



Rushern L. Baker, III
County Executive

Overview of MGM County Tax Revenues and Proposed Spending Plan

March 16, 2016

Presentation to the Local Development Council

Agenda

- Sources of County Tax Revenues from MGM
- Proposed Video Lottery Terminal (VLT) Tax Revenues
- Proposed Spending Plan for VLT Tax Revenues
- Summary
- Questions

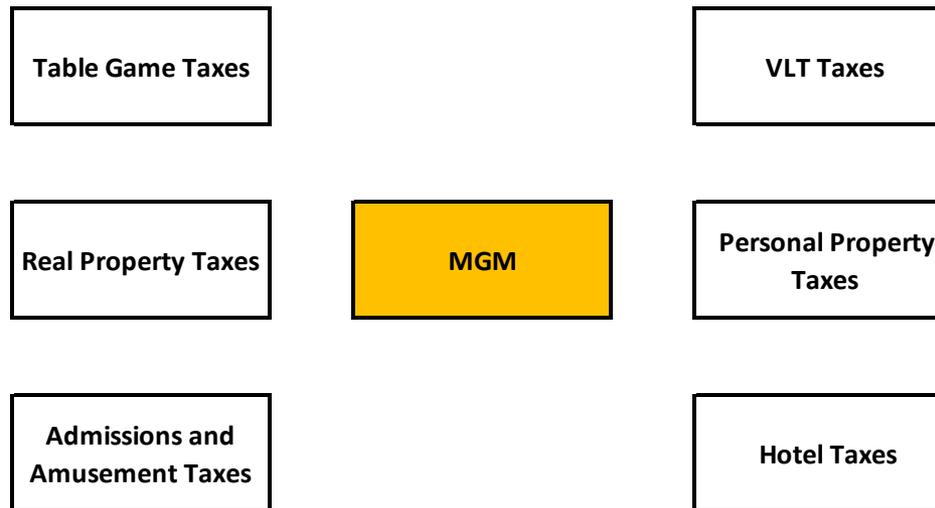


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Sources of County Tax Revenues from MGM

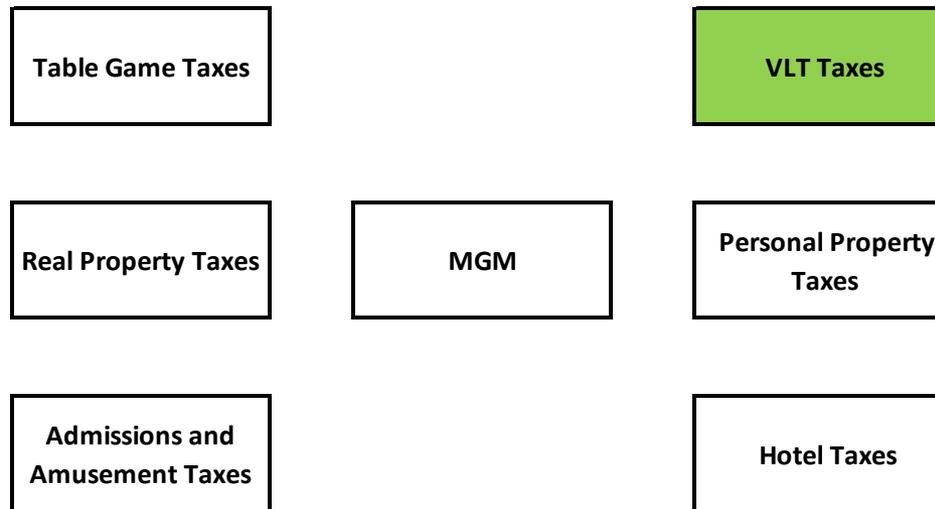


Types of Revenues - MGM



***Projected County tax revenues from MGM ranges from \$18.9 million in FY 2017 to \$47.1 million in FY 2020, excluding the hold harmless provision

Video Lottery Terminal (VLT) Revenues – Local Development Council Recommendations



***Section 9-1A-31 – State Government Article

Projected revenues from gross VLT tax revenues range from \$7.5 million in FY 2017 to \$17.2 million in FY 2020, excluding the hold harmless requirement for existing casinos



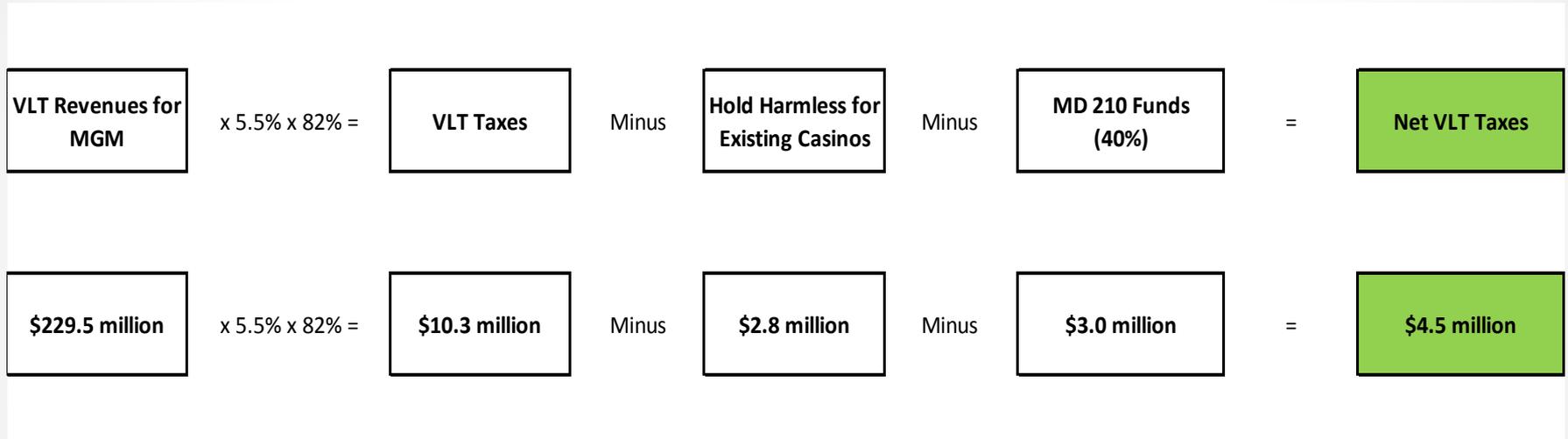
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Proposed Video Lottery Terminal (VLT) Tax Revenues



Video Lottery Terminal (VLT) Tax Revenues

FY 2017 Projection



***Projected **net revenues** from VLT tax revenues range from \$4.5 million in FY 2017 to \$6.9 million in FY 2020

LDC recommendations are only based upon the net VLT tax revenues



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Proposed Spending Plan for VLT Tax Revenues



Proposed Spending Plan – FY 2017 to FY 2020

Local Impact Grants (LIG) - Proposed Spending Plan - FY 2017 to FY 2020	2017	2018	2019	2020
Net Video Lottery Terminal Taxes	\$4,502,100	\$7,460,800	\$10,146,700	\$10,349,600
Spending Plan				
CB 33-2015 (50% Requirement - "Education") - 50% of Net Video Lottery Terminal Taxes				
Subtotal	\$2,251,000	\$3,730,400	\$5,073,400	\$5,174,800
Police - 17.5% of Net Video Lottery Terminal Taxes				
Subtotal	\$787,900	\$1,305,600	\$1,775,700	\$1,811,200
Fire - 12.5% of Net Video Lottery Terminal Taxes				
Subtotal	\$562,800	\$932,600	\$1,268,300	\$1,293,700
Workforce Development and Training - 7.5% of Net Video Lottery Terminal Taxes in 2017 and Flat Annually thereafter				
Subtotal	\$337,700	\$337,700	\$337,700	\$337,700
Scholarships - High School Students				
Subtotal	\$0	\$150,000	\$300,000	\$300,000
Health and Human Services (HHS)				
Subtotal	\$0	\$204,500	\$591,600	\$632,200
Youth Employment Program - 7.5% of Net Video Lottery Terminal Taxes in FY 2017 and \$500,000 annually thereafter				
Subtotal	\$337,700	\$500,000	\$500,000	\$500,000
Community Impact Grants - 5% of Net Video Lottery Terminal Taxes in 2017 and \$300,000 annually thereafter				
Subtotal	\$225,000	\$300,000	\$300,000	\$300,000
Total Spending Plan	\$4,502,100	\$7,460,800	\$10,146,700	\$10,349,600
Surplus (Deficit)	\$0	\$0	\$0	\$0

Proposed Education Spending Plan – FY 2017 to FY 2020

	2017	2018	2019	2020
Spending Plan				
CB 33-2015 (50% Requirement - "Education") - 50% of Net Video Lottery Terminal Taxes				
Crossland High School - Systemic Replacements - Steam Piping Replacement	\$260,000			
Forest Heights Elementary School - Code Corrections - Replace Fire Alarm System, Emergency Generation Installation	\$255,000			
Fort Foote Elementary School - Major Repair Projects - Exterior Door Replacement	\$192,000			
Glassmanor Elementary School - Major Repair Projects/Parking Lots and Driveways - Window Wall Replacement, Resurface Parking Lots	\$320,000			
Potomac Landing Elementary School - Code Corrections and Playground Equipment - Replace Fire Alarm System, Replace Playground Equipment	\$195,000			
Princeton Elementary School - Code Corrections and Parking Lots and Driveways - Replace Fire Alarm System, Expand Parkign Lot	\$512,000			
Tayac Elementary school - Code Corrections - Replace Fire Alarm System	\$160,000			
Thurgood Marshall Middle School - Major Repair Projects and Security Upgrades - Exterior Structural Repair, Install Cameras	\$162,000			
Valley View Elementary School - Code Corrections and Playground Equipment - Replace Fire Alarm System, Replace Playground Equipment	\$195,000			
Other "Education" Related Expenses - One-Time Costs - TBD on an annual basis per the County's annual budget process	\$0	\$3,730,400	\$5,073,400	\$5,174,800
Subtotal	\$2,251,000	\$3,730,400	\$5,073,400	\$5,174,800

Public Safety Spending Plan – FY 2017 to FY 2020

	2017	2018	2019	2020
Spending Plan				
Police - 17.5% of Net Video Lottery Terminal Taxes				
Additional Police Officers - District 7	\$787,900	\$1,305,600	\$1,775,700	\$1,811,200
Number of Officers	11	17	22	22
Subtotal	\$787,900	\$1,305,600	\$1,775,700	\$1,811,200
Fire - 12.5% of Net Video Lottery Terminal Taxes				
Additional Fire Fighters	\$562,800	\$932,600	\$1,268,300	\$1,293,700
Number of Fire Fighters	7	12	15	15
Subtotal	\$562,800	\$932,600	\$1,268,300	\$1,293,700

Workforce Development and Training Spending Plan – FY 2017 to FY 2020

	2017	2018	2019	2020
Spending Plan				
Workforce Development and Training - 7.5% of Net Video Lottery Terminal Taxes in 2017 and Flat Annually thereafter				
Prince George's County Economic Development Corporation - Workforce Development Division	\$337,700	\$337,700	\$337,700	\$337,700
Subtotal	\$337,700	\$337,700	\$337,700	\$337,700

Youth and Non-Profit Spending Plan – FY 2017 to FY 2020

	2017	2018	2019	2020
Spending Plan				
Scholarships - High School Students				
Grant to the PGCS Foundation - Potomac, Oxon Hill, Crossland	\$0	\$150,000	\$300,000	\$300,000
Subtotal	\$0	\$150,000	\$300,000	\$300,000
Health and Human Services (HHS)				
Grants to Health and Human Services Organizations/Expanded HHS Services in the Area	\$0	\$204,500	\$591,600	\$632,200
Subtotal	\$0	\$204,500	\$591,600	\$632,200
Youth Employment Program - 7.5% of Net Video Lottery Terminal Taxes in FY 2017 and \$500,000 annually thereafter				
Office of Human Resources Management - Summer Youth Employment Program	\$337,700	\$500,000	\$500,000	\$500,000
Number of Summer Youth - Impact Area	106	151	146	141
Subtotal	\$337,700	\$500,000	\$500,000	\$500,000
Community Impact Grants - 5% of Net Video Lottery Terminal Taxes in 2017 and \$300,000 annually thereafter				
Grants to Community Organizations - Local Development Council	\$225,000	\$300,000	\$300,000	\$300,000
Number of Grants - Illustrative Purposes	23	36	47	47
Subtotal	\$225,000	\$300,000	\$300,000	\$300,000



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Summary



Summary

- The proposed spending plan complies with CB 33-2015 by allocating 50% of Net VLT tax revenues to the Prince George's County Public School System for various systemic capital projects
- The plan assists in providing supplemental public safety resources to the areas around MGM.
- The plan will assist in providing workforce development and training opportunities for individuals in the area.
- The plan provides funding for non-profit organizations and youth employment opportunities.



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Questions

