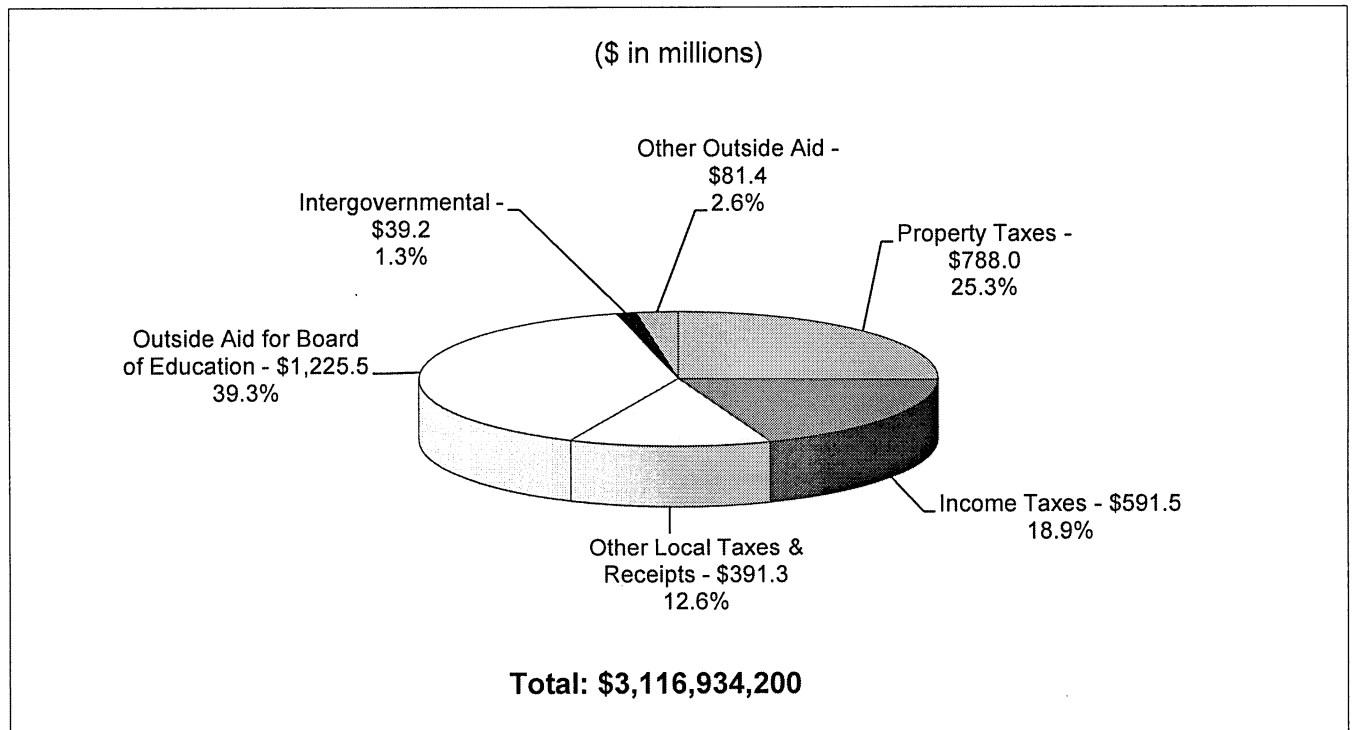


FY 2017 REVENUES AT A GLANCE

GENERAL FUND REVENUE OVERVIEW

- The approved FY 2017 General Fund budget is \$3,116,934,200, an increase of \$166.5 million or 5.6% over the FY 2016 approved budget.
- County source revenues increase by \$105.2 million or 6.2% from the FY 2016 approved budget. Outside aid for the Board of Education, Community College and Memorial Library increases by \$61.3 million, or 4.9%.



INTERNAL SERVICE FUNDS REVENUE OVERVIEW

- The approved FY 2017 Internal Service Funds budget is \$44,121,900, an increase of \$1.6 million or 3.9% over the FY 2016 approved budget.
- The Fleet Management Fund decreases by \$0.5 million or 3.7% due to an elimination in the use of fund balance.
- The Information Technology Fund increases by \$2.1 million or 7.4% primarily due to an increase in agency charges for services.

ENTERPRISE FUNDS REVENUE OVERVIEW

- The approved FY 2017 Enterprise Funds budget is \$179,964,300, an increase of \$0.6 million or 0.4% over the FY 2016 approved budget.
- The Stormwater Management Fund revenues increase by \$0.6 million or 0.8% over the FY 2016 budget.

- The Solid Waste Fund revenues increase by \$2.3 million or 2.4% over the FY 2016 budget primarily due to a change in accounting method for sale of recyclables.
- The Local Watershed Protection and Restoration Fund revenues decrease \$2.2 million or 12.9% under the FY 2016 approved budget.

SPECIAL REVENUE FUNDS OVERVIEW

- The approved FY 2017 Special Revenue Funds budget is \$164,899,900, an increase of \$1.8 million or 1.1% over the FY 2016 approved budget.
- The Debt Service Fund revenues increase by 3.2%. The debt incurred by the County pays for various capital projects throughout the County, such as school construction and renovations, road improvements and repairs, among other projects.
- The Drug Enforcement Fund revenues decrease \$2.7 million or 59.7% below the FY 2016 budget due to a reduction in the use of fund balance.
- The Property Management Fund revenues decrease \$0.2 million or 40.1% under the FY 2016 approved budget due to a reduction in the use of fund balance.
- The Domestic Violence Fund revenues decrease 11.4% from the FY 2016 budget due to eliminating the use of fund balance.
- The Collington Center Fund revenues total \$5,000 and will not change from the FY 2016 budget.
- The Industrial Development Fund revenues are \$37,700 and continue at the same level from the FY 2016 approved budget.
- The Economic Development Fund revenues total \$9.0 million in FY 2017 and remain flat from the FY 2016 budget.

GRANT PROGRAM FUNDS OVERVIEW

- The approved FY 2017 Grant Program Funds budget is \$206,521,600, an increase of \$4.8 million or 2.4% over the FY 2016 approved budget.

GENERAL FUND REVENUES

INTRODUCTION

The revenue table that accompanies each revenue source compares three years of data. In every instance, the dollar and percent change is from the prior year actual or approved amount. (Numbers in this document may not add due to rounding.)

REAL PROPERTY TAXES are the taxes levied on both land and improvements of taxable real property. Taxes are levied annually and each quarter of the fiscal year as new properties are added to the base. Real Property Tax is the largest tax revenue of the County. The revenue yield is dependent on the following variables:

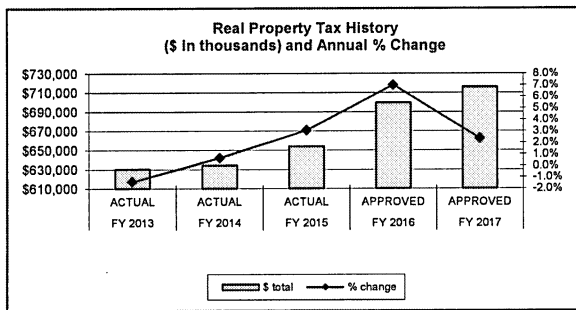
- The State's triennial assessment process
- Assessment growth caps for owner-occupied property (also called Homestead Tax Credit)
- The assessment percentage
- The housing market and the economy in general
- The tax rate - including changes in the Municipal Tax Differential rates
- Delinquencies and the required reserves
- Appeals and adjustments in assessments
- State funding of State credits

rate, tax base and adjustments made to factor in reductions due to the homestead tax credit, municipal tax differential, delinquent tax payments and incremental tax revenues from Tax Increment Financing (TIF) districts that are designated for debt service. Additionally, the projection factors in an anticipated \$2.0 million of revenues to be generated from the MGM Casino at National Harbor.

Based on the County Council's approval, the Real Property Tax rate increased from \$0.96 to \$1.00 per \$100 of assessable value in FY 2016. The County is subject to the Tax Reform Initiative by Marylanders (TRIM). Based on this charter provision, the General Fund County Real Property Tax rate could not exceed \$2.40 per \$100 of assessable value before FY 2002, and cannot exceed \$0.96 per \$100 of assessable value since FY 2002, when the real property assessable value was adjusted from 40% to 100% of market value. In 2012, the Maryland General Assembly passed Senate Bill 848 that provides for the property tax rate to be set higher than the rate authorized under the County's charter. Any additional revenue generated as a result of the higher property tax rate is for the sole purpose of funding the approved budget of the local school board. Excluding the additional revenue assigned to the Prince George's County Public Schools (PGCPS) system, the County's real property tax revenues are projected to increase by \$13.1 million or 1.9% in FY 2017 from the FY 2016 budget.

REAL PROPERTY TAXES (\$ in thousands)				
	FY 2016 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$653,859	\$699,572	\$703,327	\$715,981
\$ CHG	19,340	45,713	49,468	16,409
% CHG	3.0%	7.0%	7.6%	2.3%

The State Department of Assessments and Taxation (SDAT) projected in February 2016 that the County's real property base will grow by 5.2% in FY 2017 before the homestead tax credit cap and other deductions. Net taxable base including adjustments and credits is projected to increase by 3.1% from the FY 2016 estimated level.



In FY 2017, the County's Real Property Tax revenues are projected to be \$716.0 million, an increase of \$16.4 million or 2.3% over the FY 2016 budget. The projection is based on the tax

Each year, one third of each County's real property base is reassessed by the SDAT. The reassessment growth is phased in over the next three years; a decrease, however, is realized immediately. The upward reassessment experienced by the County in the previous fiscal year is expected to continue in FY 2017, with Group 1 of the County's real property base's reassessment value rising by 24.7%, according to the SDAT.

The County's real property tax revenue capacity is not fully realized due to the structure of the County's Homestead Tax Credit. The credit, tied to the Consumer Price Index growth for the 12 months ending in June, caps the growth of owner-occupied property assessment for tax purposes at 0% in FY 2017. According to the SDAT's estimate, this tax credit is estimated to cause a County revenue loss of approximately \$39.6 million in FY 2017.

The municipal tax differential also reduces the County's property tax revenues. Each year, the County reduces its property tax rates (both real and personal) to recognize governmental services and programs that municipal governments perform in lieu of similar County services, to the extent that such services are funded through property tax revenues. In FY 2017, County real property tax revenue is reduced by \$24.4 million for the municipal tax differential program, compared with \$23.1 million in FY 2016. FY 2017 marks the second time in the last five years of the program that the value of the credit increased year-over-year. This is due to the rise in assessable value within the municipalities and the resultant expansion of municipal services.

PERSONAL PROPERTY TAXES are the taxes levied on tangible personal property and commercial and manufacturing inventory of businesses. The assessment is made annually at fair market value and determined from annual reports filed with the SDAT.

The Personal Property Tax base is influenced by the:

- Business cycle
- Availability of commercial credit
- Public utilities' income performance
- Replacement of equipment
- The State law on personal property assessment and depreciation
- Tax rate - including changes in the Municipal Tax Differential rates

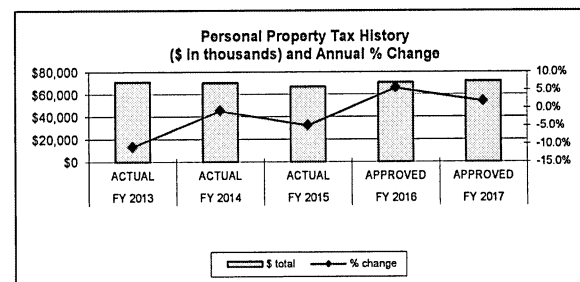
The FY 2017 Personal Property Tax revenue is expected to increase by 1.8% from the FY 2016 budget, based on the SDAT's February 2016 projections of the assessable base. The projection includes anticipated revenue of \$0.9 million from the MGM Casino at National Harbor.

In accordance with State law, the County's Personal Property Tax rate shall be no more

than 2.5 times the rate for real property. Based on the County Council's approval, the Personal Property Tax rate increased from \$2.40 to \$2.50 per \$100 of assessable value in FY 2016, to align with the approved change in the Real Property Tax rate. The additional revenue generated as a result of the higher property tax rate is for the sole purpose of funding the approved budget of the local school board. Excluding the additional revenue assigned to the PGCPs system, the County's personal property tax revenues are projected to increase by \$1.1 million or 1.7% in FY 2017 from the FY 2016 budget.

The tax base has remained relatively flat in the past few years. Similar to real property revenue, the loss of Personal Property Tax revenues due to the municipal tax differential program increased for some years because of expanding municipal services (such as police patrol, public works, etc.) until FY 2012, when tax differential credits started to decrease.

PERSONAL PROPERTY TAXES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$67,048	\$70,767	\$72,687	\$72,064
\$ CHG	-3,487	3,719	5,639	1,297
% CHG	-4.9%	5.5%	8.4%	1.8%



INDIVIDUAL INCOME TAXES are distributions made by the Maryland Comptroller's Office for the local tax on individual income. The State distributes the taxes to the County on a quarterly basis based on withholdings, declarations and estimated returns filed by employers and taxpayers. The State distributions are net of reserves for refunds, administrative costs, unallocated taxes (taxes for which no return has been filed) and municipal corporation shares. Municipalities receive a share of their residents' local income tax liability based on the greatest of 8.5% of the State income tax liability, 17% of the county income tax liability or 0.37% of the

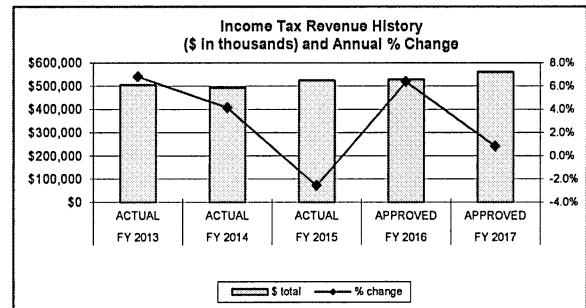
Maryland taxable income of municipal residents. Tax tables are usually adjusted at the beginning of the calendar year when any tax law changes take effect.

The following variables influence the annual tax yield:

- County income tax rate
- Economy
- Federal and State tax changes
- Employment growth
- Population growth
- The share to municipal governments
- Other State distribution policy changes
- Taxpayer behavior
- Capital gains realization rates
- Disparity Grant

close to the historical average level, assuming a steady recovery in the local job market and regional economy.

According to the Maryland Department of Labor, Licensing and Regulation, the County's average unemployment rate improved from 5.9% in calendar year 2014 to 5.2% in calendar year 2015, but remained relatively high historically.



INCOME TAXES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
TAX RECEIPTS	\$523,597	\$527,812	\$539,305	\$561,317
\$ CHG	31,332	4,215	15,708	33,505
% CHG	6.4%	0.8%	3.0%	6.3%
DISPARITY GRANT	\$21,695	\$23,088	\$23,088	\$30,175
TOTAL YIELD	\$545,292	\$550,900	\$562,393	\$591,492
\$ CHG	31,332	5,609	17,101	40,592
% CHG	6.1%	1.0%	3.1%	7.4%

In FY 2017, the County is projected to receive \$30.2 million of State Income Disparity Grant, an increase of \$7.1 million or 30.7% from the FY 2016 budget. This grant is provided to counties where per capita local income tax revenue falls below 75% of the State average. The FY 2017 disparity grant is calculated by the State Department of Budget and Management based on calendar year 2014 income and population data. The improved performance is reflected in the overall growth of the County's income tax receipts that rose above the State average in tax year 2014.

The County's income tax revenue includes both income tax receipts and a State Income Disparity Grant. FY 2017 income tax receipts are projected to increase by 6.3% from the FY 2016 budget. The growth compared to the FY 2016 budget is based on a better than expected FY 2016 performance. FY 2016 income tax receipts are estimated to rise above the budgeted level, based on year-to-date performance. The increase is due to upward adjustments in the calculation formula used by the State to distribute income tax revenues and a potential improvement in the County's labor market. FY 2016 income tax projections also include estimated gains from the General Assembly's adjustments of income tax exemptions that became effective January 1, 2012.

TRANSFER TAXES are taxes imposed upon recordation of instruments conveying title to real property, or any other interest in real property. All transfer tax revenue is dedicated to the Board of Education. The tax rate is unchanged at 1.4% for FY 2017.

As a result, both current year receipts and the reconciliation amount for prior years are expected to increase in FY 2016 and FY 2017. Baseline income tax growth (excluding one-time impacts) in FY 2016 is expected to reach 3%,

RECORDATION TAXES are taxes on the recordation of written instruments conveying title to real or personal property, conveying leasehold interests in real property or creating liens and encumbrances on real or personal property. In FY 2017, the recordation tax rate stays unchanged at \$2.75 per \$500 of instrument of writing subject to this tax.

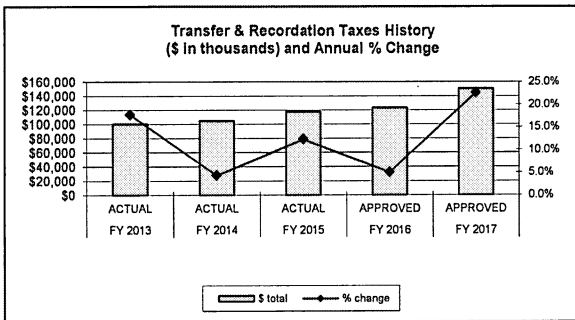
Transfer and recordation taxes are usually the most volatile major revenue source for the County due to the strong correlation between the revenue collection and the activity of the local

housing market. The variables influencing Transfer and Recordation Taxes include:

- Tax rate
- Business cycle
- Interest rates
- Availability of credit
- Real estate market

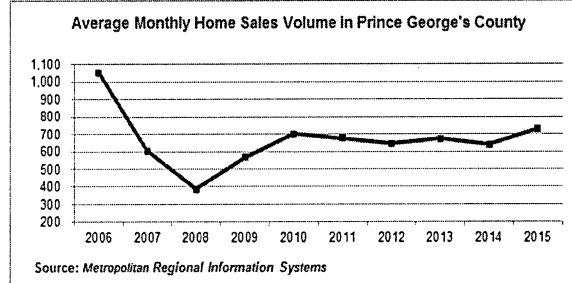
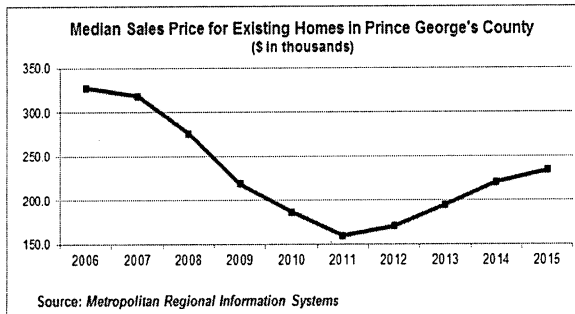
TRANSFER AND RECORDATION TAXES
(\$ in thousands)

	FY 2016 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$117,209	\$123,038	\$144,258	\$150,798
\$ CHG	12,801	5,829	27,049	27,761
% CHG	4.3%	5.0%	23.1%	22.6%



In FY 2017, transfer taxes are projected to increase by 22.6% from the FY 2016 budget, as the housing market shows stable but steady improvements from previous years. Recordation taxes are projected to increase by 22.5%, compared to the FY 2016 budget.

Reports from the Metropolitan Regional Information Systems, Inc. indicate that the County's median home sales price in 2015 increased by 6.3% from 2014 and reached \$241,200. Sales volume decreased by 14.4% in the same period.



As of the third quarter in 2015, a total of 7,116 foreclosures occurred in the County, a decrease of 14.4% from the same period in 2014. The County accounts for the largest number of foreclosures in the State, which is believed to have contributed to the significant decrease of home sale prices in the County in recent years. The large number of foreclosures in the judicial process and anticipated increase in mortgage rates are expected to slow but not halt the recent recovery in the County's housing market.

	Total Foreclosure Events	Qtr/Qtr % Change	Yr/Yr % Change	% of State Total
Q1 2011	2,005	15%	-47%	42.0%
Q2 2011	1,499	-25%	-65%	33.3%
Q3 2011	892	-40%	-78%	27.4%
Q4 2011	1,035	16%	-40%	29.5%
Q1 2012	1,129	9%	-44%	27.0%
Q2 2012	1,228	9%	-18%	28.3%
Q3 2012	1,295	5%	45%	31.2%
Q4 2012	1,438	11%	39%	22.5%
Q1 2013	1,422	-1%	26%	15.2%
Q2 2013	1,522	7%	24%	13.9%
Q3 2013	2,019	33%	56%	17.4%
Q4 2013	2,215	10%	54%	17.4%
Q1 2014	3,350	51%	136%	26.6%
Q2 2014	2,278	-32%	50%	20.1%
Q3 2014	2,684	18%	33%	23.1%
Q4 2014	2,852	6%	29%	20.4%
Q1 2015	2,415	-15%	-28%	20.1%
Q2 2015	2,293	-5%	1%	19.0%
Q3 2015	2,408	5%	-10%	22.2%

Source: DHCD Quarterly Report

OTHER LOCAL TAXES include Energy Taxes, Telecommunications Taxes, Hotel/Motel Taxes, Admissions and Amusement Taxes, Penalties and Interest on Delinquent Taxes, and Trailer Camp Taxes.

OTHER LOCAL TAXES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$120,123	\$124,061	\$130,281	\$131,153
\$ CHG	9,301	3,939	10,159	7,092
% CHG	8.4%	3.3%	8.5%	5.7%

In FY 2017, the total revenue from Other Local Taxes is expected to increase by 5.7% from the FY 2016 budget, primarily due to increases in Energy, Admissions, Amusement and Hotel Tax revenues.

The Energy Tax comprises over half of the total FY 2017 revenue in this category. This revenue is projected to increase by 9.1% in FY 2017, signaling a continued recovery from the FY 2016 budget level. Among the different energy tax components, two thirds of the tax receipts are from the sale of electricity and approximately one third of the receipts are from the sale of natural gas.

ENERGY TAXES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$66,786	\$63,394	\$71,592	\$69,189
\$ CHG	11,545	-3,391	4,806	5,794
% CHG	20.9%	-5.1%	7.2%	9.1%

The Energy Tax unit rates for a certain fiscal year are determined by the total consumption and sales of the calendar year two years prior to that fiscal year. For example, the FY 2017 rates are based upon calendar year 2015 data. The formula divides total calendar year 2015 sales (by type of energy used) by total 2015 consumption, which is then multiplied by 7.5%, the current effective tax rate, to arrive at the FY 2017 unit charge per kilowatt hour, thermal, gallon or other unit. The FY 2017 rates compared to FY 2016 are shown below:

ENERGY TAX COMPONENTS			
	FY 2016 Rates	FY 2017 Rates	% Change
Electricity (KWH)	0.008377	0.009366	12%
Natural Gas (Therm)	0.065576	0.059196	-10%
Fuel Oil (Gal.)	0.275755	0.212812	-23%
Propane (Gal)	0.389477	0.419655	8%

Fluctuations in energy usage due to weather conditions and price instability of fuels such as natural gas and oil can cause major deviations in rates between fiscal years. Rate changes granted to the major utilities by the Public Service Commission also influence the yield from this revenue source.

The law exempts energy tax payment for Federal, State and local governments and provides a refund for certain qualifying residents based on income, age and other criteria. The entire Energy Tax is earmarked for the Board of Education.

Another major revenue item is the **Telecommunications Tax**, which represents 24.6% of the FY 2017 approved revenues generated by "Other Local Taxes." The telecommunication tax revenue has been declining for seven years in a row due to the economic downturn as well as a market shift from landlines to wireless services (some of which are non-taxable). In FY 2016, the telecommunications tax rate was increased to 9% on the gross receipts for telecommunication service in the County. The FY 2017 projection reflects a decrease of \$2.4 million or 6.8% below the FY 2016 budget.

TELECOMMUNICATIONS TAXES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$31,272	\$34,660	\$33,308	\$32,290
\$ CHG	-2,643	3,399	2,036	-2,371
% CHG	-7.8%	10.8%	6.5%	-6.8%

The State mandated that the net proceeds of this tax be used only for expenditures of the County's school system. An administrative fee of one percent of collections remitted to the County is shared equally between vendors and the County to cover the cost of collecting, remitting and administering the tax.

Starting in FY 2005, the County started implementing the provisions of Chapter 187 of the 2004 Laws of Maryland (HB 589) that authorized the County to utilize up to 10% of the net proceeds from the Telecommunications Tax for school renovation and systemic replacement projects. As a result, the Telecommunications Tax revenue in the general fund does not

include the up to 10% of receipts dedicated for capital budget expenditures.

In FY 2017, **Hotel/Motel Taxes** are expected to increase 20.2% over the FY 2016 budget due to better than expected year-to-date collections and the anticipated opening of the hotel sited at the MGM Casino at National Harbor. The FY 2017 approved budget includes \$0.9 million of new collections from facility. This is net any hotel collections dedication to the Special Taxing District to fund bonds issued for infrastructure and the convention center. In FY 2016, the Hotel/Motel Tax rate increased from 5% to 7%.

Municipalities will receive 50% of the revenue received from hotels located within their corporate limits. Occupancy and average room rates are expected to increase slightly in FY 2017.

Admissions and Amusement Taxes are projected to increase by 18.2% from the FY 2016 budget, due to the 3,000 seat entertainment theatre at the MGM Casino at National Harbor. The FY 2017 budget includes anticipated new collections of \$4.0 million from the facility, which offset anticipated reductions in other receipts. The Admissions and Amusement Tax rate will remain at 10%. Municipalities will receive 50% of the revenue received from hotels located within their corporate limits. Occupancy and average room rates are expected to increase slightly in FY 2016.

STATE SHARED TAXES consist of highway user and corporate transfer taxes that are shared between the State and the County.

STATE SHARED TAXES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$3,730	\$3,993	\$3,064	\$3,732
\$ CHG	-695	263	-667	-262
% CHG	-15.7%	7.0%	-17.9%	-6.5%

State-Shared Taxes, primarily Highway User Revenue, used to be one of the major resources of the County. In FY 2009, the County received \$24.8 million in highway user revenues. Since then, this revenue source has experienced severe reductions each year, until it stabilized at \$2.6 million in FY 2013. In the approved FY 2017 budget, Highway User Revenues are projected to reach \$3.0 million, a decrease of

8.1% from the FY 2016 budget. The highway user revenues are restricted State monies and can only be used to construct or maintain roads, including payment of road debt.

LICENSES AND PERMITS include revenue derived from a number of licenses and permits issued for regulatory purposes. They include Building Permits, Street Use Permits, Business Licenses, Liquor Licenses and Permits (authorized by the State), Animal Licenses, Health Permits and various other permits.

LICENSES AND PERMITS (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$25,122	\$29,462	\$32,643	\$44,434
\$ CHG	3,599	4,340	7,521	14,972
% CHG	16.7%	17.3%	29.9%	50.8%

A significant portion of these revenues is related to the building sector of the economy, and as such is subject to year-to-year changes as the amount of construction in the County varies. In FY 2017, revenues generated by building, grading, street use and other permits are projected to increase by \$15.0 million or 50.8% from the FY 2016 budget. The largest growth is due to new gaming license revenues of \$11.6 million from over 3,000 video lottery terminal and 160 tables at the MGM Casino at National Harbor.

Building permit revenues experienced strong growth during the housing market boom. In late 2006, the growth in residential building permits began to moderate. Despite signs of a recovery in the housing market, the number of single family residential permits issued decreased by 18% in FY 2014, according to the County's Department of Permitting, Inspections, and Enforcement, indicating a slowdown in building activity. In FY 2016, a variety of building and inspections fees were increased.

USE OF MONEY AND PROPERTY includes revenue derived from the investment of idle County cash and the lease of certain County owned or leased properties. Most of the County's idle cash is invested in short-term vehicles in the money market. A smaller portion is for intermediate term investments.

USE OF MONEY AND PROPERTY (\$ in thousands)				
	FY 2016 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$7,330	\$3,792	\$3,497	\$4,974
\$ CHG	1,738	-3,538	-3,833	1,182
% CHG	31.1%	-48.3%	-52.3%	31.2%

In FY 2017, receipts from Use of Money and Property will total \$5.0 million, an increase of 31.2% from the FY 2016 budget. Interest income is the largest component of this category. In FY 2017, interest income is estimated to be \$2.2 million, which is flat growth from the FY 2016 budget. This is due to lower growth forecasts. In the past several years, the low interest rate environment has generated minimal yields on the investment of idle County cash.

The largest increase is in Property Rental Income, which is expected to increase 118.3% from the FY 2016 budget. The FY 2017 projection is based on strong performance in FY 2015 and FY 2016.

CHARGES FOR SERVICES are typically known as user fees. These include fees from tax collection services provided to various agencies for whom the County levies taxes, animal control charges such as fines and user fees related to the County shelter and animal control services, fees and charges levied by the Health Department for health-related services, Cable Franchise Charges from cable providers, the 9-1-1 fee allocated to the 9-1-1 emergency system costs, emergency transportation fee, and contractual police service fees for additional police services for events and entities.

CHARGES FOR SERVICES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$43,363	\$38,991	\$40,574	\$41,832
\$ CHG	7,966	-4,372	-2,789	2,841
% CHG	22.5%	-10.1%	-6.4%	7.3%

In FY 2017, Charges for Services are expected to increase by 7.3% from the FY 2016 budget. Sheriff Charges are projected to increase by 23.7% and Emergency Transport Fees are projected to increase by 32.3%. Other charges for services are projected to decrease by 29.0% to align with FY 2015 actual collections.

INTERGOVERNMENTAL REVENUES include State restricted grants, transfers and reimbursement from the Maryland-National Capital Park and Planning Commission (M-NCPPC) for service provided by the County, along with a small portion of federal monies related to emergency preparedness.

INTERGOVERNMENTAL REVENUES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$43,877	\$40,943	\$38,560	\$39,193
\$ CHG	4,945	-2,934	-5,317	-1,751
% CHG	12.7%	-6.7%	-12.1%	-4.3%

Intergovernmental Revenues will decrease by 4.3% below the FY 2016 budget in FY 2017. This is primarily due to the County not receiving a contribution from the Revenue Authority in FY 2017.

The County will continue to receive \$9.6 million in Teacher Retirement Supplemental Grants from the State to partially offset the estimated \$36.5 million impact in the fifth year of the phased-in sharing of teachers' pension cost that started in FY 2013. The Police Aid Grant is projected to be \$11.5 million in FY 2017, a 7.3% decrease from the FY 2016 budget. Federal grants are expected to decrease by 13.1% from the FY 2016 budget level. The intergovernmental revenues from the Maryland-National Capital Park and Planning Commission in FY 2017 are projected to remain unchanged from the FY 2016 budget.

MISCELLANEOUS RECEIPTS are used to encompass a number of relatively smaller County revenues. The principal sources are fines and forfeitures (primarily from red light cameras and speed cameras) and the sale of surplus County properties.

MISCELLANEOUS RECEIPTS (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$15,105	\$14,223	\$12,727	\$14,219
\$ CHG	-1,414	-882	-2,379	-5
% CHG	-8.6%	-5.8%	-15.7%	0.0%

Total miscellaneous receipts are projected to remain flat in FY 2017. In FY 2012, the County started implementing an Automated Speed

Enforcement (ASE) program to help reduce speed-related traffic accidents. The program took a phase-in approach. As of May 2015, 72 speed cameras were installed. This program is estimated to provide \$8.0 million gross revenues in FY 2017, a decrease of 6.4% below the FY 2016 budget. This total is before excluding payments to vendors and administrative costs. Fines per camera have experienced a significant decrease in the past several months as road commuters have changed their behavior.

OTHER FINANCING SOURCES include use of fund balance and transfers-in from other County funds.

OTHER FINANCING SOURCES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$265	\$5,032	\$5,032	\$112
\$ CHG	-7,940	4,767	4,767	-4,920
% CHG	-96.8%	1798.9%	1798.9%	-97.8%

In FY 2017, other financing sources total \$0.1 million, a decrease of \$4.9 million or 97.8% below the FY 2016 budget. This funding includes a \$0.1 million transfer from the Stadium Impact Grant fund.

The County will maintain the Charter mandated 5% (restricted) reserve and fiscal policy required 2% (committed) reserve in FY 2016 and FY 2017.

BOARD OF EDUCATION SOURCES are expected to increase overall by 5.3% in FY 2017 from the FY 2016 budget. State aid, which is the major source of outside aid to the Board of Education, is 4.7% higher than the FY 2016 budget. Federal aid is projected to decrease by 6.2%, while the Board's own sources are expected to increase by \$19.2 million or 105.5%, primarily due to the use of \$24 million of the Board's Use of Fund Balance in the school system's approved budget.

BOARD OF EDUCATION SOURCES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$1,138,038	\$1,163,776	\$1,172,276	\$1,225,531
\$ CHG	89,915	25,738	34,238	61,755
% CHG	8.6%	2.3%	3.0%	5.3%

COMMUNITY COLLEGE SOURCES are projected to decrease by \$0.7 million or 1.0% from the FY 2016 budget. The revenue mostly comes from tuition, fees, charges and formula-driven State aid. State aid for Community College is expected to increase by 9.3% in FY 2017. Tuition and fees are projected to decrease by 5.2%. The College is expected to receive \$0.7 million project charges from the M-NCPPC in FY 2017, unchanged from the FY 2016 budget. The FY 2017 budget also includes \$2.5 million use of fund balance of the College, compared to \$3.7 million in its FY 2016 budget.

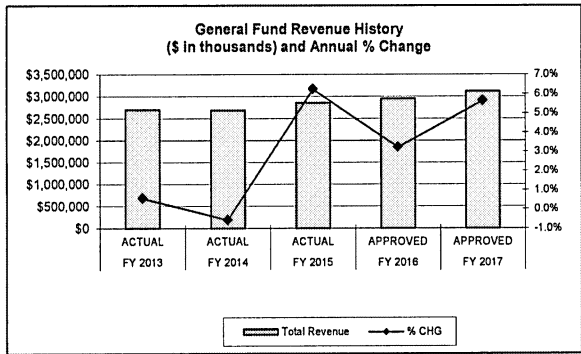
COMMUNITY COLLEGE SOURCES (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$70,012	\$73,843	\$70,478	\$73,121
\$ CHG	3,015	3,832	466	-722
% CHG	4.5%	5.5%	0.7%	-1.0%

LIBRARY SOURCES in the FY 2017 approved budget are projected to increase by 3.4% from the FY 2016 budget. The majority of this revenue comes from State Aid, however the library system also generates other revenues through interest payments, fines and fees. State aid for the Library is projected to increase 3.9% in FY 2017.

LIBRARY SOURCES (\$ in thousands)				
	FY 2016 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
YIELD	\$7,941	\$8,026	\$8,044	\$8,299
\$ CHG	274	85	103	273
% CHG	3.6%	1.1%	1.3%	3.4%

SUMMARY: In FY 2017, the County's General Fund revenues total \$3.12 billion, a projected increase of \$166.5 million or 5.6% over the FY 2016 budget. Excluding other financing sources, General Fund revenues increase by \$171.4 million or 5.8% in FY 2017. The increase is primarily due to the growth in property taxes, income tax receipts, transfer and recordation taxes, admissions and amusement taxes, energy taxes, license and permit revenues.

TOTAL GENERAL FUND (\$ in thousands)				
	FY 2015 ACTUAL	FY 2016 APPROVED	FY 2016 ESTIMATED	FY 2017 APPROVED
COUNTY SOURCE	\$1,642,323	\$1,704,775	\$1,749,042	\$1,809,983
\$ CHG	77,487	62,452	106,719	105,208
% CHG	5.0%	3.8%	6.5%	6.2%
OUTSIDE AID	\$1,215,991	\$1,245,645	\$1,250,798	\$1,306,951
\$ CHG	90,214	29,654	34,807	61,306
% CHG	8.0%	2.4%	2.9%	4.9%
TOTAL YIELD	\$2,858,313	\$2,950,420	\$2,999,839	\$3,116,934
\$ CHG	167,700	92,107	141,526	166,514
% CHG	6.2%	3.2%	5.0%	5.6%



The fiscal challenges that the County has faced in recent fiscal years will continue despite modest improvements in the economic outlook. The job market has experienced continued gains and the housing market has stabilized. However, given the uncertainties and structural imbalances at the Federal and State government levels, the County could be exposed to potential negative impacts as these issues are address by the Federal and State governments. Additionally, approximately 11% of the new revenues generated in FY 2017 are tied to the opening of the MGM facilities that is currently under construction. Any delays with opening that facility could impact the FY 2017 budget.

**ASSESSABLE BASE
REAL AND PERSONAL PROPERTY**
(\$ in millions)

Location	REAL PROPERTY 2016	PERSONAL PROPERTY 2016	TOTAL BASE 2016	REAL PROPERTY 2017	PERSONAL PROPERTY 2017	TOTAL BASE 2017
Berwyn Heights	\$ 245.17	\$ 17.19	\$ 262.36	\$ 255.25	\$ 17.30	\$ 272.55
Bladensburg	389.65	16.28	405.93	418.24	16.87	435.11
Bowie	5,966.19	119.91	6,086.10	6,158.63	119.99	6,278.62
Brentwood	184.63	4.29	188.92	196.98	4.41	201.39
Capitol Heights	243.16	8.17	251.33	251.77	8.44	260.21
Cheverly	493.74	16.41	510.15	518.38	17.39	535.77
College Park	2,140.07	67.25	2,207.32	2,391.59	70.76	2,462.35
Colmar Manor	75.29	2.51	77.80	80.69	2.59	83.28
Cottage City	79.82	3.11	82.93	83.94	3.32	87.26
District Heights	305.29	5.68	310.97	319.01	5.94	324.95
Eagle Harbor	6.84	0.05	6.89	6.94	0.03	6.97
Edmonston	138.19	5.11	143.30	143.60	5.19	148.79
Fairmount Heights	87.34	1.58	88.92	90.63	1.65	92.28
Forest Heights	150.97	3.41	154.38	157.33	3.58	160.91
Glenarden	359.77	13.34	373.11	410.34	13.43	423.77
Greenbelt	1,839.39	66.16	1,905.55	1,845.66	68.20	1,913.86
Hyattsville	1,689.76	63.94	1,753.70	1,709.33	63.33	1,772.66
Landover Hills	124.44	2.27	126.71	131.08	2.30	133.38
Laurel	2,518.06	78.11	2,596.17	2,648.10	75.51	2,723.61
Morningside	80.37	2.83	83.20	82.65	2.57	85.22
Mount Rainier	333.40	4.58	337.98	362.09	4.74	366.83
New Carrollton	642.69	12.18	654.87	665.54	12.42	677.96
North Brentwood	39.42	0.93	40.35	43.24	0.96	44.20
Riverdale Park	622.75	19.01	641.76	580.22	19.61	599.83
Seat Pleasant	250.65	6.18	256.83	261.75	6.39	268.14
University Park	287.70	2.66	290.36	297.52	2.85	300.37
Upper Marlboro	80.90	24.02	104.92	80.88	24.44	105.32
SubTotal	\$ 19,375.65	\$ 567.16	\$19,942.81	\$ 20,191.38	\$ 574.21	\$20,765.59
Unincorporated Area	\$ 53,562.47	\$ 2,471.69	\$56,034.16	\$ 54,996.12	\$ 2,557.71	\$57,553.83
TOTAL COUNTY WIDE	\$ 72,938.12	\$ 3,038.85	\$75,976.97	\$ 75,187.50	\$ 3,131.92	\$78,319.42

Note: 1) Numbers may not add due to rounding.

2) Starting in FY 2002, real property in Maryland has been assessed at 100% of market value rather than 40% in most cases under prior law. Assessed value of personal property remains unchanged at 100% of market value.

3) Numbers have not factored in certain adjustments such as new construction.

4) Due to a change in data reporting by SDAT, the municipality personal property information is unavailable for the proposed book.

Source: State Department of Assessments and Taxation

PROPERTY TAX LIMITATION FISCAL YEAR 2017

At the 1978 general election, the voters of the County adopted an amendment to Section 817, Article VIII, of the Prince George's County Charter limiting future collections of real property taxes. The amendment, which became effective in December 1978, added Section 817B to the Charter. It is generally referred to in the County as "TRIM" (TRIM is an acronym for "Tax Reform Initiative by Marylanders"). The amendment forbade the County Council to "levy a real property tax which would result in a total collection of real property taxes greater than the amount collected in FY 1979," or \$143.9 million. At the 1984 general election, an amendment to TRIM was approved by the voters of the County authorizing the County Council to levy taxes on a maximum rate of \$2.40 for each \$100 of assessed value. The County passed legislation capping taxable assessment growth in FY 1994 and future years for owner occupied residences at the lesser of the change in the Consumer Price Index (CPI) or 5% of the prior year's taxable assessment. For FY 2016, the cap is set at 2%. This limitation is a charter mandated computation passed by the voters in November 1994 and is permitted by the Tax Property Article, Section 9-105 of the Annotated Code of Maryland.

In 2000, Maryland Senate Bill 626 provided that beginning in tax year 2001, property tax rates shall be applied to 100%, instead of 40%, of the value of real property, and that the real property tax rate be adjusted to make the impact revenue neutral. The bill also stipulated that any limit on a local real property tax rate in a local law or charter provision shall be constructed to mean a rate equal to 40% times the rate stated in the local law or charter provision. As a result, nominal real property rate of the County was adjusted to \$0.96/\$100 of assessed value in FY 2002. In 2012, Maryland Senate Bill 848 provided, under certain circumstances, for the property tax rate to be set higher than the rate authorized under the County's charter. Additional revenue as a result of the increase in the property tax rate is for the sole purpose of funding the approved budget of the local school board. The Approved FY 2017 Budget sets the County's nominal real property rate at \$1.00/\$100 of assessed value.

Yield Calculation

	FY 2017 Tax Base	FY 2017 Tax Yield
REAL PROPERTY BASE JULY 1, 2016 ¹	\$75,187,506,800	
Adjustments ²	<u>\$150,000,000</u>	
TOTAL REAL PROPERTY BASE FY 2017	\$75,337,506,800	
Nominal Real Property Tax Rate/\$100	\$1.00	
REAL PROPERTY TAX YIELD		\$753,375,100
TOTAL PERSONAL PROPERTY BASE FY 2017	\$3,131,890,000	
Nominal Personal Property Tax Rate/\$100	\$2.50	
PERSONAL PROPERTY TAX YIELD		<u>\$78,297,300</u>
TOTAL PROPERTY TAX YIELD (Unadjusted)		\$831,672,400
Less: Collection Allowance		(\$16,437,700)
Municipal Tax Differential		(26,007,500)
Other Adjustments ³		<u>(1,181,700)</u>
TOTAL GENERAL FUND PROPERTY TAX YIELD		\$788,045,500
Total County Real Property Nominal Tax Rate/\$100	\$1.00	
Total County Personal Property Nominal Tax Rate/\$100	\$2.50	

¹ Estimates based on reports from the State Department of Assessments and Taxation (as of March 2016). Adjustments for abatements/credits and a 0% cap on reassessment growth are included.

² Adjustments include new construction projected and other development-related changes

³ Other Adjustments include regular and one-time adjustments.

CONSTANT YIELD DATA

The real property tax rates for municipalities and the unincorporated area of the County are detailed below, along with the constant yield tax rates as certified by the State Department of Assessments and Taxation. In accordance with Title 6, Subtitle 6-308 of the Tax-Property Article of the Annotated Code of Maryland, a rate which exceeds the constant yield rate is subject to certain advertising and public hearing requirements. Per Chapter 80, Acts of 2000 (Senate Bill 626), the real property tax rate was adjusted to reflect the conversion to full value assessments of real property, effective October 1, 2000. Starting from February 2001, personal property has been excluded from the constant yield tax rate as reported by the State Department of Assessments and Taxation. The personal property tax rate shall be no more than 2.5 times the rate on real property.

LOCATION	APPROVED 2016			APPROVED 2017		
	TAX RATE	CONSTANT YIELD		TAX RATE	CONSTANT YIELD	
		TAX RATE	OVER (UNDER)		TAX RATE	OVER (UNDER)
Berwyn Heights	\$ 0.8760	\$ 0.8233	\$ 0.0527	\$ 0.8730	\$ 0.8422	\$ 0.0308
Bladensburg	0.8930	0.8181	0.0749	0.8900	0.8561	0.0339
Bowie	0.8720	0.8118	0.0602	0.8680	0.8626	0.0054
Brentwood	0.9270	0.8649	0.0621	0.9280	0.8698	0.0582
Capitol Heights	0.8850	0.8087	0.0763	0.8820	0.8536	0.0284
Cheverly	0.8800	0.8072	0.0728	0.8810	0.8449	0.0361
College Park	0.9690	0.9293	0.0397	0.9700	0.9319	0.0381
Colmar Manor	0.9070	0.7991	0.1079	0.9060	0.8472	0.0588
Cottage City	0.8980	0.8066	0.0914	0.8940	0.8527	0.0413
District Heights	0.8790	0.7917	0.0873	0.8770	0.8396	0.0374
Eagle Harbor	0.9940	0.9466	0.0474	0.9930	0.9789	0.0141
Edmonston	0.8980	0.8390	0.0590	0.8970	0.8679	0.0291
Fairmount Heights	0.9450	0.8529	0.0921	0.9440	0.9093	0.0347
Forest Heights	0.9090	0.8602	0.0488	0.9120	0.8747	0.0373
Glenarden	0.8890	0.8389	0.0501	0.8850	0.8958	(0.0108)
Greenbelt	0.8610	0.7854	0.0756	0.8590	0.8735	(0.0145)
Hyattsville	0.8660	0.8212	0.0448	0.8640	0.8571	0.0069
Landover Hills	0.8870	0.7882	0.0988	0.8890	0.8327	0.0563
Laurel	0.8370	0.7847	0.0523	0.8340	0.8286	0.0054
Morningside	0.9290	0.8248	0.1042	0.9250	0.8911	0.0339
Mount Rainier	0.8680	0.8126	0.0554	0.8660	0.8065	0.0595
New Carrollton	0.8840	0.8108	0.0732	0.8820	0.8536	0.0284
North Brentwood	0.9960	0.9361	0.0599	0.9960	0.9170	0.0790
Riverdale Park	0.8670	0.8118	0.0552	0.8640	0.8229	0.0411
Seat Pleasant	0.8760	0.7864	0.0896	0.8760	0.8388	0.0372
University Park	0.8770	0.8205	0.0565	0.8750	0.8525	0.0225
Upper Marlboro	0.9180	0.8567	0.0613	0.9210	0.9206	0.0004
Unincorporated Area	\$ 1.0000	\$ 0.9490	\$ 0.0510	\$ 1.0000	\$ 0.9857	\$ 0.0143

FY 2017 Allocated General Fund Revenues

Some County revenues are allocated to cover some or all costs of specific services. Listed below are the allocated General Fund revenues.

<u>Agency/Department</u>	<u>Revenue Description</u>	<u>FY 2015 Budget</u>	<u>FY 2016 Approved</u>	<u>FY 2017 Approved</u>
County Council	Zoning Fees - Board of Appeals	\$ 25,000	\$ 31,100	\$ 31,100
	Total County Council	\$ 25,000	\$ 31,100	\$ 31,100
Office of Homeland Security	911 Fees	\$ 6,142,400	\$ 6,520,500	\$ 6,336,100
	Federal Office of Emergency Preparedness Grant	-	-	-
	Total Office of Homeland Security	\$ 6,142,400	\$ 6,520,500	\$ 6,336,100
Board of License Commissioners	Liquor Licenses	\$ 1,759,900	\$ 1,832,400	\$ 1,900,000
	Total Board of License Commissioners	\$ 1,759,900	\$ 1,832,400	\$ 1,900,000
Board of Elections	Sale of Voter Material	\$ 11,000	\$ 11,000	\$ 11,000
	Total Board of Elections	\$ 11,000	\$ 11,000	\$ 11,000
Office of Central Services	Property Rental	\$ 2,000,000	\$ 1,000,000	\$ 2,000,000
	Leased Space (M-NCPPC)	799,200	799,200	741,500
	Total Central Services	\$ 2,799,200	\$ 1,799,200	\$ 2,741,500
Circuit Court	Bail Bondsman	\$ 700,000	\$ 662,300	\$ 662,300
	Circuit Court Marriage Certificate	45,000	31,600	31,600
	Jury Fees Reimbursement	700,000	769,900	769,900
	Court Appearance Fees	180,000	206,200	206,200
	Miscellaneous	22,000	22,000	22,000
	Total Circuit Court	\$ 1,647,000	\$ 1,692,000	\$ 1,692,000
Office of the Sheriff	Circuit Court & District Court	\$ 505,800	\$ 405,000	\$ 500,900
	Evictions Revenue	1,700,000	2,342,000	2,896,600
	Miscellaneous Fees	750,000	15,000	18,600
	Total Sheriff	\$ 2,955,800	\$ 2,762,000	\$ 3,416,100
Department of Permitting, Inspections, and Enforcement	Building and Grading Permits	\$ 7,674,200	\$ 12,893,700	\$ 15,920,900
	Business Licenses (Apt., SF & MF Rental)	2,550,000	3,460,000	3,972,100
	Street Use Permits	3,164,800	6,329,600	5,215,700
	Business Licenses (Other)	839,300	839,300	963,500
	Water and Sewer Planning Unit (M-NCPPC)	155,300	155,300	155,300
	Zoning Enforcement (M-NCPPC)	1,761,900	1,761,900	1,761,900
	Permits/Inspection (M-NCPPC)	1,816,200	1,816,200	1,816,200
	Office of Engineering, Inspection and Permitting (M-NCPPC)	929,800	929,800	929,800
	Total Permitting, Inspections, and Enforcement	\$ 18,891,500	\$ 28,185,800	\$ 30,735,400
Department of the Environment	Animal Licenses	\$ 125,000	\$ 120,000	\$ 165,400
	Total Environment	\$ 125,000	\$ 120,000	\$ 165,400

<u>Agency/Department</u>	<u>Revenue Description</u>	<u>FY 2015 Budget</u>	<u>FY 2016 Approved</u>	<u>FY 2017 Approved</u>
Police Department	State Police Aid Grant	\$ 11,124,300	\$ 10,736,400	\$ 11,517,700
	Contractual Police Services	1,850,000	1,540,000	1,540,000
	Speed Cameras	6,566,700	6,210,700	5,811,700
	Bureau of Patrol (M-NCPPC)	36,800	36,800	36,800
	Total Police	\$ 19,577,800	\$ 18,523,900	\$ 18,906,200
Fire/EMS Department	Contractual Fire Services	\$ 400,000	\$ 400,000	\$ 400,000
	Fees for Emergency Transportation & Related Services (General)	6,276,900	5,645,805	7,353,000
	Fees for Emergency Transportation & Related Services (Volunteer)	3,578,400	3,220,095	4,190,100
	Speed Cameras	2,428,800	2,297,100	2,149,500
	Miscellaneous Sales	5,000	5,000	5,000
	Total Fire	\$ 12,689,100	\$ 11,568,000	\$ 14,097,600
Department of Corrections	Charges for Services - Community Service Program fees	\$ -	\$ -	\$ 175,000
	Total Corrections	\$ -	\$ -	\$ 175,000
Health Department	State Health Grant	\$ 6,297,000	\$ 6,131,000	\$ 6,644,500
	Health Permits	1,561,000	2,100,000	2,200,000
	Health Fees	1,100,000	1,200,000	1,200,000
	Total Health	\$ 8,958,000	\$ 9,431,000	\$ 10,044,500
Department of Housing and Community Development	Redevelopment Division (M-NCPPC)	\$ 844,500	\$ 844,500	\$ 844,500
	Total Housing and Community Development	\$ 844,500	\$ 844,500	\$ 844,500
Department of Social Services	Federal Grant	\$ -	\$ -	\$ -
	State DHR DSS Grant	250,000	250,000	228,200
	Total Social Services	\$ 250,000	\$ 250,000	\$ 228,200
Office of Finance	Telecommunications Tax	\$ 170,700	\$ 277,100	\$ 258,100
	Tax Collection (M-NCPPC)	423,400	423,400	423,400
	Total Finance	\$ 594,100	\$ 700,500	\$ 681,500
Board of Education	State & Federal Aid/Board Sources	\$ 1,165,031,500	\$ 1,163,775,600	\$ 1,225,531,000
	Teacher Retirement Supplemental Grant	9,628,700	9,628,700	9,628,700
	Energy Tax	54,414,000	63,394,400	69,188,600
	Transfer Tax	77,692,100	86,087,400	105,525,500
	Telecommunications Tax	31,429,700	34,383,300	32,031,600
	Total Board of Education	\$ 1,338,196,000	\$ 1,357,269,400	\$ 1,441,905,400
Community College	State Aid/Tuition	\$ 74,566,600	\$ 73,843,300	\$ 73,120,900
	Recreational Activities (M-NCPPC)	700,000	700,000	700,000
	Total Community College	\$ 75,266,600	\$ 74,543,300	\$ 73,820,900
Memorial Library	State Aid/Fines	\$ 7,975,400	\$ 8,026,300	\$ 8,298,700
	Recreation Programs (M-NCPPC)	2,712,800	2,712,800	2,712,800
	Total Library	\$ 10,688,200	\$ 10,739,100	\$ 11,011,500
Non-Departmental	Tree Planting (M-NCPPC)	\$ 225,000	\$ 225,000	\$ 225,000
	Public Safety Surcharge	-	-	1,600,000
	Total Non-Departmental	\$ 225,000	\$ 225,000	\$ 1,825,000
Sub-total		\$ 1,501,646,100	\$ 1,527,048,700	\$ 1,620,568,900
Debt	Highway User Revenues	\$ 2,810,100	\$ 3,243,000	\$ 2,981,500
	Total Debt	\$ 2,810,100	\$ 3,243,000	\$ 2,981,500
Total		\$ 1,504,456,200	\$ 1,530,291,700	\$ 1,623,550,400

Notes:

Highway user revenue is mainly used to retire debt on County General Obligation (GO) Bonds, State Participation Bonds and fund regular road maintenance projects.

Revenue items in Allocated Revenues do not match revenues in Revenue Summary, which shows revenue groups instead of individual revenue accounts.

MGM Casino at National Harbor Impact Summary

Source	FY 2017 Approved
Proposed Sources	
Real Property Tax - Non-Education (\$0.96 per \$100)	\$ 1,953,500
Real Property Tax - Education (\$0.04 per \$100)	151,200
Personal Property Tax - Non-Education (\$2.40 per \$100)	840,000
Personal Property Tax - Education (\$0.10 per \$100)	35,000
Admissions and Amusement Taxes (10%)	4,050,000
Hotel Taxes (7%)	282,100
Video Lottery Terminal (VLT) Taxes (5.5%)	7,503,500
Table Games Taxes (5%)	4,096,900
Total Proposed Sources	\$ 18,912,200
Proposed Uses	
<u>Non-Departmental - Grants and Transfers</u>	
Maryland 210 Improvements	\$ 3,001,400
Prince George's County Economic Development Corporation - VLT - Workforce Development	337,700
Excellence in Education Foundation for PGCPSS, Inc. - Scholarships for High School Students	-
Grants to Health and Human Services Organizations/Expanded HHS Services in the Area	-
Community Impact Grants - VLT - Local Development Council	225,000
Subtotal	\$ 3,564,100
<u>Non-Departmental - Other</u>	
Summer Youth Employment Program - VLT	\$ 337,700
Subtotal	\$ 337,700
<u>CB 33-2015 Requirement</u>	
Board of Education - VLT - Funding is reflected under Non-Departmental (Transfers to CIP)	\$ 2,251,050
Board of Education - Non-VLT - Funding supports operations and reflected under the County's Contribution	3,204,350
Community College - Non VLT - Funding for Institutional Support and scholarships	1,800,000
Library - Non-VLT - Funding provides for the expansion of evening hours, additional materials and programming	700,000
Subtotal	\$ 7,955,400
<u>Public Safety</u>	
Police - VLT - 11 additional officers at Police District 7	\$ 787,900
Fire/EMS - VLT - 7 additional Fire/EMS staff dedicated to facilities in the immediate proximity of the VLT facility	562,800
Police - Non-VLT - Funding supports 150 new recruits (3 classes of 50 recruits)	3,492,000
Fire/EMS - Non-VLT - Funding supports 70 new recruits (2 classes of 35 recruits)	2,116,000
Sheriff - Non-VLT - Funding supports 25 new recruits	96,300
Subtotal	\$ 7,055,000
Total Proposed Uses	\$ 18,912,200
Excess (Deficit)	\$ -

CONSOLIDATED GRANT PROGRAM SUMMARY

PROGRAM NAME	FEDERAL CASH	STATE CASH	OTHER CASH	TOTAL OUTSIDE SOURCES	COUNTY CASH	TOTAL PROGRAM SPENDING*
<u>GENERAL GOVERNMENT</u>						
OFFICE OF COMMUNITY RELATIONS FY 2017 TOTALS	\$ 677,700	\$ -	\$ -	\$ 677,700	\$ -	\$ 677,700
OFFICE OF CENTRAL SERVICES FY 2017 TOTALS	\$ -	\$ -	\$ 10,710,000	\$ 10,710,000	\$ -	\$ 10,710,000
<u>COURTS</u>						
CIRCUIT COURT FY 2017 TOTALS	\$ -	\$ 3,336,800	\$ -	\$ 3,336,800	\$ 272,900	\$ 3,609,700
<u>PUBLIC SAFETY</u>						
OFFICE OF THE STATE'S ATTORNEY FY 2017 TOTALS	\$ -	\$ 1,641,300	\$ -	\$ 1,641,300	\$ -	\$ 1,641,300
POLICE DEPARTMENT FY 2017 TOTALS	\$ 905,900	\$ 2,793,000	\$ -	\$ 3,698,900	\$ 30,000	\$ 3,728,900
FIRE/EMS DEPARTMENT FY 2017 TOTALS	\$ 8,397,100	\$ 1,790,500	\$ -	\$ 10,187,600	\$ 216,000	\$ 10,403,600
OFFICE OF THE SHERIFF FY 2017 TOTALS	\$ 2,788,200	\$ 886,700	\$ -	\$ 3,674,900	\$ 948,000	\$ 4,622,900
DEPARTMENT OF CORRECTIONS FY 2017 TOTALS	\$ 319,200	\$ -	\$ -	\$ 319,200	\$ -	\$ 319,200
OFFICE OF HOMELAND SECURITY FY 2017 TOTALS	\$ 2,310,800	\$ 688,100	\$ -	\$ 2,998,900	\$ -	\$ 2,998,900
<u>ENVIRONMENT</u>						
DEPARTMENT OF THE ENVIRONMENT FY 2017 TOTALS	\$ -	\$ 48,000	\$ 200,000	\$ 248,000	\$ 309,000	\$ 557,000
<u>HUMAN SERVICES</u>						
DEPARTMENT OF FAMILY SERVICES FY 2017 TOTALS	\$ 3,970,300	\$ 6,850,300	\$ 174,800	\$ 10,995,400	\$ 384,200	\$ 11,379,600
HEALTH DEPARTMENT FY 2017 TOTALS	\$ 33,764,100	\$ 19,122,100	\$ 1,907,000	\$ 54,793,200	\$ 216,400	\$ 55,009,600
DEPARTMENT OF SOCIAL SERVICES FY 2017 TOTALS	\$ 12,045,100	\$ 2,157,500	\$ 2,465,700	\$ 16,668,300	\$ 747,000	\$ 17,415,300
<u>INFRASTRUCTURE AND DEVELOPMENT</u>						
DEPARTMENT OF PUBLIC WORKS & TRANSPORTATION FY 2017 TOTALS	\$ 671,000	\$ 701,900	\$ -	\$ 1,372,900	\$ 17,100	\$ 1,390,000
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FY 2017 TOTALS	\$ 78,136,400	\$ -	\$ 2,062,100	\$ 80,198,500	\$ -	\$ 80,198,500
NON-DEPARTMENTAL FY 2017 TOTALS	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 5,000,000
TOTAL FY 2017 GRANTS	\$ 143,985,800	\$ 40,016,200	\$ 22,519,600	\$ 206,521,600	\$ 3,140,600	\$ 209,662,200
*Total Program Spending is the total of County Cash and Total Outside Sources.						

EDUCATION REVENUE DETAIL

	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated	FY 2017 Approved	Change FY16 - FY17
BOARD OF EDUCATION					
Federal Sources					
Unrestricted Federal Aid	\$ 110,520	\$ 146,800	\$ 146,800	\$ 147,100	0.2%
Restricted Federal Aid	87,472,958	102,747,800	102,747,800	96,373,000	-6.2%
Total Federal Sources	\$ 87,583,478	\$ 102,894,600	\$ 102,894,600	\$ 96,520,100	-6.2%
Board Sources					
Board Sources	\$ 17,159,817	\$ 18,192,600	\$ 18,192,600	\$ 13,383,900	-26.4%
Board of Education Fund Balance	28,544,711		8,500,000	24,000,000	100.0%
Total Board Sources	\$ 45,704,528	\$ 18,192,600	\$ 26,692,600	\$ 37,383,900	105.5%
State Aid					
Foundation Program	\$ 494,571,479	\$ 514,335,100	\$ 514,335,100	\$ 522,038,400	1.5%
Geographic Cost of Education Index	39,351,160	20,297,800	20,297,800	41,084,000	102.4%
Special Education	41,226,980	42,246,000	42,246,000	43,735,100	3.5%
Nonpublic Placements	24,408,930	22,280,700	22,280,700	23,850,900	7.0%
Transportation Aid	36,283,187	39,146,100	39,146,100	39,757,600	1.6%
Compensatory Education	254,495,324	281,138,600	281,138,600	282,243,500	0.4%
Limited English Proficiency	74,469,456	81,883,000	81,883,000	86,911,200	6.1%
Net Taxable Income - Adjustment	10,942,626	10,041,700	10,041,700	18,460,300	83.8%
Guaranteed Tax Base	3,348,211	6,212,300	6,212,300	8,529,700	100.0%
Supplemental Grant and Other State Aid	20,575,488	20,505,700	20,505,700	20,505,700	0.0%
Restricted Grants	5,076,979	4,601,400	4,601,400	4,510,600	-2.0%
Total State Sources	\$ 1,004,749,820	\$ 1,042,688,400	\$ 1,042,688,400	\$ 1,091,627,000	4.7%
Outside Aid	\$ 1,138,037,826	\$ 1,163,775,600	\$ 1,172,275,600	\$ 1,225,531,000	5.3%
General County Sources					
General County Sources	\$ 449,058,287	\$ 485,427,000	\$ 485,427,000	\$ 491,325,300	1.2%
Telecommunications Tax	31,271,721	34,383,300	34,383,300	32,289,700	-6.1%
Energy Tax	66,785,516	63,394,400	63,394,400	69,188,600	9.1%
Transfer Tax	83,103,276	86,087,400	86,087,400	105,525,500	22.6%
Subtotal County Revenue	\$ 630,218,800	\$ 669,292,100	\$ 669,292,100	\$ 698,329,100	4.3%
TOTAL	\$ 1,768,256,626	\$ 1,833,067,700	\$ 1,841,567,700	\$ 1,923,860,100	5.0%
COMMUNITY COLLEGE					
County Contribution	\$ 30,345,300	\$ 31,648,800	\$ 31,648,800	\$ 34,872,800	10.2%
One-time County Contribution (I-Net Fund)	-	-	-	-	
State Aid	25,210,654	26,072,500	26,072,500	28,500,300	9.3%
Tuition and Fees	41,759,908	42,161,800	40,834,000	39,970,000	-5.2%
Other Revenues	3,041,048	1,900,000	2,108,900	2,102,000	10.6%
Fund Balance	-	3,709,000	1,462,300	2,548,600	-31.3%
TOTAL	\$ 100,356,910	\$ 105,492,100	\$ 102,126,500	\$ 107,993,700	2.4%
LIBRARY					
County Contribution	\$ 18,485,200	\$ 18,485,200	\$ 18,485,200	\$ 19,615,000	6.1%
One-time County Contribution (I-Net Fund)	-	-	-	-	-100.0%
State Aid	6,759,078	6,965,400	6,965,400	7,238,700	3.9%
Interest	9,631	10,500	1,100	5,000	-52.4%
Fines/Fees	442,831	502,700	480,000	457,700	-9.0%
Miscellaneous	729,600	547,700	597,800	597,300	9.1%
Fund Balance	-	-	-	-	0.0%
TOTAL	\$ 26,426,340	\$ 26,511,500	\$ 26,529,500	\$ 27,913,700	5.3%

Notes:

- (1) Numbers may not add due to rounding.
- (2) FY 2014 County Contributions to the Community College and Library include one-time funding from the I-Net Fund to support one-time investments in computer purchases.

MUNICIPAL TAX DIFFERENTIAL

PROGRAM INFORMATION

The Tax Property Article of the Annotated Code of Maryland (Title 6, Subtitle 6-305) mandates that the County recognize, through either a reduced County tax rate or direct grant payment, those governmental services and programs that municipal governments perform in lieu of similar County services, to the extent that these similar services are funded through the property tax rate.

FINANCIAL SUMMARY

Under the provisions of Title 17, Subtitle 10, Division 6, of the Public Local Laws of Prince George's County, each town's cost of each service identified in the prior-year County budget is assigned a tax rate equivalency value after adjustments are made to offset revenue directly allocable to a specific service. The aggregate town requests for "in lieu of" service credit, as certified by the County, are translated into a dollar value, which is the sum of the products of the tax rate equivalent cost of the service multiplied by each town's tax base. Each of these net service values is then reduced to reflect the portion of levy. The sum of the tax rate values of the services constitutes the tax rate differential accruing to each town, i.e., the amount by which the County unincorporated area property tax rate will be reduced in each respective town.

Beginning with FY 1999, County legislation set a five-year rolling average for changes in municipal differential rates. Beginning in FY 2004 and each year thereafter, this changed to a three-year rolling average. The purpose of this modification is to provide stability to municipal residents' County tax rates, smoothing what could otherwise be a large rate change that could be triggered by a reorganization of County services, economic fluctuations, changes in municipal service levels or other factors.

In 2000, Chapter 80, Acts of 2000 (Senate Bill 626) provided that, beginning in FY 2001, property tax rates shall be applied to 100% of the market value of real property, rather than the 40% for most real property under previous law. Also, the law mandates that the County real property tax rates and municipal tax differentials be adjusted to make the impact revenue neutral. As a result, starting from FY 2002, a separate real property tax rate and a separate personal property rate have been applied. Also a real property tax differential and a separate personal property tax differential have been applied, in accordance with State law and County code (CB-1-2001).

FY 2017 TAX DIFFERENTIAL RATES

Municipality	FY 2017 TAX DIFFERENTIAL		FY 2017 VALUE		
	PERSONAL PROPERTY	REAL PROPERTY	PERSONAL PROPERTY	REAL PROPERTY	TOTAL
Berwyn Heights	0.298	0.127	\$ 51,542	\$ 324,161	\$ 375,703
Bladensburg	0.258	0.110	43,519	460,068	503,587
Bowie	0.310	0.132	371,954	8,129,392	8,501,345
Brentwood	0.169	0.072	7,448	141,824	149,272
Capitol Heights	0.277	0.118	23,382	297,086	320,467
Cheverly	0.279	0.119	48,507	616,876	665,383
College Park	0.070	0.030	49,533	717,478	767,011
Colmar Manor	0.221	0.094	5,731	75,851	81,581
Cottage City	0.248	0.106	8,234	88,980	97,214
District Heights	0.289	0.123	17,152	392,380	409,533
Eagle Harbor	0.006	0.007	2	486	487
Edmonston	0.242	0.103	12,555	147,904	160,458
Fairmount Heights	0.131	0.056	2,164	50,756	52,920
Forest Heights	0.205	0.088	7,329	138,452	145,781
Glenarden	0.270	0.115	36,266	471,889	508,156
Greenbelt	0.331	0.141	225,729	2,602,385	2,828,114
Hyattsville	0.319	0.136	202,026	2,324,686	2,526,712
Landover Hills	0.259	0.111	5,954	145,500	151,455
Laurel	0.389	0.166	293,722	4,395,839	4,689,561
Morningside	0.176	0.075	4,518	61,990	66,508
Mount Rainier	0.315	0.134	14,937	485,204	500,142
New Carrollton	0.276	0.118	34,290	785,333	819,624
North Brentwood	0.010	0.004	96	1,730	1,826
Riverdale	0.320	0.136	62,739	789,100	851,839
Seat Pleasant	0.292	0.124	18,665	324,569	343,234
University Park	0.293	0.125	8,342	371,900	380,241
Upper Marlboro	0.186	0.079	45,460	63,895	109,356
Total			\$ 1,601,795	\$ 24,405,715	\$ 26,007,511

Numbers may not add due to rounding.

