(364,602)	(20,501)	(59,243)	(23,963,222)
Less investment expense	2,910,697	1,356,691	274,260	509,740	5,897	12,317	6,728	351,902	548,958	31,654	88,911	6,097,755
Net investment income	(19,270,258)	(7,803,169)	(432,595)	(795,879)	(17,544)	(32,724)	(11,503)	(583,436)	(913,560)	(52,155)	(148,154)	(30,060,977)
Total additions	47,871,438	34,578,990	7,927,996	12,146,282	855,193	671,582	140,779	3,381,379	8,678,116	603,945	1,352,151	118,207,851
Deductions:												
Benefits	82,938,604	46,067,060	6,954,174	9,305,786	790,199	398,512	145,303	4,339,973	10,377,212	599,487	1,474,674	163,390,984
Refunds of contributions	1,753,711	482,418	90,039	697,058	36,363	8,936	15,063	131,065	641,289	18,593	247,230	4,121,765
General and administrative expenses	628,194	479,212	280,425	219,077	31,822	31,822	29,501	99,769	117,761	67,687	69,349	2,054,619
Total deductions	85,320,509	47,028,690	7,324,638	10,221,921	858,384	439,270	189,867	4,570,807	11,136,262	685,767	1,791,253	169,567,368
Net increase (decrease)	(37,449,071)	(12,449,700)	603,358	1,924,361	(3,191)	232,312	(49,088)	(1,189,428)	(2,458,146)	(81,822)	(439,102)	(51,359,517)
Net position restricted for pension benefits, beginning of year	881,462,529	397,771,452	60,318,403	111,214,843	3,867,575	8,072,146	1,541,433	80,054,725	125,204,409	7,243,114	20,423,355	1,697,173,984
Net position restricted for pension benefits, end of year	\$ 844,013,458	385,321,752	60,921,761	113,139,204	3,864,384	8,304,458	1,492,345	78,865,297	122,746,263	7,161,292	19,984,253	1,645,814,467

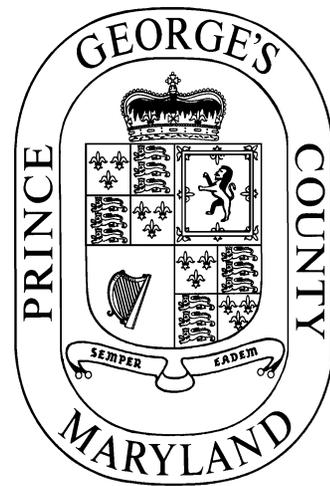
PRINCE GEORGE'S COUNTY, MARYLAND
 Agency Funds - Primary Government
 Combining Statement of Changes in Assets and Liabilities
 For the year ended June 30, 2016

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
State of Maryland property taxes:				
Assets:				
Cash and investments	\$ 48	78,530,937	(78,530,754)	231
Taxes receivable	639,990	85,647,512	(85,742,693)	544,809
Total assets	<u>640,038</u>	<u>164,178,449</u>	<u>(164,273,447)</u>	<u>545,040</u>
Liabilities:				
Due to State of Maryland	640,038	85,925,909	(86,020,907)	545,040
Total Liabilities	<u>\$ 640,038</u>	<u>85,925,909</u>	<u>(86,020,907)</u>	<u>545,040</u>
M-NCPPC property taxes:				
Assets:				
Cash and investments	\$ 129,207	236,519,400	(234,601,543)	2,047,064
Taxes receivable	3,070,121	237,554,761	(237,647,471)	2,977,411
Total assets	<u>\$ 3,199,328</u>	<u>474,074,161</u>	<u>(472,249,014)</u>	<u>5,024,475</u>
Liabilities:				
Due to M-NCPPC	\$ 3,199,328	237,527,217	(235,702,070)	5,024,475
Total liabilities	<u>\$ 3,199,328</u>	<u>237,527,217</u>	<u>(235,702,070)</u>	<u>5,024,475</u>
Washington Suburban Sanitary Commission charges:				
Assets:				
Cash and investments	\$ 3,149	14,318,159	(14,310,957)	10,351
Taxes receivable	261,022	14,219,947	(14,250,262)	230,707
Total assets	<u>\$ 264,171</u>	<u>28,538,106</u>	<u>(28,561,219)</u>	<u>241,058</u>
Liabilities:				
Liability - due to Washington Suburban Sanitary Commission	\$ 264,171	14,287,844	(14,310,957)	241,058
Total liabilities	<u>\$ 264,171</u>	<u>14,287,844</u>	<u>(14,310,957)</u>	<u>241,058</u>
Incorporated towns property taxes:				
Assets:				
Cash and investments	\$ 391	111,205,226	(111,205,349)	268
Taxes receivable	512,673	112,489,574	(113,002,247)	-
Total assets	<u>\$ 513,064</u>	<u>223,694,800</u>	<u>(224,207,596)</u>	<u>268</u>
Liabilities:				
Due to towns	513,064	113,789,670	(114,302,466)	268
Total liabilities	<u>\$ 513,064</u>	<u>113,789,670</u>	<u>(114,302,466)</u>	<u>268</u>
Washington Suburban Transit Commission taxes:				
Assets:				
Cash and investments	\$ 4,408,711	38,137,457	(33,988,833)	8,557,335
Taxes receivable	304,925	21,925,282	(21,946,261)	283,946
Total assets	<u>\$ 4,713,636</u>	<u>60,062,739</u>	<u>(55,935,094)</u>	<u>8,841,281</u>
Liabilities:				
Due to Washington Suburban Transit Commission	\$ 4,713,636	37,763,232	(33,635,587)	8,841,281
Total liabilities	<u>\$ 4,713,636</u>	<u>37,763,232</u>	<u>(33,635,587)</u>	<u>8,841,281</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Agency Funds - Primary Government
 Combining Statement of Changes in Assets and Liabilities, Continued
 For the year ended June 30, 2016

	Balance <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2016</u>
Special taxes:				
Assets:				
Cash and investments	\$ 1,506,322	27,846,623	(27,877,361)	1,475,584
Taxes Receivable	<u>1,307,526</u>	<u>30,321,317</u>	<u>(29,909,498)</u>	<u>1,719,345</u>
Total assets	<u>\$ 2,813,848</u>	<u>58,167,940</u>	<u>(57,786,859)</u>	<u>3,194,929</u>
Liabilities:				
Due to other participants	<u>\$ 2,813,848</u>	<u>30,321,317</u>	<u>(29,940,236)</u>	<u>3,194,929</u>
Total liabilities	<u>\$ 2,813,848</u>	<u>30,321,317</u>	<u>(29,940,236)</u>	<u>3,194,929</u>
Agricultural transfer taxes:				
Assets:				
Cash and investments	<u>\$ 322,450</u>	<u>284,417</u>	<u>(151,128)</u>	<u>455,739</u>
Total assets	<u>\$ 322,450</u>	<u>284,417</u>	<u>(151,128)</u>	<u>455,739</u>
Liabilities:				
Accounts payable	<u>\$ 138,828</u>	<u>-</u>	<u>(138,828)</u>	<u>-</u>
Due to other governmental units	<u>\$ 183,622</u>	<u>284,417</u>	<u>(12,300)</u>	<u>455,739</u>
Total liabilities	<u>\$ 322,450</u>	<u>284,417</u>	<u>(151,128)</u>	<u>455,739</u>
Inmate Holding Account				
Assets:				
Cash and investments	<u>\$ 135,994</u>	<u>783,565</u>	<u>(709,352)</u>	<u>210,207</u>
Accounts receivable	<u>-</u>	<u>94</u>	<u>-</u>	<u>94</u>
Total assets	<u>\$ 135,994</u>	<u>783,659</u>	<u>(709,352)</u>	<u>210,301</u>
Liabilities:				
Accounts payable	<u>\$ 92,651</u>	<u>714,600</u>	<u>(638,241)</u>	<u>169,010</u>
Due to participants	<u>43,343</u>	<u>783,659</u>	<u>(785,711)</u>	<u>41,291</u>
Total liabilities	<u>\$ 135,994</u>	<u>1,498,259</u>	<u>(1,423,952)</u>	<u>210,301</u>
Totals				
Assets:				
Cash and investments	\$ 6,506,272	507,625,784	(501,375,277)	12,756,779
Taxes receivable	6,096,257	502,158,393	(502,498,432)	5,756,218
Accounts receivable	<u>-</u>	<u>94</u>	<u>-</u>	<u>94</u>
Total assets	<u>\$ 12,602,529</u>	<u>1,009,784,271</u>	<u>(1,003,873,709)</u>	<u>18,513,091</u>
Liabilities:				
Accounts payable	\$ 231,479	714,600	(777,069)	169,010
Due to other governmental units	9,513,859	489,578,289	(483,984,287)	15,107,861
Due to participants	<u>2,857,191</u>	<u>31,104,976</u>	<u>(30,725,947)</u>	<u>3,236,220</u>
Total liabilities	<u>\$ 12,602,529</u>	<u>521,397,865</u>	<u>(515,487,303)</u>	<u>18,513,091</u>



NONMAJOR COMPONENT UNITS

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Net Position
Nonmajor Component Units
June 30, 2016

	General Government			Education		Community Development		Total
	Prince George's Community Television	Revenue Authority of Prince George's County	Industrial Development Authority of Prince George's County	Prince George's County Memorial Library	Prince George's Community College	Housing Authority of Prince George's County	Redevelopment Authority of Prince George's County	
<u>ASSETS</u>								
Current assets:								
Cash and investments	\$ 936,691	30,494,110	4,159,643	5,753,657	18,134,072	5,186,543	2,710,958	67,375,674
Receivables (net of allowances for uncollectibles)								
Accounts	105,000	11,360,884	-	370,145	24,324,296	496,624	80,408	36,737,357
Notes	-	-	-	-	-	-	3,434,107	3,434,107
Accrued interest receivable	-	-	35	-	8,734	-	-	8,769
Due from primary government	-	-	-	441,749	-	-	-	441,749
Due from other governmental units	-	-	1,177,759	93,355	3,067,722	549,677	-	4,888,513
Inventories	-	-	-	300	132,365	-	-	132,665
Prepaid costs and deposits	53,282	106,760	-	317,904	1,822,858	1,454	805	2,303,063
Total current assets	<u>1,094,973</u>	<u>41,961,754</u>	<u>5,337,437</u>	<u>6,977,110</u>	<u>47,490,047</u>	<u>6,234,298</u>	<u>6,226,278</u>	<u>115,321,897</u>
Restricted assets:								
Cash and investments	-	-	3,875	-	7,626,961	1,367,740	312,492	9,311,068
Land held for transfer and other	-	-	-	-	-	2,651,832	9,911,552	12,563,384
Total restricted assets	<u>-</u>	<u>-</u>	<u>3,875</u>	<u>-</u>	<u>7,626,961</u>	<u>4,019,572</u>	<u>10,224,044</u>	<u>21,874,452</u>
Noncurrent assets:								
Land	-	12,705,652	-	-	3,184,932	1,116,278	52,734,288	69,741,150
Construction in progress	-	-	-	-	21,287,199	-	1,637,442	22,924,641
Buildings and improvements	-	5,181,165	73,043,523	-	170,984,433	31,095,231	-	280,304,352
Accumulated depreciation	-	(1,252,121)	(29,642,572)	-	(51,479,722)	(19,585,080)	-	(101,959,495)
Improvements other than buildings	229,112	13,682,141	-	-	-	-	-	13,911,253
Accumulated depreciation	(229,112)	(11,656,418)	-	-	-	-	-	(11,885,530)
Equipment	170,805	2,069,123	-	13,294,531	41,167,263	985,201	24,008	57,710,931
Accumulated depreciation	(128,356)	(1,592,776)	-	(8,313,363)	(31,387,111)	(1,005,672)	(4,201)	(42,431,479)
Other noncurrent Assets	-	3,158,656	-	-	-	818,351	-	3,977,007
Total noncurrent assets	<u>42,449</u>	<u>22,295,422</u>	<u>43,400,951</u>	<u>4,981,168</u>	<u>153,756,994</u>	<u>13,424,309</u>	<u>54,391,537</u>	<u>292,292,830</u>
Total assets	\$ <u>1,137,422</u>	<u>64,257,176</u>	<u>48,742,263</u>	<u>11,958,278</u>	<u>208,874,002</u>	<u>23,678,179</u>	<u>70,841,859</u>	<u>429,489,179</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>								
Pension deferrals	-	-	-	527,032	1,431,947	837,468	-	2,796,447
Deferred charge on refunding	-	-	939,477	-	-	-	-	939,477
Total deferred outflow of resources	<u>-</u>	<u>-</u>	<u>939,477</u>	<u>527,032</u>	<u>1,431,947</u>	<u>837,468</u>	<u>-</u>	<u>3,735,924</u>

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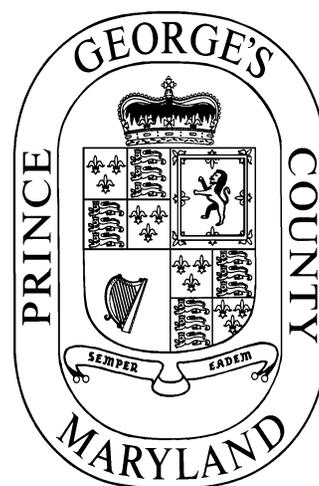
PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Net Position
Nonmajor Component Units
June 30, 2016

	General Government			Education		Community Development		Total
	Prince George's Community Television	Revenue Authority of Prince George's County	Industrial Development Authority of Prince George's County	Prince George's County Memorial Library	Prince George's Community College	Housing Authority of Prince George's County	Redevelopment Authority of Prince George's County	
LIABILITIES								
Current liabilities:								
Accounts payable	\$ 4,019	428,331	3,000	729,032	13,848,766	1,047,263	588,859	16,649,270
Accrued liabilities	94,284	-	233,574	945,191	-	-	55,125	1,328,174
Due to primary government	450,000	799,938	-	156,063	-	5,296,161	-	6,702,162
Due to other governmental units	-	527,915	-	-	-	711	-	528,626
Unearned revenue	-	149,180	-	236,440	1,595,011	17,516	-	1,998,147
Deposits	-	-	-	-	-	123,428	247,500	370,928
Current portion of bonded debt	-	297,781	5,510,000	-	-	80,000	-	5,887,781
Current portion of capital lease obligations	-	126,107	-	-	875,145	-	4,540	1,005,792
Current portion of compensated absences and termination benefits payable	-	-	-	64,314	296,876	27,342	-	388,532
Total current liabilities	548,303	2,329,252	5,746,574	2,131,040	16,615,798	6,592,421	896,024	34,859,412
Noncurrent liabilities:								
Bonded debt, less current portion	-	28,000,000	40,045,000	-	-	604,667	-	68,649,667
Unamortized premium (discount)	-	175,142	(13,829)	-	-	-	-	161,313
Capital lease obligations, less current portion	-	130,656	-	-	491,043	-	15,842	637,541
Relocation costs	-	-	-	-	-	-	-	-
Compensated absences and termination benefits payable, less current portion	-	-	-	1,715,681	2,070,462	519,511	-	4,305,654
Notes payable, less current portion	-	13,565	-	-	-	-	6,917,364	6,930,929
Net pension liability	-	-	-	2,213,082	4,331,013	2,990,702	-	9,534,797
Net OPEB obligation	-	-	-	-	1,327,287	-	-	1,327,287
Total noncurrent liabilities	-	28,319,363	40,031,171	3,928,763	8,219,805	4,114,880	6,933,206	91,547,188
Total liabilities	548,303	30,648,615	45,777,745	6,059,803	24,835,603	10,707,301	7,829,230	126,406,600
DEFERRED INFLOW OF RESOURCES								
Pension Deferrals	-	-	-	167,712	353,175	261,782	-	782,669
Total deferred Inflow of resources	-	-	-	167,712	353,175	261,782	-	782,669
NET POSITION								
Net investment in capital assets	42,449	14,215,560	17,787,501	4,981,168	151,429,995	11,921,291	49,802,502	250,180,466
Restricted	6,353	2,061,270	-	-	10,520,063	914,804	11,794,249	25,296,739
Unrestricted (deficit)	540,317	17,331,731	(13,883,506)	1,276,627	23,167,113	710,469	1,415,878	30,558,629
Total net position (deficit)	\$ 589,119	33,608,561	3,903,995	6,257,795	185,117,171	13,546,564	63,012,629	306,035,834

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Statement of Activities
 Nonmajor Component Units
 For the year ended June 30, 2016

Programs / Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets								Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	General Government			Education		Community Development			
					Prince George's Community Television	Revenue Authority of Prince George's County	Industrial Development Authority of Prince George's County	Prince George's County Memorial Library	Prince George's Community College	Housing Authority of Prince George's County	Redevelopment Authority of Prince George's County		
Component Units:													
General government													
PGCT	\$ 1,702,699	424,555	-	-	(1,278,144)	-	-	-	-	-	-	(1,278,144)	
Revenue Authority	17,546,642	15,677,038	660,000	131,960	-	(1,077,644)	-	-	-	-	-	(1,077,644)	
IDA	4,288,566	7,876,914	-	-	-	-	3,588,348	-	-	-	-	3,588,348	
Education													
Library	31,081,146	948,764	205,551	1,624,722	-	-	-	(28,302,109)	-	-	-	(28,302,109)	
PGCC	130,406,205	28,340,400	28,302,226	-	-	-	-	-	(73,763,579)	-	-	(73,763,579)	
Community Development													
Housing Authority	73,082,225	2,056,300	69,516,444	352,981	-	-	-	-	-	(1,156,500)	-	(1,156,500)	
Redevelopment Authority	3,560,335	403,756	1,638,259	1,375,000	-	-	-	-	-	-	(143,320)	(143,320)	
Total component units	\$ 261,667,818	55,727,727	100,322,480	3,484,663	(1,278,144)	(1,077,644)	3,588,348	(28,302,109)	(73,763,579)	(1,156,500)	(143,320)	(102,132,948)	
General revenues:													
Other grants and contributions					1,171,326	-	-	27,395,109	64,347,054	-	-	92,913,489	
Investment income					338	131,974	40	7,016	113,353	21,701	882	275,304	
Miscellaneous					2,674	441,529	20,979	166,161	611,667	312,632	-	1,555,642	
Total general revenues					1,174,338	573,503	21,019	27,568,286	65,072,074	334,333	882	94,744,435	
Change in net assets					(103,806)	(504,141)	3,609,367	(733,823)	(8,691,505)	(822,167)	(142,438)	(7,388,513)	
Net position - beginning of year					692,925	34,112,702	294,628	6,991,618	182,467,948	14,368,731	63,155,067	302,083,619	
Prior period adjustment					-	-	-	-	11,340,728	-	-	11,340,728	
Net position - end of year	\$				589,119	33,608,561	3,903,995	6,257,795	185,117,171	13,546,564	63,012,629	306,035,834	

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CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

PRINCE GEORGE'S COUNTY, MARYLAND
Schedule of Capital Assets Used in the Operation of Governmental Funds -
By Function and Activity (1)
June 30, 2016

Exhibit G-1

<u>Function and activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Infrastructure</u>	<u>Equipment</u>	<u>Vehicles</u>
Primary government:						
General government:						
Control - legislative, executive and judicial	\$ 304,380,983	23,487,757	280,633,519	-	-	259,707
Staff agencies:						
Finance	29,550	-	-	-	29,550	-
Personnel	52,140	-	-	-	52,140	-
Central services	41,047,661	-	-	39,570,555	323,134	1,153,972
General government buildings	73,412,332	12,667,199	60,745,133	-	-	-
Other	52,207,840	-	-	-	-	52,207,840
Total staff agencies	<u>166,749,523</u>	<u>12,667,199</u>	<u>60,745,133</u>	<u>39,570,555</u>	<u>404,824</u>	<u>53,361,812</u>
Total general government	<u>471,130,506</u>	<u>36,154,956</u>	<u>341,378,652</u>	<u>39,570,555</u>	<u>404,824</u>	<u>53,621,519</u>
Public safety:						
State's Attorney	221,431	-	-	-	27,435	193,996
Police services	69,154,296	2,124,313	44,767,512	-	4,453,413	17,809,058
Fire services	91,146,990	4,719,501	55,691,939	-	4,172,724	26,562,826
Sheriff services	2,143,645	-	32,684	-	430,675	1,680,286
Corrections	108,744,430	1,953,617	106,177,154	-	146,603	467,056
Homeland Security	53,663,067	-	-	48,952,026	1,837,435	2,873,606
Total public safety	<u>325,073,859</u>	<u>8,797,431</u>	<u>206,669,289</u>	<u>48,952,026</u>	<u>11,068,285</u>	<u>49,586,828</u>
Environmental						
Environmental resources	15,369,500	604,804	14,256,906	-	34,939	472,851
Health and human services						
Health	16,426,420	165,800	15,176,754	-	455,717	628,149
Social services	-	-	-	-	-	-
Total health and human Services	<u>16,426,420</u>	<u>165,800</u>	<u>15,176,754</u>	<u>-</u>	<u>455,717</u>	<u>628,149</u>
Infrastructure and Development						
Public works	2,946,292,586	53,527,992	20,401,615	2,814,572,318	215,709	57,574,952
Federal programs	16,334,058	2,856,588	2,540,519	-	7,696,761	3,240,190
Total governmental fund capital assets allocated	<u>3,790,626,929</u>	<u>102,107,571</u>	<u>600,423,735</u>	<u>2,903,094,899</u>	<u>19,876,235</u>	<u>165,124,489</u>
Construction-in-progress	97,415,464					
Total primary government	<u>\$ 3,888,042,393</u>					

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

PRINCE GEORGE'S COUNTY, MARYLAND
Schedule of Changes in Capital Assets Used in the Operation of Governmental Funds -
By Function and Activity (1)
For the year ended June 30, 2016

	Balance July 1, 2015	Additions	Deductions and adjustments	Net Inter-agency transfers	Balance June 30, 2016
Primary government:					
General government:					
Control, legislative, executive and judicial	\$ 299,920,355	4,486,076	(25,448)	-	304,380,983
Staff agencies:					
Finance	29,550	-	-	-	29,550
Management and budget	-	-	-	-	-
Law	-	-	-	-	-
Personnel	52,140	-	-	-	52,140
Central services	31,991,657	9,297,473	(241,469)	-	41,047,661
Family services	-	-	-	-	-
General government buildings	73,412,332	-	-	-	73,412,332
Other	57,401,981	-	(5,194,141)	-	52,207,840
Total staff agencies	<u>162,887,660</u>	<u>9,297,473</u>	<u>(5,435,610)</u>	<u>-</u>	<u>166,749,523</u>
Total general government	<u>462,808,015</u>	<u>13,783,549</u>	<u>(5,461,058)</u>	<u>-</u>	<u>471,130,506</u>
Public safety:					
State's attorney	221,431	-	-	-	221,431
Police services	63,069,531	7,703,805	(1,619,040)	-	69,154,296
Fire services	79,853,068	12,075,371	(781,449)	-	91,146,990
Environmental resources	-	-	-	-	-
Sheriff services	1,031,204	1,204,288	(91,847)	-	2,143,645
Corrections	107,672,108	1,174,293	(101,971)	-	108,744,430
Homeland Security	54,782,285	-	(1,119,218)	-	53,663,067
Total public safety	<u>306,629,627</u>	<u>22,157,757</u>	<u>(3,713,525)</u>	<u>-</u>	<u>325,073,859</u>
Environmental	15,354,454	81,604	(66,558)	-	15,369,500
Health and human services					
Health	16,584,870	99,124	(257,574)	-	16,426,420
Social services	-	-	-	-	-
Infrastructure and Development					
Public works and transportation	2,848,392,345	99,591,427	(1,691,186)	-	2,946,292,586
Federal programs	14,721,507	1,612,551	-	-	16,334,058
Construction-in-progress	88,339,803	72,442,282	(63,366,621)	-	97,415,464
Total governmental fund capital assets	<u>\$ 3,752,830,621</u>	<u>209,768,294</u>	<u>(74,556,522)</u>	<u>-</u>	<u>3,888,042,393</u>

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Capital Assets Used in the Operation of Governmental Funds -
 By Source
 June 30, 2016

	Primary Government
Governmental fund capital assets	
Land	\$ 102,107,571
Buildings	600,423,735
Infrastructure	2,903,094,899
Equipment	185,000,724
Construction in progress	97,415,464
Total governmental fund capital assets	<u>\$ 3,888,042,393</u>
Investment in governmental fund capital assets from:	
Capital projects funds:	
General obligation bonds	\$ 71,275,778
Intergovernmental	5,261,136
General fund revenue	3,755,950,943
Special revenue fund revenue	18,341,928
Federal programs	16,334,058
Other	20,878,550
	<u>\$ 3,888,042,393</u>

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

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STATISTICAL SECTION (UNAUDITED)

The Statistical Section provides detailed information for the primary government, as a context for understanding what the information in the comprehensive annual financial report says about the overall financial health of the County in the following areas:

Financial Trends - Information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity - Information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity - Information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information - Demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information - Service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

PRINCE GEORGE'S COUNTY, MARYLAND
NetPosition By Component
Last Ten Fiscal Years

Table 1

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	Restated (2) 2013	2014	2015	2016
Governmental activities										
Net investment in capital assets	\$ 1,351,726,843	\$ 1,421,477,574	\$ 1,481,956,322	\$ 1,475,449,993	\$ 1,466,248,839	\$ 1,621,314,368	\$ 1,499,391,740	\$ 1,487,561,224	\$ 1,615,022,591	\$ 1,522,174,313
Restricted	502,518,691	475,649,709	422,228,258	351,254,119	361,876,157	349,076,708	341,015,595	309,177,376	304,406,663	282,142,696
Unrestricted (deficit) (2)	(459,623,656)	(567,350,879)	(663,421,910)	(558,755,424)	(562,309,599)	(624,691,441)	(705,176,214)	(954,659,608)	(2,448,779,934)	(2,448,831,547)
Total governmental activities net position	<u>1,394,621,878</u>	<u>1,329,776,404</u>	<u>1,240,762,670</u>	<u>1,267,948,688</u>	<u>1,265,815,397</u>	<u>1,345,699,635</u>	<u>1,135,231,121</u>	<u>842,078,993</u>	<u>(529,350,680.00)</u>	<u>(644,514,538)</u>
Business-type activities										
Net investment in capital assets	118,553,646	131,283,415	143,085,674	156,560,233	148,934,828	143,858,665	107,572,137	142,374,427	139,610,243	150,378,944
Restricted	19,906,051	19,900,630	18,389,718	20,916,015	19,500,275	18,481,818	19,212,114	28,976,024	47,598,939	71,280,452
Unrestricted (deficit)	53,899,957	46,861,226	40,119,901	40,427,579	56,189,966	59,916,152	94,141,653	50,603,289	21,023,001	(6,438,259)
Total business-type activities net position	<u>192,359,654</u>	<u>198,045,271</u>	<u>201,595,293</u>	<u>217,903,827</u>	<u>224,625,069</u>	<u>222,256,635</u>	<u>220,925,904</u>	<u>221,953,740</u>	<u>208,232,183</u>	<u>215,221,137</u>
Primary government										
Net investment in capital assets	1,470,280,489	1,552,760,989	1,625,041,996	1,632,010,226	1,615,183,667	1,765,173,033	1,606,963,877	1,629,935,651	1,754,632,834	1,672,553,257
Restricted	522,424,742	495,550,339	440,617,976	372,170,134	381,376,432	367,558,526	360,227,709	338,153,400	352,005,602	353,423,148
Unrestricted (deficit) (1)	(405,723,699)	(520,489,653)	(623,302,009)	(518,327,845)	(506,119,633)	(564,775,289)	(611,034,561)	(904,056,319)	(2,427,756,933)	(2,455,269,806)
Total primary government net position	<u>\$ 1,586,981,532</u>	<u>\$ 1,527,821,675</u>	<u>\$ 1,442,357,963</u>	<u>\$ 1,485,852,515</u>	<u>\$ 1,490,440,466</u>	<u>\$ 1,567,956,270</u>	<u>\$ 1,356,157,025</u>	<u>\$ 1,064,032,733</u>	<u>\$ (321,118,497)</u>	<u>\$ (429,293,401)</u>

Notes:

(1) The County's governmental activities has an unrestricted deficit because the County issues debt to fund construction costs for two of its component units. Prior to 2008, absent the effect of this relationship, the County would have reported positive assets for its governmental activities and for government-wide purposes. Government-wide unrestricted net position would have been:

Unrestricted (deficit) net assets noted above	\$ (405,723,699)	\$ (520,489,653)	(623,302,009)	(518,327,845)	(506,119,633)	(564,775,289)	(611,034,561)	(904,056,319)	(2,427,756,933)	(2,455,269,806)
Debt issued for capital on behalf of others	481,347,768	481,969,501	470,259,263	435,418,383	399,196,957	445,921,535	483,621,901	486,417,276	483,674,784	503,035,085
County net assets absent effect of this relationship	<u>\$ 75,624,069</u>	<u>\$ (38,520,152)</u>	<u>\$ (153,042,746)</u>	<u>\$ (82,909,462)</u>	<u>\$ (106,922,676)</u>	<u>\$ (118,853,754)</u>	<u>\$ (127,412,660)</u>	<u>\$ (417,639,043)</u>	<u>\$ (1,944,082,149)</u>	<u>\$ (1,952,234,721)</u>

(2) Fiscal Year 2012 amounts restated due to implementation of GASB 65.

Table 2

PRINCE GEORGE'S COUNTY, MARYLAND
Change In Net Position
Last Ten Fiscal Years

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012 (restated)	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government (1)	\$ 234,249,287	\$ 276,079,032	\$ 264,000,847	\$ 293,993,880	\$ 278,735,961	\$ 335,347,065	\$ 402,876,040	\$ 413,676,920	\$ 322,214,792	\$ 374,611,539
Public safety (2)	501,713,673	523,937,600	535,747,925	510,354,496	543,688,542	551,296,748	600,225,256	626,789,316	678,934,030	695,921,598
Environmental (3)	-	-	-	-	-	-	-	4,432,568.00	5,560,232	4,136,436
Health and Human Services (4)	92,933,730	100,602,469	103,468,096	104,844,923	98,491,351	95,750,683	97,589,420	97,846,141	99,155,575	96,398,021
Infrastructure and Development (5)	82,853,168	82,256,246	76,563,498	73,726,841	86,362,933	55,761,006	91,413,306	104,325,736	107,710,388	115,700,759
Board of Education	657,734,909	665,957,080	652,303,197	684,470,305	656,525,606	649,326,640	715,792,239	716,497,118	684,661,903	742,360,976
Community College	35,272,367	28,438,902	38,415,219	33,644,625	40,125,724	31,862,246	31,383,689	30,767,855	35,644,365	36,129,002
Memorial Library	18,430,402	19,568,825	19,397,277	19,802,615	19,494,605	27,027,089	23,313,523	21,490,903	23,326,087	20,471,180
Interest on long-term debt	46,949,253	59,042,614	54,873,156	49,295,577	51,136,299	47,505,779	46,733,055	57,748,877	58,988,913	56,147,749
Total governmental activities expenses	1,670,136,789	1,755,882,768	1,744,769,215	1,770,133,262	1,774,561,021	1,793,877,256	2,009,326,528	2,073,575,434	2,016,196,285	2,141,877,260
Business-type activities:										
Solid Waste	95,820,024	97,039,320	99,930,368	87,486,790	95,955,265	98,663,436	95,739,816	95,482,526	91,898,001	94,062,499
Stormwater	29,913,750	33,743,601	35,724,787	48,297,374	42,103,279	42,169,443	43,080,734	52,371,683	54,402,786	55,216,649
Watershed Protection	-	-	-	-	-	-	-	316,175	1,134,078	1,164,724
Total business-type activities expenses	125,733,774	130,782,921	135,655,155	135,784,164	138,058,544	140,832,879	138,820,550	148,170,384	147,434,865	150,443,872
Total primary government expenses	\$ 1,795,870,563	\$ 1,886,665,689	\$ 1,880,424,370	\$ 1,905,917,426	\$ 1,912,619,565	\$ 1,934,710,135	\$ 2,148,147,078	\$ 2,221,745,818	\$ 2,163,631,150	\$ 2,292,321,132
Program Revenues										
Governmental activities:										
Charges for Services :										
General government (1)	\$ 87,079,431	\$ 63,137,800	\$ 47,130,404	\$ 60,275,045	\$ 55,529,493	\$ 87,727,105	\$ 94,431,227	\$ 83,203,693	\$ 79,730,348	\$ 88,751,746
Public safety (2)	35,696,477	33,963,072	34,964,503	38,398,284	41,420,265	52,677,652	56,363,172	37,430,678	44,390,006	48,168,338
Environmental (3)	-	-	-	-	-	-	-	287,158.00	313,784	325,470
Health and Human Services (4)	10,830,733	13,540,038	12,642,837	9,278,928	10,430,145	12,369,621	10,299,291	7,075,381	4,508,261	4,436,424
Infrastructure and Development (5)	69,809,011	25,581,816	43,153,508	57,097,256	29,476,879	130,701,054	33,769,227	56,250,140	49,411,650	90,962,207
Operating grants and contributions										
General government (1)	19,955,319	59,178,382	39,248,215	56,606,758	57,182,264	26,281,362	25,222,907	12,192,715	24,419,173	22,137,203
Public safety (2)	25,723,138	18,475,021	17,538,135	29,537,332	28,884,685	32,508,021	26,524,768	24,989,052	18,335,079	22,761,497
Environmental (3)	-	-	-	-	-	-	-	230,114	567,867	84,423
Health and Human Services (4)	60,832,447	61,984,042	65,449,596	65,178,448	71,886,283	68,530,281	67,629,045	69,120,126	79,342,253	73,622,970
Infrastructure and Development (5)	239,159	386,975	1,868,144	2,233,204	4,513,987	8,581,718	2,917,851	13,478,641	22,955,481	21,182,326
Capital grants and contributions										
General government (1)	6,221,385	5,767,776	5,756,794	36,514,825	7,466,894	2,949,658	198,425	1,775,255	6,235,669	3,813,609
Public safety (2)	1,114,478	3,462,729	3,847,755	4,881,000	8,519,103	3,696,298	4,896,876	2,747,572	8,056,602	684,709
Environmental (3)	-	-	-	-	-	-	-	211,498	257,127	50,715
Health and Human Services (4)	-	-	-	117,954	351,545	-	-	169,076	180,474	54,589
Infrastructure and Development (5)	6,428,142	4,414,109	4,138,715	7,887,841	18,914,344	7,186,862	10,076,015	13,572,964	687,926	8,977,424
Total governmental activities program revenues	323,929,720	289,891,760	275,738,606	368,006,875	334,575,887	433,209,632	332,497,880	322,586,987	339,391,700	386,013,650

The County revised its functional categories for governmental activity expenses in fiscal year 2014. The following represents changes to expenses categories from 2005-2013. (1)General Government- no longer includes States Attorney, Soil Conservation, Department of Family Services, and Department of Housing and Community Development. (2) Public safety added State's Attorney and dropped Department of Environmental Resources. (3) Environment added Department of Environmental Resources and Soil Conservation. (4) Health and Human Services merged (Health and Public Welfare (Department of Social Services) categories with the Department of Family Services. (5) Infrastructure added the new Department of Permitting, Inspections, and Enforcement and Department of Housing and Community Development to the existing Public Works (Department of Public Works and Transportation) Category.

continued

Table 2, continued

PRINCE GEORGE'S COUNTY, MARYLAND
Change In Net Position, continued
Last Ten Fiscal Years

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012 (restated)	2013	2014	2015	2016
Program Revenues, continued										
Business-type activities:										
Charges for services:										
Solid waste	82,202,081	84,240,272	86,550,100	90,575,778	90,451,449	89,987,217	91,459,801	90,893,287	92,113,510	95,380,258
Stormwater	5,156,895	3,729,657	3,057,990	3,369,309	2,150,063	1,829,457	2,811,579	3,677,700	3,332,530	3,803,795
Watershed Protection								14,199,502	14,741,320	14,710,922
Capital grants and contributions										
Stormwater	1,280,775	2,356,379	210,096	1,432,137	1,627,916	1,064,605	2,005,401	1,262,405	92,153	2,555,148
Total business-type activities program revenues	88,639,751	90,326,308	89,818,186	95,377,224	94,229,428	92,881,279	96,276,781	110,032,894	110,279,513	116,450,123
Total primary government program revenues	\$ 378,531,511	\$ 366,064,914	\$ 457,825,061	\$ 429,953,111	\$ 527,439,060	\$ 425,379,159	\$ 418,863,768	\$ 449,424,594	\$ 449,671,213	\$ 502,463,773
Net (Expense)/Revenue										
Governmental activities	(1,465,991,008)	(1,469,030,609)	(1,402,126,387)	(1,439,985,134)	(1,360,667,624)	(1,676,828,648)	(1,750,988,447)	(1,676,804,585)	(1,676,804,585)	(1,755,863,610)
Business-type activities	(42,143,170)	(45,328,847)	(45,965,978)	(42,681,320)	(46,603,451)	(45,939,271)	(51,893,603)	(37,401,971)	(37,155,352)	(33,993,749)
Total primary government net expense	\$ (1,508,134,178)	\$ (1,514,359,456)	\$ (1,448,092,365)	\$ (1,482,666,454)	\$ (1,407,271,075)	\$ (1,722,767,919)	\$ (1,802,882,050)	\$ (1,714,206,556)	\$ (1,713,959,937)	\$ (1,789,857,359)
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	\$ 549,681,586	\$ 610,202,347	\$ 659,038,907	\$ 732,832,234	\$ 733,197,993	\$ 722,138,728	\$ 707,228,408	\$ 709,669,105	\$ 720,937,819	\$ 779,978,896
Income taxes	404,809,214	423,422,141	435,714,262	440,257,032	480,489,026	504,817,831	529,764,061	513,350,683	549,887,248	575,334,071
Transfer and recordation taxes	221,761,305	136,725,597	92,709,263	95,796,346	90,645,343	85,069,002	100,116,901	104,407,509	117,209,045	152,241,144
Energy taxes	54,373,964	62,747,183	66,805,287	71,280,769	63,880,450	59,651,917	56,588,560	55,240,457	66,785,516	66,394,765
Telecommunications tax	55,321,521	52,611,249	49,513,889	44,357,561	41,982,171	37,827,000	36,926,752	33,914,325	33,645,771	33,733,670
Unrestricted State shared tax	29,835,059	28,739,189	25,080,807	1,334,216	1,334,399	2,064,874	2,613,510	2,701,111	2,867,440	2,970,706
Other taxes	19,650,191	22,023,675	19,803,811	21,402,102	20,494,339	19,664,177	21,988,466	21,666,726	22,065,496	26,092,859
Investment earnings	42,680,195	38,333,826	29,435,697	9,101,595	3,122,028	3,698,357	(2,115,280)	2,944,473	4,460,524	2,884,002
Grants and contributions	9,246,405	9,875,131	1,371,225	1,970,627	1,865,679	3,212,453	11,822,540	13,355,751	862,813	549,897
Miscellaneous	1,817,209	7,811,548	543,727	1,492,071	840,412	5,197,518	1,426,216	586,179	462,854	519,742
Total governmental activities	1,389,176,649	1,392,491,886	1,380,016,875	1,419,824,553	1,437,851,840	1,443,341,857	1,466,360,134	1,457,836,319	1,519,184,526	1,640,699,752
Business-type activities:										
Property taxes	31,851,155	37,941,543	44,151,124	49,419,329	47,579,296	43,625,750	39,629,544	37,999,606	38,090,056	39,550,173
Investment earnings	8,442,987	8,200,687	5,235,867	3,953,359	2,971,062	2,333,788	1,583,464	1,165,720	1,382,411	1,432,530
Total business-type activities	40,294,142	46,142,230	49,386,991	53,372,688	50,550,358	45,959,538	41,213,008	39,165,326	39,472,467	40,982,703
Total primary government	\$ 1,429,470,791	\$ 1,438,634,116	\$ 1,429,403,866	\$ 1,473,197,241	\$ 1,488,402,198	\$ 1,489,301,395	\$ 1,507,573,142	\$ 1,497,001,645	\$ 1,558,656,993	\$ 1,681,682,455
Governmental activities										
Extraordinary items										
Asset impairment / insurance recovery (1)	7,773,886	8,653,648	-	-	-	-	-	-	-	-
Special items										
Legal Recovery	-	-	-	10,700,000	-	-	-	-	-	-
Business-type activities:										
Special items										
Gain on capital asset due to change in estimat	-	-	-	3,342,786	-	-	-	-	-	-
Change in Net Position										
Governmental activities	(69,040,473)	(67,885,075)	(22,109,512)	(9,460,581)	77,184,216	(233,486,791)	(284,628,313)	(218,968,266)	(157,620,059)	(115,163,858)
Business-type activities	(1,849,028)	813,383	3,421,013	14,034,154	3,946,907	20,267	(10,680,595)	1,763,355	2,317,115	6,988,954
Total primary government	\$ (70,889,501)	\$ (67,071,692)	\$ (18,688,499)	\$ 4,573,573	\$ 81,131,123	\$ (233,466,524)	\$ (295,308,908)	\$ (217,204,911)	\$ (155,302,944)	\$ (108,174,904)

Notes:

- (1) Relates to impairment loss, net of insurance recoveries from Courthouse fire 11/03/2004.
(2) Fiscal Year 2012 amounts restated due to implementation of GASB 65.

Table 3

PRINCE GEORGE'S COUNTY, MARYLAND
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	FISCAL YEAR									
	2007	2008	2009	2010	2011(3)	2012	2013	2014	2015	2016
General Fund										
Reserved	\$ 134,748,047	\$ 148,641,724	\$ 146,494,025	\$ 144,338,502						
Unreserved	209,847,753	153,501,293	131,730,338	186,520,591						
Nonspendable	-	-	-	-	1,593,534.00	1,619,282	1,532,552	1,549,546	1,641,389	\$ 2,134,534
Restricted	-	-	-	-	144,187,959.00	164,668,289	156,735,799	160,797,750	170,778,503	161,051,114
Committed	-	-	-	-	52,389,072.00	53,570,342	54,968,228	55,424,074	57,807,206	59,356,790
Assigned	-	-	-	-	85,733,302.00	87,170,249	63,342,963	52,361,681	53,937,841	48,926,434
Unassigned	-	-	-	-	94,256,531.00	76,659,622	82,782,432	30,953,395	34,028,162	116,418,173
Sub-total General Fund	<u>368,976,169</u>	<u>344,595,800</u>	<u>302,143,017</u>	<u>278,224,363</u>	<u>330,859,093</u>	<u>378,160,398</u>	<u>359,361,974</u>	<u>301,086,446</u>	<u>318,193,101</u>	<u>387,887,045</u>
All Other Governmental Funds										
Reserved	\$ 234,004,815	\$ 208,115,317	\$ 200,562,222	\$ 147,214,598						
Unreserved										
Special revenue funds	9,879,522	10,253,895	12,254,369	14,585,859						
Capital projects funds	119,329,618	120,072,592	(10,280,606)	6,600,247						
Restricted	-	-	-	-	145,408,266.00	140,131,186	315,273,781	99,653,204	130,699,334	\$ 73,443,535
Committed	-	-	-	-	-	10,301,182.00	6,498,711	2,323,282	3,255,831	4,915,107
Assigned					5,481,651	6,525,555	6,357,576	6,264,232	3,277,611	3,677,951
Sub-total all other Governmental Funds	<u>\$ 274,372,941</u>	<u>\$ 363,213,955</u>	<u>\$ 338,441,804</u>	<u>\$ 202,535,985</u>	<u>\$ 168,400,704</u>	<u>\$ 150,889,917</u>	<u>\$ 328,130,068</u>	<u>\$ 108,240,718</u>	<u>\$ 137,232,776</u>	<u>\$ 82,036,593</u>
Total all Governmental Funds	<u>\$ 643,349,110</u>	<u>\$ 707,809,755</u>	<u>\$ 640,584,821</u>	<u>\$ 480,760,348</u>	<u>\$ 499,259,797</u>	<u>\$ 529,050,315</u>	<u>\$ 687,492,042</u>	<u>\$ 409,327,164</u>	<u>\$ 455,425,877</u>	<u>\$ 469,923,638</u>

Notes:

- (1) The County was required to maintain a contingency reserve equal to 3% of General Fund estimated revenues beginning in the fiscal year 1998. The reserve is intended to help stabilize County budgets against future economic fluctuations and unforeseen emergencies.
- (2) In November 2002, County voters approved a charter amendment to increase the contingency reserve requirement from 3% to 5% of General Fund estimated revenues.
- (3) Beginning in fiscal year 2011 the County implemented GASB Statement No. 54 which revised the fund balance categories for Governmental Funds.

Table 4

PRINCE GEORGE'S COUNTY, MARYLAND
Changes In Fund Balances, Governmental Funds
Last Ten Fiscal Years

	FISCAL YEARS									
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013 (restated)</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues										
Taxes	\$ 1,334,376,477	\$ 1,335,935,914	\$ 1,348,462,490	\$ 1,412,184,766	\$ 1,423,616,459	\$ 1,427,541,836	\$ 1,449,168,044	\$ 1,440,900,965	\$ 1,509,634,512	\$ 1,633,462,779
Licenses and permits	27,722,783	20,960,406	17,751,849	17,471,856	18,577,036	18,127,287	22,710,061	21,830,867	25,430,085	37,734,749
Fines and forfeitures	3,637,603	3,506,178	4,444,315	4,351,788	5,877,508	13,459,810	19,684,818	19,885,245	14,964,293	15,239,542
Use and money and property	43,789,806	46,107,420	31,177,059	11,966,421	5,821,464	7,871,454	1,705,533	8,138,507	12,864,236	9,243,883
Charges for services	77,527,480	55,874,984	47,463,048	52,725,012	53,795,309	67,300,432	76,580,819	65,128,244	73,501,819	86,038,845
Intergovernmental	134,926,985	128,630,290	132,186,494	212,201,660	207,706,513	161,533,603	155,741,974	155,812,040	161,173,020	155,192,779
Miscellaneous	3,102,382	2,493,716	6,066,125	6,810,373	5,184,078	7,752,696	6,119,301	10,305,705	2,989,077	3,782,573
Total revenues	1,583,295,933	1,625,083,516	1,593,508,908	1,587,551,380	1,717,711,876	1,720,578,367	1,731,710,550	1,722,001,573	1,800,557,042	1,940,695,150
Expenditures										
General Government (1)	209,100,631	209,100,631	187,025,859	195,276,748	214,101,638	229,901,474	229,989,658	264,913,081	197,409,489	196,167,715
Public safety (2)	515,162,619	515,162,619	512,181,110	509,526,761	535,858,802	543,037,453	577,535,728	615,372,626	635,615,369	652,773,699
Environmental (3)	-	-	-	-	-	-	10,219,798.00	4,323,358.00	4,718,117	3,559,225
Health and Human Services (4)	93,190,158	93,190,158	96,918,135	103,841,312	98,190,664	95,249,039	98,493,348	95,977,561	97,388,090	95,240,267
Infrastructure & Development (5)	16,821,432	16,821,432	16,986,921	15,855,250	26,947,228	20,670,130	25,068,942	32,234,093	34,712,960	34,356,611
Capital projects	109,892,836	109,892,836	103,289,706	82,735,106	82,297,319	74,151,921	90,316,298	138,911,039	122,161,533	108,617,981
Education										
Board of Education	665,957,080	665,957,080	652,303,197	684,470,305	656,525,606	649,326,640	715,792,239	716,497,118	684,661,903	742,360,976
Community College	28,438,902	28,438,902	38,415,219	33,644,625	40,125,724	31,862,246	31,383,689	30,767,855	35,644,365	36,129,002
Memorial Library	19,568,825	19,568,825	19,397,277	19,802,615	19,494,605	27,027,089	23,313,523	21,490,903	26,534,954	35,357,559
Debt service										
Interest	69,302,123	69,302,123	74,766,318	78,850,997	86,457,546	86,523,482	83,252,080	85,839,156	97,332,619	109,598,004
Principal	51,231,609	51,231,609	54,073,418	53,598,362	49,896,532	47,537,190	47,206,911	53,855,034	58,141,936	58,313,589
Total expenditures	1,700,177,119	1,778,666,215	1,778,666,215	1,755,357,160	1,777,602,081	1,809,895,664	1,932,572,214	2,060,181,824	1,994,321,335	2,072,474,628
Excess (deficiency) of revenues over (under) expenditures	(153,582,699)	(185,157,307)	(167,805,780)	(59,890,205)	(89,317,297)	(101,699,546)	(200,861,664)	(338,180,251)	(193,764,293)	(131,779,478)

The County revised its functional categories for expenditures in fiscal year 2014. Fiscal year 2013 expenditures are restated. The following represents changes to expenditures categories from 2005-2012. (1)General Government- no longer includes States Attorney, Soil Conservation, Department of Family Services, and Department of Housing and Community Development. (2) Public safety added State's Attorney and dropped Department of Environmental Resources. (3) Environment added Department of Environmental Resources and Soil Conservation. (4) Health and Human Services merged (Health and Public Welfare (Department of Social Services) categories with the Department of Family Services. (5) Infrastructure added the new Department of Permitting, Inspections, and Enforcement and Department of Housing and Community Development to the existing Public Works(Department of Public Works and Transportation) Category.

Continued

Table 4, continued

PRINCE GEORGE'S COUNTY, MARYLAND
Changes In Fund Balances, Governmental Funds, continued
Last Ten Fiscal Years

	FISCAL YEARS									
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Other Financing Sources (Uses)										
General obligation bonds issued	130,515,000	141,475,827	13,494,208	83,110,000	91,480,000	74,315,000	285,748,000	-	189,689,000	113,835,000
Bond and note premium	7,758,539	1,662,626	-	2,599,354	6,959,315	21,373,503	43,355,574	5,419,224	30,413,518	21,734,711
Other financing notes payable	18,665,000	-	-	-	-	-	-	-	-	-
Capital lease financing	-	-	2,764,699	-	27,781,000	33,825,000	16,055,642	54,596,149	19,612,680	10,161,624
Reallocation of notes payable	131,013	-	-	-	-	-	-	-	-	-
Transfers in - other funds	88,185,312	78,314,642	100,694,719	94,629,227	98,837,759	101,999,940	89,092,924	94,902,164	92,543,661	95,034,167
Debt Issued:										
Bond proceeds - refunding	68,615,000	-	-	-	-	175,530,000	191,130,000	-	27,520,000	51,511,805
Bond premium - refunding	4,469,091	-	-	-	-	36,132,555	20,981,662	-	2,234,722	7,990,279
Payment to bond refunding escrow agent	(72,998,809)	-	-	-	-	(221,094,720)	(209,562,879)	-	(29,606,914)	(58,956,180)
Transfers out - other funds	(137,975,312)	(87,758,842)	(108,972,319)	(101,948,927)	(105,950,259)	(108,786,340)	(89,092,924)	(94,902,164)	(92,543,661)	(95,034,167)
Total other financing sources (uses)	<u>107,364,834</u>	<u>133,694,253</u>	<u>7,981,307</u>	<u>78,389,654</u>	<u>119,107,815</u>	<u>113,294,938</u>	<u>347,707,999</u>	<u>60,015,373</u>	<u>239,863,006</u>	<u>146,277,239</u>
Extraordinary items										
Insurance recoveries (2)	<u>7,773,886</u>	<u>8,653,648</u>	-	-	-	-	-	-	-	-
Net change in fund balances	<u>\$ (70,018,587)</u>	<u>\$ (25,457,879)</u>	<u>\$ (51,908,898)</u>	<u>\$ 18,499,449</u>	<u>\$ 29,790,518</u>	<u>\$ 11,595,392</u>	<u>\$ 146,846,335</u>	<u>\$ (278,164,878)</u>	<u>\$ 46,098,713</u>	<u>\$ 14,497,761</u>
Debt service as a percentage of noncapital expenditures (3)	6.9%	7.0%	7.7%	7.8%	7.7%	7.8%	7.8%	7.7%	8.8%	9.0%

Notes:

- (1) For FY01 and prior, includes amounts previously classified as "Transfers in from Component Units."
(2) Relates to insurance recoveries from Courthouse fire November 3, 2004.
(3) Non-capital expenditures represent total expenditures above, less Capital Project Funds and capital outlay expenditures that resulted in capital assets.

Table 5

PRINCE GEORGE'S COUNTY, MARYLAND
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property (1)		Total Direct Tax Rate	Personal Property (2)			Total Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value (1)	Assessed Value as a Percentage of Actual Value
	Assessed Value	Estimated Value		Unincorporated Personal Property	Public Utilities	Incorporated Ordinary Business				
2007	60,716,650,060	69,500,205,330	0.9245	34,671,840	1,172,858,450	1,620,014,257	\$ 2,827,544,547	2.3116	\$ 72,327,749,877	89.31%
2008	72,900,955,419	82,244,049,810	0.9149	32,590,380	1,175,976,540	1,609,855,442	2,818,422,362	2.3269	85,062,472,172	87.86
2009	85,155,247,625	99,986,180,539	0.9066	29,129,440	1,232,270,320	1,392,949,067	2,654,348,827	2.2940	102,640,529,366	89.02
2010	96,054,707,346	102,512,190,089	0.8996	32,392,590	1,291,979,150	1,458,374,079	2,782,745,819	2.2724	105,294,935,908	85.55
2011	95,135,150,806	96,199,089,410	0.8998	48,907,200	1,334,149,600	1,366,211,620	2,749,268,420	2.0000	98,948,357,830	93.87
2012	82,964,524,929	83,404,281,380	0.9054	57,630,140	1,332,876,260	1,322,818,970	2,713,325,370	2.0000	86,117,606,750	98.92
2013	75,993,572,331	76,633,200,500	0.9028	50,405,620	1,364,625,200	1,789,642,154	3,204,672,974	2.2830	79,837,873,474	99.49
2014	73,425,415,435	74,563,618,491	0.8971	48,314,610	1,393,889,690	1,313,144,919	2,755,349,219	2.2684	77,318,967,710	99.20
2015	74,172,498,186	76,307,098,100	0.9019	48,442,950	1,485,591,490	1,371,592,328	2,905,626,768	2.2780	79,212,724,868	97.31
2016	76,751,695,412	80,392,825,800	0.9451	61,518,930	1,458,733,380	1,488,314,420	3,008,566,730	2.3720	83,401,392,530	95.63

Notes:

(1) Real property figures are based on a "triennial assessment" process. Under this method, only one-third of the properties in the County are reassessed each year. Any increase in value is phased in over a three-year period in equal increments. Therefore, assessed values only reflect the phased-in amounts, while the estimated actual values indicate the full amount of the reassessment based on the latest physical inspection.

(2) Assessed value and estimated actual values are equal.

(3) Prior to fiscal year 2002, real property had been assessed at 40% of phased-in market value. Effective fiscal 2002, the real property is assessed at 100% of the phased-in market value. Personal Property had already been assessed at 100% of market value. The County tax rate is a weighted average of the unincorporated area and incorporated area rates.

Source: State Department of Assessment and Taxation.

Table 6

PRINCE GEORGE'S COUNTY, MARYLAND
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year	County Direct Rates - Real Property (1)				Overlapping Rates - Real Property		
	General (2)	Pre-Trim (4)	Stormwater Management	Total Direct (3)	State of Maryland	M-NCPPC	WSTC
2007	0.9245	-	0.0540	0.9785	0.1320	0.2790	0.0260
2008	0.9149	-	0.0540	0.9689	0.1320	0.2790	0.0260
2009	0.9066	-	0.0540	0.9606	0.1120	0.2790	0.0260
2010	0.8996	-	0.0540	0.9536	0.1120	0.2790	0.0260
2011	0.8998	-	0.0540	0.9538	0.1120	0.2790	0.0260
2012	0.9054	-	0.0540	0.9594	0.1120	0.2790	0.0260
2013	0.9028	-	0.0540	0.9568	0.1120	0.2790	0.0260
2014	0.8971	-	0.0540	0.9511	0.1120	0.2790	0.0260
2015	0.9019	-	0.0540	0.9559	0.1120	0.2790	0.0260
2016	0.9451	-	0.0540	0.9991	0.1120	0.2940	0.2600

Fiscal Year	County Direct Rates - Personal Property (1)				Overlapping Rates - Personal Property		
	General (2)	Pre-Trim (4)	Stormwater Management	Total Direct (3)	State of Maryland	M-NCPPC	WSTC
2007	2.3116	-	0.1350	2.4466	0.2800	0.6975	0.0650
2008	2.3269	-	0.1350	2.4619	0.2800	0.6975	0.0650
2009	2.2940	-	0.1350	2.4290	0.2800	0.6975	0.0650
2010	2.2724	-	0.1350	2.4074	0.2800	0.6975	0.0650
2011	2.0000	-	0.1350	2.1350	0.2800	0.6975	0.0650
2012	2.0000	-	0.1350	2.1350	0.2800	0.6975	0.0650
2013	2.2830	-	0.1350	2.4180	0.2800	0.6975	0.0650
2014	2.2684	-	0.1350	2.4034	0.2800	0.6975	0.0650
2015	2.2780	-	0.1350	2.4130	0.2800	0.6975	0.0650
2016	2.3723	-	0.1350	2.5073	0.2800	0.7351	0.0650

Notes:

(1) In dollars per \$100.00 of assessed value.

(2) Partial year real property improvements billed at pro rata tax rates.

(3) At the November 1978 General Election, the voters of the County adopted an amendment to the Charter limiting future collection of real property taxes to the amount collected in fiscal year 1979. The amendment, which became effective in December 1978, added Section 817B to the Charter. It is generally referred to as "TRIM" (TRIM is an acronym for Tax Reform Initiative by Marylanders).

(4) There is no County taxing authority assigned to debt payments for pre-TRIM bonds beginning in fiscal year 2004, because the debt was retired.

Table 7

PRINCE GEORGE'S COUNTY, MARYLAND
Real Property Tax Rates - Overlapping Governments - Cities and Towns
Last Ten Fiscal Years

Cities										
Fiscal Year	Bowie	College Park	District Heights	Greenbelt	Hyattsville	Laurel	Mount Rainier	New Carrollton	Seat Pleasant	
2007	0.322	0.285	0.547	0.766	0.630	0.720	0.790	0.450	0.580	
2008	0.352	0.299	0.650	0.766	0.630	0.720	0.790	0.450	0.580	
2009	0.352	0.299	0.730	0.786	0.630	0.720	0.790	0.450	0.580	
2010	0.380	0.322	0.730	0.786	0.630	0.710	0.790	0.500	0.580	
2011	0.380	0.322	0.730	0.786	0.630	0.710	0.790	0.500	0.580	
2012	0.400	0.322	0.730	0.790	0.630	0.710	0.790	0.500	0.580	
2013	0.400	0.322	0.730	0.790	0.630	0.710	0.790	0.500	0.580	
2014	0.400	0.322	1.000	0.790	0.630	0.710	0.790	0.7136	0.580	
2015	0.400	0.335	1.000	0.805	0.630	0.710	0.860	0.7121	0.580	
2016	0.400	0.335	0.9488	0.8125	0.630	0.710	0.860	0.6652	0.580	

Towns										
Fiscal Year	Berwyn Heights	Bladensburg	Brentwood	Capitol Heights	Cheverly	Colmar Manor	Cottage City	Eagle Harbor	Edmonston	Fairmount Heights
2007	0.486	0.676	0.248	0.412	0.400	0.490	0.690	0.292	0.450	0.420
2008	0.486	0.676	0.248	0.412	0.450	0.490	0.670	0.292	0.500	0.420
2009	0.486	0.740	0.476	0.412	0.480	0.880	0.640	0.292	0.500	0.420
2010	0.486	0.740	0.443	0.412	0.480	1.000	0.600	0.292	0.600	0.388
2011	0.486	0.740	0.382	0.401	0.480	1.038	0.560	0.292	0.600	0.420
2012	0.486	0.740	0.382	0.392	0.480	1.038	0.520	0.292	0.600	0.420
2013	0.516	0.740	0.382	0.392	0.480	1.028	0.488	0.292	0.600	0.420
2014	0.516	0.740	0.3864	0.4619	0.580	1.490	0.650	0.480	0.600	0.460
2015	0.516	0.740	0.4107	0.4619	0.580	1.490	0.650	0.480	0.660	0.460
2016	0.530	0.740	0.4107	0.4619	0.580	1.310	0.650	0.480	0.660	0.460

continued

Table 7, continued

PRINCE GEORGE'S COUNTY, MARYLAND
Real Property Tax Rates - Overlapping Governments - Cities and Towns, continued
Last Ten Fiscal Years

Fiscal Year	Towns							
	Forest Heights	Glenarden	Landover Hills	Morningside	North Brentwood	Riverdale Park	University Park	Upper Marlboro (4)
2007	0.470	0.296	0.480	0.800	0.288	0.677	0.600	0.240
2008	0.470	0.296	0.480	0.800	0.288	0.641	0.600	0.240
2009	0.510	0.275	0.480	0.800	0.288	0.641	0.600	0.240
2010	0.530	0.296	0.480	0.800	0.347	0.641	0.600	0.240
2011	0.530	0.296	0.480	0.780	0.347	0.641	0.541	0.240
2012	0.567	0.336	0.480	0.780	0.347	0.677	0.584	0.240
2013	0.567	0.336	0.480	0.740	0.347	0.654	0.579	0.240
2014	0.625	0.336	0.480	0.740	0.347	0.654	0.582	0.240
2015	0.625	0.336	0.480	0.740	0.440	0.654	0.632	0.240
2016	0.625	0.331	0.520	0.740	0.440	0.654	0.653	0.240

Notes:

- (1) Tax rates are per \$100 of assessed value.
(2) The County does not collect personal property taxes for the Cities or Towns.
(3) Taxes collected by the County for other fiscal units, including overlapping governments, are remitted based on actual collections.
(4) During fiscal years 2000 through 2004, the Town of Upper Marlboro did not collect town taxes.

Table 8

PRINCE GEORGE'S COUNTY, MARYLAND
Principal Taxpayers
Current Year and Nine Years Prior

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Potomac Electric Power Co.	\$ 605,735,180	1	2.09%	410,699,262	2	2.25%
Gaylord National, LLC	568,000,000	2	1.96%			
Verizon Maryland	281,655,140	3	0.97%	386,977,640	3	2.12%
Empirian Village of Maryland, LLC	271,389,670	4	0.94%			
Washington Gas Light Company	255,900,780	5	0.88%	199,172,318	4	1.09%
JKC Stadium (FedEx Field)	208,927,300	6	0.74%	181,825,166	5	0.99%
Greenbelt Homes, Incorporated	177,279,700	7	0.61%	91,519,960	10	0.50%
Baltimore Gas and Electric Co.	169,648,240	8	0.59%	127,904,490	6	0.70%
Summerfield Housing LTD Partnership	150,929,700	9	0.52%	101,661,399	8	0.56%
Prince George's Plaza	147,685,050	10	0.51%			
Silver Oaks Campus LLC				115,463,500	7	0.63%
Samuel Zell Trs				97,583,750	9	0.53%
Mirant Chalk Point LLC				\$ 483,708,600	1	2.65%

Notes:

(1) Source: State of Maryland Department of Assessments and Taxation

TABLE 9

**PRINCE GEORGE'S COUNTY, MARYLAND
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	660,947,420	656,628,114	99.33	3,881,128	660,509,242	99.93
2008	777,425,089	770,467,248	99.35	6,437,160	776,904,408	99.93
2009	903,375,110	897,803,030	99.35	4,877,247	902,680,277	99.92
2010	1,001,271,795	995,260,491	99.38	5,289,570	1,000,550,061	99.93
2011	987,400,083	981,984,336	99.40	4,534,788	986,519,124	99.10
2012	869,334,583	866,278,838	99.45	2,098,207	868,377,045	99.89
2013	803,094,590	798,920,671	99.64	2,805,654	801,726,325	99.83
2014	778,008,663	773,446,612	99.48	3,321,089	776,767,701	99.84
2015	791,690,172	787,981,697	99.41	2,143,498	790,125,195	99.80
2016	853,046,726	852,874,411	99.98	-	849,427,170	99.58

Notes:

- (1) Total collections include collections for adjustments in "total tax levy" in years subsequent to initial tax levy.
- (2) Included is data for all property taxes billed applicable to all funds for Prince George's County, Maryland to include General, Debt Service, and Enterprise Funds. Property taxes billed for the State of Maryland, various municipalities, Washington Suburban Sanitary, Maryland National Capital Park and Planning, and the Washington Suburban Transit Commission, are excluded.
- (3) Taxes are assessed July 1 and semi-annual payments are due September 30 and December 31.
- (4) No discounts are allowed.
- (5) Interest and penalty at 20% per annum is charged after September 30, except tax bills based upon certifications received after September 30 may be paid within thirty days without interest.
- (6) Taxes on real property are collected by sale or legal action or both. Taxes on personal property are enforced by legal action.
- (7) Tax sale date is the second Monday in May.
- (8) There is no County taxing authority assigned to debt payments for pre-TRIM bonds beginning in fiscal year 2004 because the debt was retired.

Table 10

PRINCE GEORGE'S COUNTY, MARYLAND
Delinquent Taxes and Service Charges Receivable - By Fund
As of June 30, 2016

		General Fund					Enterprise Funds				
Delinquent taxes by year		Unincorporated		Railroads and Public Utilities	Corporate Personal Property	Total General Fund	Agency Funds		Stormwater Management Fund	Total All Funds	
		Real Property	Business Personal Property				Maryland-National Capital Park and Planning Commission	Washington Suburban Sanitary Commission	Incorporated Towns	Washington Suburban Transit Commission	Special
Year ended											
June 30:											
2016	\$	2,120,783	54,436	209	1,505,472	3,680,900					
2015		769,220	30,053	-	731,714	1,530,987					
2014		775,081	16,339	-	423,043	1,214,463					
2013		1,059,844	7,549	-	263,950	1,331,343					
2012		695,991	17,423	72	211,786	925,272					
2011		610,776	9,608	8	231,321	851,713					
2010		485,562	14,082	41	200,813	700,498					
2009		429,121	9,951	1	235,509	674,582					
2008		309,623	10,828	-	179,199	499,650					
2007 and prior		1,498,290	2,205,465	206	657,752	4,361,713					
	\$	<u>8,754,291</u>	<u>2,375,734</u>	<u>537</u>	<u>4,640,559</u>	<u>15,771,121</u>					
Year ended											
June 30:											
2016	\$	122,942	863,291	32,553	(3,184)	75,681	1,719,345	2,810,628	136,841	6,628,369	
2015		(5,194)	243,137	21,132	(268,024)	19,703	-	10,754	33,989	1,575,730	
2014		14,778	155,704	17,667	(76,083)	15,512	-	127,578	26,498	1,368,539	
2013		48,963	197,384	18,268	55,791	18,965	-	339,371	36,922	1,707,636	
2012		45,009	167,849	23,833	51,788	16,322	-	304,801	32,265	1,262,338	
2011		34,023	151,409	21,857	41,558	14,706	-	263,553	29,247	1,144,513	
2010		19,698	110,604	17,802	20,577	10,793	-	179,474	21,236	901,208	
2009		178,051	103,100	13,213	12,311	10,160	-	316,835	20,251	1,011,668	
2008		22,144	105,386	11,948	35,771	10,509	-	185,758	21,031	706,439	
2007 and prior		64,395	879,547	52,434	65,125	91,595	-	1,153,096	183,413	5,698,222	
	\$	<u>544,809</u>	<u>2,977,411</u>	<u>230,707</u>	<u>(64,370)</u>	<u>283,946</u>	<u>1,719,345</u>	<u>5,691,848</u>	<u>541,693</u>	<u>22,004,662</u>	

Table 11

PRINCE GEORGE'S COUNTY, MARYLAND
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt			Other Governmental Activities Debt				
	General Obligation Bonds (1)	LGIT GOB	Maryland CDA Infrastructure Bonds	Certificates of Participation	HUD Section 108 Notes	Maryland Industrial Land Act Loans	MDOT Loans	Capital Leases
2007	1,031,936,113	7,795,000	851,300	66,387,883	7,206,000	285,669	4,818,594	-
2008	1,074,343,312	6,675,000	796,500	55,351,920	6,801,000	262,720	3,760,309	-
2009	1,012,942,759	5,490,000	739,300	42,384,528	6,361,000	238,154	2,643,957	2,764,699
2010	1,032,870,640	4,235,000	679,600	28,935,874	5,893,000	211,859	1,466,254	2,764,699
2011	1,058,301,880	2,905,000	617,300	34,717,732	5,395,000	183,713	982,088	10,664,091
2012	1,076,197,571	1,495,000	552,600	59,875,481	4,907,000	153,586	-	6,491,697
2013	1,356,817,910	-	484,300	51,777,027	4,636,000	121,336	-	19,365,264
2014	1,268,290,559	-	413,300	83,039,920	4,347,000	86,817	-	29,738,883
2015	1,385,801,745	-	339,000	72,116,502	4,038,000	49,867	-	41,572,611
2016	1,409,794,524	-	261,200	61,740,000	3,716,000	-	-	41,962,400

Fiscal Year	Business-Type Activities				Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds (1)	Revenue Bonds	Certificates of Participation (2)	WSSC Loans				
2007	78,322,894	21,246,201	886,082	2,055,000	-	1,221,790,736	3.85%	1,467.27
2008	84,531,033	16,747,810	687,929	1,420,000	-	1,251,377,533	3.79%	1,506.75
2009	79,350,231	12,028,800	482,209	745,000	-	1,166,170,637	3.51%	1,397.35
2010	84,285,855	7,083,800	266,208	-	-	1,168,692,789	3.41%	1,349.99
2011	108,816,464	5,042,425	39,326	-	-	1,227,665,019	3.50%	1,404.58
2012	126,235,054	2,934,277	-	-	19,419	1,278,861,685	3.32%	1,451.38
2013	192,949,424	758,943	-	-	10,090	1,626,920,294	4.22%	1,827.83
2014	182,450,700	385,998	-	-	-	1,568,753,177	3.90%	1,734.52
2015	198,374,541	-	-	-	-	1,702,292,266	n.a.	1,871.61
2016	187,832,633	-	6,480,279	-	-	1,711,787,036	n.a.	n.a.

(1) Amounts are net of related premiums, discounts, and adjustments.

Table 12

PRINCE GEORGE'S COUNTY, MARYLAND
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Governmental-Type Activities		Business-Type Activities	Total	Percentage of Actual Property Value	Per Capita
	General Obligation Bonds (1)	LGIT General Obligation Bonds	General Obligation Bonds (1)			
2007	1,031,936,113	7,795,000	78,322,894	1,118,054,007	1.55%	1,342.69
2008	1,074,343,312	6,675,000	84,531,033	1,165,549,345	1.37%	1,403.41
2009	1,012,942,759	5,490,000	79,350,231	1,097,782,990	1.07%	1,315.40
2010	1,032,870,640	4,235,000	84,285,855	1,121,391,495	1.07%	1,295.35
2011	1,058,301,880	2,905,000	108,816,464	1,170,023,344	1.18%	1,338.63
2012	1,076,197,571	1,495,000	126,235,054	1,203,927,625	1.40%	1,366.33
2013	1,356,817,910	-	192,949,424	1,549,767,334	1.94%	1,741.15
2014	1,268,290,559	-	182,450,700	1,450,741,259	1.88%	1,604.04
2015	1,385,801,745	-	198,374,541	1,584,176,286	2.00%	1,741.74
2016	1,409,794,524	-	187,832,633	1,597,627,157	1.92%	n.a.

(1) Amounts are net of related premiums, discounts, and adjustments.

Table 13

**PRINCE GEORGE'S COUNTY, MARYLAND
Direct and Overlapping Governmental Activities Debt
As of June 30, 2016**

Governmental Unit:	<u>Debt Outstanding</u>	<u>Percentage of Debt Applicable to this Jurisdiction</u>	<u>Jurisdiction's Share of Debt</u>
Prince George's County:			
County Government	\$ 1,517,474,124 (1)	100.00%	\$ 1,517,474,124
Overlapping areas:			
Maryland-National Capital Park and Planning Commission	69,083,127	0%	-
Washington Suburban Sanitary Commission	667,983,147	0%	-
Underlying towns and cities within the County	34,807,812	0%	-
Component Unit:			
IDA of PG County lease revenue bonds	45,555,000	100.00%	45,555,000
Total Direct and Overlapping Debt	<u>\$ 2,334,903,210</u>		<u>\$ 1,563,029,124</u>

(1) Includes bonds, notes, certificates of participation, loans, and capital leases of governmental activities. Amounts are net of related premiums, discounts, and adjustments.

Table 14

PRINCE GEORGE'S COUNTY, MARYLAND
Computation of Direct and Overlapping Debt
June 30, 2016

	Gross debt principal amount ⁽¹¹⁾	Self-supporting debt	Net debt principal amount
Direct debt:			
Primary government:			
General obligation bonds:			
General purpose	\$ 968,882,035	-	968,882,035
Stormwater management	144,978,650	144,978,650 ⁽¹⁾	-
Solid waste management system	35,062,545	35,062,545 ⁽²⁾	-
School facilities surcharge - supported	289,716,443	289,716,443 ⁽³⁾	-
Telecommunications - supported	20,531,670	20,531,670 ⁽⁴⁾	-
Mass transit	7,738,657	7,738,657 ⁽⁵⁾	-
Maryland Industrial Land Act Loans	-	- ⁽⁶⁾	-
Maryland Community Development Administration Infrastructure Debt	261,200	261,200 ⁽⁷⁾	-
Revenue bonds:			
Solid waste management system	-	- ⁽²⁾	-
Total direct debt	<u>1,467,171,200</u>	<u>498,289,165</u>	<u>968,882,035</u>
Overlapping debt:			
Other governmental units:			
Maryland-National Capital Park and Planning Commission general obligation bonds	69,083,127	69,083,127 ⁽⁸⁾	-
Washington Suburban Sanitary Commission	667,983,147	667,983,147	-
Underlying towns and cities within the County	34,807,812	34,807,812 ⁽⁹⁾	-
Component unit:			
Industrial Development Authority of Prince George's County lease revenue bonds	<u>45,555,000</u>	- ⁽¹⁰⁾	<u>45,555,000</u>
Total overlapping debt	<u>817,429,086</u>	<u>771,874,086</u>	<u>45,555,000</u>
Total direct and overlapping debt	<u>\$ 2,284,600,286</u>	<u>1,270,163,251</u>	<u>1,014,437,035</u>

Notes:

- (1) The debt service payments on bonds issued by the County for stormwater management facilities are supported by a special ad valorem tax and, accordingly, such bonds are considered self-supporting.
- (2) County solid waste bonds are repaid from user charges.
- (3) Debt service payments on a portion of the school construction bonds are supported by the school facilities surcharge on new residential construction. This portion is considered self-supporting.
- (4) Debt service payments on the bonds issued for School Renovation Projects are supported by the Telecommunication Tax, levied on telecommunication service in the county.
- (5) These bonds are a liability of the Washington Suburban Transit Commission. The Washington Suburban Transit Commission reimburses the debt service payments on bonds issued by the County for mass transit projects and, accordingly, such bonds are considered self-supporting.
- (6) Debt service costs of the Maryland Industrial Land Act notes are reimbursed to the County under loan agreements with developers.
- (7) Debt service costs of the Maryland Community Development Administration note are reimbursed to the County under a loan agreement with Accokeek Volunteer Fire Department.
- (8) At June 30, 2012, the County was contingently liable as guarantor on these bonds issued by the Maryland-National Capital Park and Planning Commission.
- (9) The debt issued by the towns and cities within the County is supported by the revenue sources of the respective towns and cities.
- (10) Debt service costs for the 1994A Lease Revenue Bonds are reimbursed to the County by the State of Maryland pursuant to a lease agreement relating to the Hyattsville Multi-Service Center.
- (11) Amounts do not include related premiums, discounts, and adjustments.

Table 15

PRINCE GEORGE'S COUNTY, MARYLAND
Computation of Legal Debt Margin
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2016:

Assessable base of Real Property	\$ 80,392,825,800
Assessable base of Personal Property	3,008,566,730
Debt limit (a total of 6% Real property & 15% of Personal property)	5,274,854,558
Debt applicable to limit:	
General obligation bonds	968,882,035
Total net debt applicable to limit	968,882,035
Legal debt margin	4,305,972,523

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assessable Base - Real property	\$ 69,500,205,330	\$ 82,244,049,810	\$ 99,986,180,539	\$ 102,512,190,089	\$ 96,199,089,410	\$ 83,404,281,380	\$ 76,633,200,500	\$ 74,563,618,491	\$ 76,307,098,100	80,392,825,800
Assessable Base - Personal property and operating real property	2,827,544,547	2,818,422,362	2,654,348,827	2,782,745,819	2,749,268,420	2,713,325,370	3,204,672,974	2,755,349,219	2,905,626,768	3,008,566,730
Debt limit - Percentage of Assessable Base: Debt limit (a total of 6% of Real Property Assessable base and 15% of Personal Property Assessable base).	4,594,144,002	5,357,406,343	6,397,323,156	6,568,143,278	6,184,335,628	5,411,255,688	5,078,692,976	4,887,119,492	5,014,269,901	5,274,854,558
Total net debt applicable to limit	<u>976,252,351</u>	<u>1,020,223,283</u>	<u>963,055,594</u>	<u>701,045,978</u>	<u>711,514,526</u>	<u>713,200,331</u>	<u>899,514,499</u>	<u>844,289,449</u>	<u>944,926,424</u>	<u>968,882,035</u>
Legal debt margin	<u>\$ 3,617,891,651</u>	<u>\$ 4,337,183,060</u>	<u>\$ 5,434,267,562</u>	<u>\$ 5,867,097,300</u>	<u>\$ 5,472,821,102</u>	<u>\$ 4,698,055,357</u>	<u>\$ 4,179,178,477</u>	<u>\$ 4,042,830,043</u>	<u>\$ 4,069,343,477</u>	<u>\$ 4,305,972,523</u>
Total net debt applicable to the limit as a percentage of debt limit	21.25%	19.04%	15.05%	10.67%	11.51%	13.18%	17.71%	17.28%	18.84%	18.37%

Notes:

1) Prior to fiscal year 2002, real property had been assessed at 40% of the phased-in market value, and personal property at 100% of market value. The debt limit was 15% of the total assessed value. Effective fiscal 2002, the real property is assessed at 100% of the phased-in market value. Therefore, effective in fiscal year 2002, the debt limit is a total of 6% of the real property assessable base and 15% of the personal property assessable base.

Table 16

PRINCE GEORGE'S COUNTY, MARYLAND
Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Primary Government (1)						Component Units (1)					
	Total Revenues (2)	Less: Operating Expenses (3)	Net Available Revenues	Debt Service		Coverage	Total Revenues (2)	Less: Operating Expenses (3)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest (4)					Principal	Interest (4)	
2007	88,577,315	72,991,069	15,586,246	2,648,132	896,467	4.40	7,233,631	9,776	7,223,855	2,652,868	4,327,032	1.03
2008	90,150,726	81,910,241	8,240,485	4,498,391	901,821	1.53	7,114,384	9,740	7,104,644	2,681,618	4,301,679	1.02
2009	90,038,702	82,890,321	7,148,381	4,719,010	683,014	1.32	6,781,700	12,524	6,769,176	2,454,034	4,273,567	1.01
2010	93,076,593	79,534,255	13,542,338	4,945,000	453,396	2.51	6,829,328	13,145	6,816,183	2,482,842	4,255,642	1.01
2011	92,447,372	80,517,079	11,930,293	2,041,375	220,568	5.27	7,877,002	18,205	7,858,797	1,877,068	5,493,438	1.07
2012	91,620,951	84,288,431	7,332,520	2,108,148	157,476	3.24	7,873,840	18,878	7,854,962	2,259,349	5,522,879	1.01
2013	92,564,690	82,820,258	9,744,432	2,175,333	88,014	4.31	7,878,061	18,563	7,859,498	4,615,000	3,170,292	1.01
2014	91,655,085	81,336,092	10,318,993	372,945	16,899	26.47	7,867,809	18,500	7,849,309	4,805,000	3,062,800	1.00
2015	92,897,601	82,056,019	10,841,582	385,998	6,305	27.64	7,872,234	18,563	7,853,671	5,025,000	3,065,464	0.97
2016	96,169,647	87,936,833	8,232,814	-	-	-	7,897,893	18,500	7,879,393	5,265,000	2,829,368	0.97

(1) The Primary Government's debt is comprised of revenue bonds of the Solid Waste Enterprise Fund. The Component Units include revenue bonds of the Industrial Development Authority of Prince Georges's County. The first bond issues of these entities were on December 1, 1990 and September 1, 1987, respectively. The Solid Waste Enterprise bonds were paid in full in December 2015.

(2) Total revenues includes operating and non-operating revenues and transfers, except gains on disposal of property, intrafund transfers, and grants.

(3) Operating expenses include all expenses and transfers, except interest and debt issuance costs, depreciation and amortization, landfill postclosure expense, loss on disposal of equipment and intrafund transfers.

(4) This amount reflects the amount due in the fiscal year (net of accrual) plus bond refunding costs, less interest income.

Table 17

PRINCE GEORGE'S COUNTY, MARYLAND
Revenues Bond Coverage (For Bond Covenant Purposes)
Last Ten Fiscal Years

Fiscal year	Net revenues available for debt service (1)				Net debt service requirements			Coverage		
	Gross revenues (2)	Operating expenses (3)	Net revenues available for debt service	Cash balances available for debt service (4)	Principal	Interest (5)	Total	Gross (6)	Net (7)	Net alternative (8)
2007	82,202,081	56,887,188	25,314,893	123,683,976	2,648,132	896,467	3,544,599	23.19	7.14	34.89
2008	84,240,272	64,034,265	20,206,007	109,795,144	4,498,391	901,821	5,400,212	15.60	3.74	20.33
2009	86,550,100	66,452,151	20,097,949	101,193,079	4,719,010	683,014	5,402,024	16.02	3.72	18.73
2010	93,122,207	64,057,763	29,064,444	113,001,227	4,945,000	453,396	5,398,396	17.25	5.38	20.93
2011	92,402,715	63,943,106	28,459,609	112,924,596	2,041,375	220,568	2,261,943	40.85	12.58	49.92
2012	91,651,787	67,660,904	23,990,883	106,135,079	2,108,148	157,476	2,265,624	40.45	10.59	46.85
2013	92,552,052	70,106,124	22,445,928	108,817,130	2,175,333	88,014	2,263,347	40.89	9.92	48.08
2014	92,020,057	63,998,949	28,021,108	118,214,793	372,945	16,899	389,845	236.04	71.88	303.24
2015	92,897,601	65,113,510	27,784,091	122,529,149	385,998	6,305	392,303	236.80	70.82	312.33
2016	96,169,647	71,958,454	24,211,193	119,597,798	-	-	-	0.00	0.00	0.00

Notes:

(1) Included in this schedule are revenue bonds of the Primary Government's Solid Waste Fund, whose first bond issue was on December 1, 1990.

(2) Gross revenues includes operating and nonoperating revenues, excluding interest income on the Debt Service Reserve Account.

(3) Operating expenses include all expenses and transfers except depreciation and amortization, project charges from other County funds, landfill postclosure expense, overhead allocation, and intrafund transfers.

(4) Cash balances available for debt service includes net revenues available for debt service during the year and beginning balances for: amount due from other funds, unrestricted cash and investments, restricted cash and investments for the Operation & Maintenance Reserve, the Debt Service Reserve, and the Closing Cost Reserve.

(5) This amount reflects the amount due in the fiscal year (net of accrual) plus bond refunding costs, less interest income.

(6) Gross coverage ratio equals gross revenues divided by net debt service on bonds.

(7) Net coverage ratio equals net revenues available for debt service divided by net debt service on bonds.

(8) Net alternative coverage ratio equals cash balances available for debt service divided by net debt service on bonds.

Table 18

PRINCE GEORGE'S COUNTY, MARYLAND
Demographic and Economic Statistics
Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands of dollars) (2)</u>	<u>Per Capita personal Income (2)</u>	<u>Civilian Labor Force (3)</u>	<u>Unemployment Rate (3)</u>	<u>Registered pupils (4)</u>
						136,095
2006	836,644	30,306,871	35,567	446,366	4.1	133,325
2007	832,699	31,753,583	37,361	448,144	3.7	131,014
2008	830,514	33,026,742	38,847	454,201	4.5	129,752
2009	834,560	33,227,622	38,810	452,754	7.1	127,977
2010	865,705	34,302,938	39,647	462,138	7.7	127,039
2011	874,045	35,036,640	40,215	466,787	7.2	126,671
2012	881,138	38,481,250	43,672	469,150	6.8	123,833
2013	890,081	38,595,921	43,362	467,318	6.9	123,737
2014	904,430	40,215,913	44,465	469,359	6.2	125,136
2015	909,535	n.a.	n.a.	495,449	4.7	127,576

Notes:

(1) Population estimates for 2010 - 2015 are from the U.S. Bureau of the Census, updated July 1, 2015. Estimates for 2016 are not available.

(2) Bureau of Economic Analysis, U.S. Department of Commerce. (Income data for 2015 is not currently available) Calendar year per capita income figures are shown in the above table, updated November 19, 2015.

(3) Maryland Department of Labor, Career and Workforce Information, updated June 2016.

(4) www.mdreportcard.org, updated 1/22/2016.

(5) n.a. represents information that was unavailable at the time this table was updated

Table 19

PRINCE GEORGE'S COUNTY, MARYLAND
Principal Employers
Current Calendar Year and Nine Years Prior

	2015			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Private Sector Employer						
United Parcel Service	4,220	1	0.86%	4,220	2	0.86%
Giant Food	3,000	2	0.61%	5,394	1	1.10%
Verizon	2,738	3	0.56%	2,738	4	0.56%
Dimensions Healthcare System	2,500	4	0.51%	3,000	3	0.61%
Marriott International	2,412	5	0.49%			
Shoppers Food Warehouse	1,975	6	0.40%	1,975	6	0.40%
MedStar Health (Southern Maryland Hospital Center)	1,709	7	0.35%	1,300	8	0.26%
Safeway	1,605	8	0.33%	2,400	5	0.49%
Melwood	1,428	9	0.29%			
Target	1,400	10	0.29%			
Chevy Chase Bank				1,456	7	0.30%
Computer Science Corporation				1,200	9	0.24%
Prince George's Hospital Center				1,100	10	0.22%
Public Sector Employers						
University System of Maryland 1/	18,726	1		11,730	3	
Joint Base Andrews Naval Air Facility Washington*	17,500	2		17,410	1	
U.S. Internal Revenue Service*	5,539	3		3,840	7	
United States Census Bureau*	4,414	4		4,158	6	
NASA/Goddard Space Flight Center*	3,397	5		7,000	4	
Prince George's Community College	2,785	6				
National Maritime Intelligence-Integration Office*	1,724	7				
National Oceanic and Atmospheric Administration*	1,350	8				
Adelphi Laboratory Center*	1,200	9				
US Food and Drug Administration	1,061	10				
Prince George's County Public Schools				16,000	2	
Prince George's County Government				6,606	5	
Maryland National Park and Planning Commission				1800	8	

Notes:

Excludes post offices, state and local governments; includes public higher education institutions.

* Employee counts for federal and military facilities exclude contractors.

Sources: Economic development agencies statewide and Maryland Department of Business and Economic Development, revised October 2015.

1/ Includes UMCP, UMUC and Bowie State University

Table 20

PRINCE GEORGE'S COUNTY, MARYLAND
Total Government Employees by Function
Last Ten Fiscals Years

<u>Function/Agency</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Government										
County Executive	48	48	48	46	45	45	45	45	45	45
County Council	100	111	113	103	101	108	112	114	121	157
Human Relations Commission	12	12	15	13	13	11	11	11	11	
Personnel Board	2	2	2	2	2	2	2	2	2	2
Circuit Court	120	124	130	130	130	130	130	130	130	136
Orphans' Court	6	6	6	6	6	6	6	6	6	6
Office of the State's Attorney	148	151	154	152	149	151	167	169	169	178
Citizen Complaint Oversight Panel	2	2	2	1	1	1	1	1	1	1
Office of Finance	75	75	76	74	73	67	67	67	67	67
Office of Business & Regulatory Affairs	-	-	-	-	-	-	-	-	-	-
Office of Community Relations	24	26	26	26	38	35	50	65	65	65
Office of Management and Budget	26	27	27	27	26	25	25	25	24	25
Board of License Commissioners	7	7	7	7	7	7	7	7	7	8
Office of Law	57	60	61	60	60	54	54	54	54	55
Office of Human Resources Management	68	69	70	70	70	66	65	65	65	65
Office of Info. Tech. & Communications	0	0	0	0	0	0	0	0	0	0
Board of Elections	16	18	19	19	19	18	18	18	18	18
Soil Conservation District	13	13	13	13	13	13	13	13	15	15
Office of Central Services	180	182	182	178	170	151	154	158	162	171
Department of Family Services	28	28	28	28	31	28	27	16	15	18
Housing & Community Development	22	22	22	22	21	18	22	22	27	27
Office of Ethics and Accountability	-	-	-	-	-	-	4	4	4	4
Subtotal	954	983	1,001	977	975	936	980	992	1,008	1063
Public Safety										
Department of the Environment ¹	238	264	263	250	251	236	156	65	61	113
Police Department	1904	2056	2132	2123	2122	2097	2097	2095	2095	2096
Fire/EMS Department	821	833	849	837	846	848	887	892	920	958
Office of the Sheriff	324	338	347	342	335	333	340	342	342	347
Department of Corrections	602	630	646	637	644	639	640	640	640	640
Office of Homeland Security	190	204	214	214	211	210	211	211	211	215
Department of Permitting, Inspections, and Enforcement ²	-	-	-	-	-	-	-	279	279	287
Subtotal	4,079	4,325	4,451	4,403	4,409	4,363	4,331	4,524	4,548	4656
Public Works										
Department of Public Works & Transportation	287	288	333	329	319	294	294	249	254	254
Subtotal	287	288	333	329	319	294	294	249	254	254
Health Department										
Health Department	294	291	302	289	261	238	242	231	193	198
Subtotal	294	291	302	289	261	238	242	231	193	198
Public Welfare - Department of										
Department of Social Services	13	14	15	15	14	14	15	15	15	20
Subtotal	13	14	15	15	14	14	15	15	15	20
Grand Total	5,627	5,901	6,102	6,013	5,978	5,845	5,862	6,011	6,018	6191

Source: Office of Management and Budget Current Expense Budget

¹ Prior to fiscal year 2015 the department name was the Department of Environmental Resources

² New agencies created in fiscal year 2013 and assumed some of the duties previously assigned to the Department of Environmental Resources

Table 21

PRINCE GEORGE'S COUNTY, MARYLAND
Operating Indicators by Function/Program
Last Ten Fiscal Years

<u>Agency/Program</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>estimated</u> <u>2015</u>	<u>projected</u> <u>2016</u>
Circuit Court										
Criminal cases filed	8,765	7,823	7,907	8,783	8,684	8,191	9,299	9,090	9,273	7,960
Juvenile cases filed or reopened	2,353	2,301	2,633	2,242	2,079	2,038	1,984	2,062	2,027	1,429
Office of the Sheriff										
Number of warrants on file	36,848	42,063	48,307	53,703	48,433	45,770	43,599	40,000	38,000	38,000
Number of domestic related documents served	9,230	9,514	7,496	6,410	7,673	10,013	10,567	12,680	14,875	11,400
Department of Corrections										
Average daily Correctional Center population	1,482	1,462	1,461	1,229	1,175	1,200	n/a	n/a	n/a	1,103
Number of inmate court appearances	21,276	n/a	n/a							
Police Department										
Number of calls for service	655,994	700,000	676,662	807,592	746,486	616,180	615,000	613,000	611,000	657,100
Number of documented property crimes	37,420	36,457	30,714	31,011	27,757	25,816	24,100	23,800	23,200	18,700
Fire/EMS Department										
Number of fire calls for service	25,988	25,252	24,625	21,737	22,593	24,196	23,765	23,934	24,000	20,000
Office of Homeland Security										
Annual call volume	1,263,349	1,561,500	1,546,600	1,547,600	1,548,493	1,334,972	1,258,319	1,300,000	1,350,000	1,400,000
Public Works & Transportation										
Road miles maintained	1,804	1,818	1,818	1,834	1,841	1,873	1,873	1,900	1,900	1,900
Street resurfacing (in miles)	33	30	15	22	22	18	13	27	25	4
Department of Environmental Resources										
Abandoned vehicles impounded	3,400	n/a	n/a							
Permits issued by Permits and Review Division	45,000	45,000	29,331	24,682	25,775	24,850	26,000	27,000	n/a	n/a
Soil Conservation District										
Number of new acres covered by completed soil and water quality plans	1,100	1,760	1,320	1,300	8,151	3,367	4,881	4,200	4,200	4,000
Department of Family Services										
Number of people requesting disability information and assistance	1,216	1,567	2,667	2,500	n/a	n/a	n/a	n/a	n/a	n/a
Housing & Community Development										
Number of new units created	1,345	781	1,192	1,200	1,839	2,092	2,350	2,350	2,386	2,506
Department of Social Services										
Total households receiving energy assistance	7,110	8,085	9,629	11,483	13,764	11,201	10,536	9,871	9,850	9,336

Source: Office of Management and Budget Current Expense Budget

Table 22

PRINCE GEORGE'S COUNTY, MARYLAND
Capital Asset Statistics
Last Ten Fiscal years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public Facilities										
District Police Stations	6	6	6	6	6	6	6	6	6	6
Fire and Emergency Rescue Stations	44	44	44	44	44	44	51	51	51	49
Emergency Medical Units	54	57	57	58	58	60	59	59	59	59
Parks/Recreation Facilities (active parks)	358	564	560	582	583	584	590		595	599
Multi-Purpose Senior Centers	8	8	8	7	7	7	7	8	8	8
Libraries	20	18	18	18	19	19	19	19	19	19
Public Schools										
Elementary Schools	146	142	132	131	131	130	129	135	118	118
Middle Schools	21	32	31	29	29	29	29	29	24	24
High Schools	23	24	30	30	30	30	30	30	32	30
Special Centers	12	12	12	11	9	9	7	7	8	13
Department of Public Works and Transportation										
Miles of County-maintained Paved Roads	1,784	1,818	1,821	1,834	1,862	1,873	1,873	1,900	1,900	1,900
Signals in Service	232	183	266	266	267	259	260	249	261	263

Emergency Medical Units: Includes Advanced Life Support (ALS) and Basic Life Support (BLS) Ambulances

<http://www.princegeorgescountymd.gov/Government/PublicSafety/Fire-EMS/stations.asp>

Source: Office of Management and Budget Current Expense Budget

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