



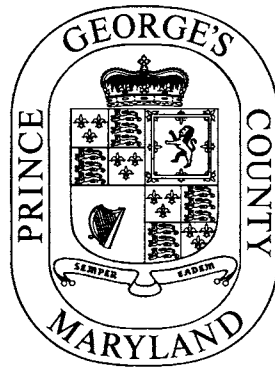
Comprehensive Annual Financial Report

For the Year Ending June 30, 2013

Rushern L. Baker, III
County Executive

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

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



2012 - 2013

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2013

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, 2013**



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ELECTED OFFICIALS



COUNTY EXECUTIVE
Rushern L. Baker, III

Andrea C. Harrison
COUNTY COUNCIL
Chairman

Will A. Campos
Mel Franklin
Derrick Leon Davis
Mary A. Lehman

Eric C. Olson
Obie Patterson
Karen R. Toles
Ingrid M. Turner

CERTAIN OTHER EXECUTIVE BRANCH APPOINTED OFFICIALS

Bradford L. Seamon, Chief Administrative Officer

Betty Hager Francis, Deputy Chief Administrative Officer

Glenda R. Wilson, Chief of Staff

Thomas M. Himler, Deputy Chief Administrative Officer

M. Andree Green, County Attorney

Carla A. Reid, Deputy Chief Administrative Officer

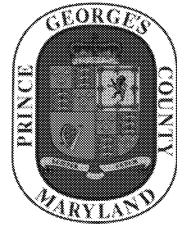
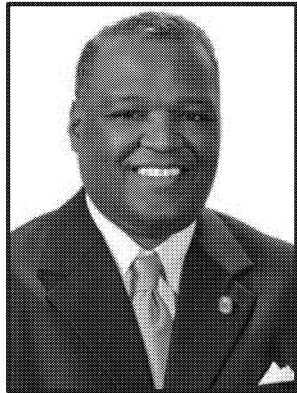
Gail D. Francis, Director of Finance

Barry L. Stanton, Deputy Chief Administrative Officer

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

INDEPENDENT AUDITORS

CliftonLarsonAllen LLP



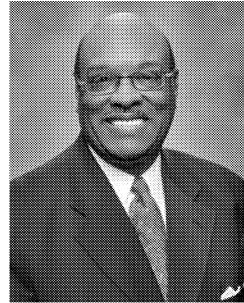
Prince George's County Elected Officials

Rushern L. Baker III
County Executive

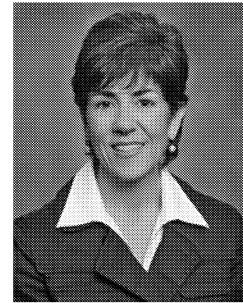
Rushern L. Baker III
County Executive



Andrea Harrison
Chair, District 5



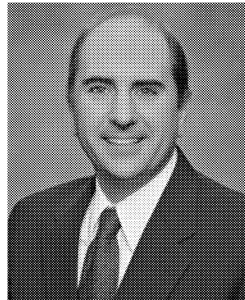
Obie Patterson
Vice Chair, District 8



Mary A. Lehman
District 1



Will Campos
District 2



Eric Olson
District 3



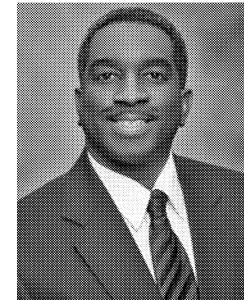
Ingrid M. Turner
District 4



Derrick L. Davis
District 6

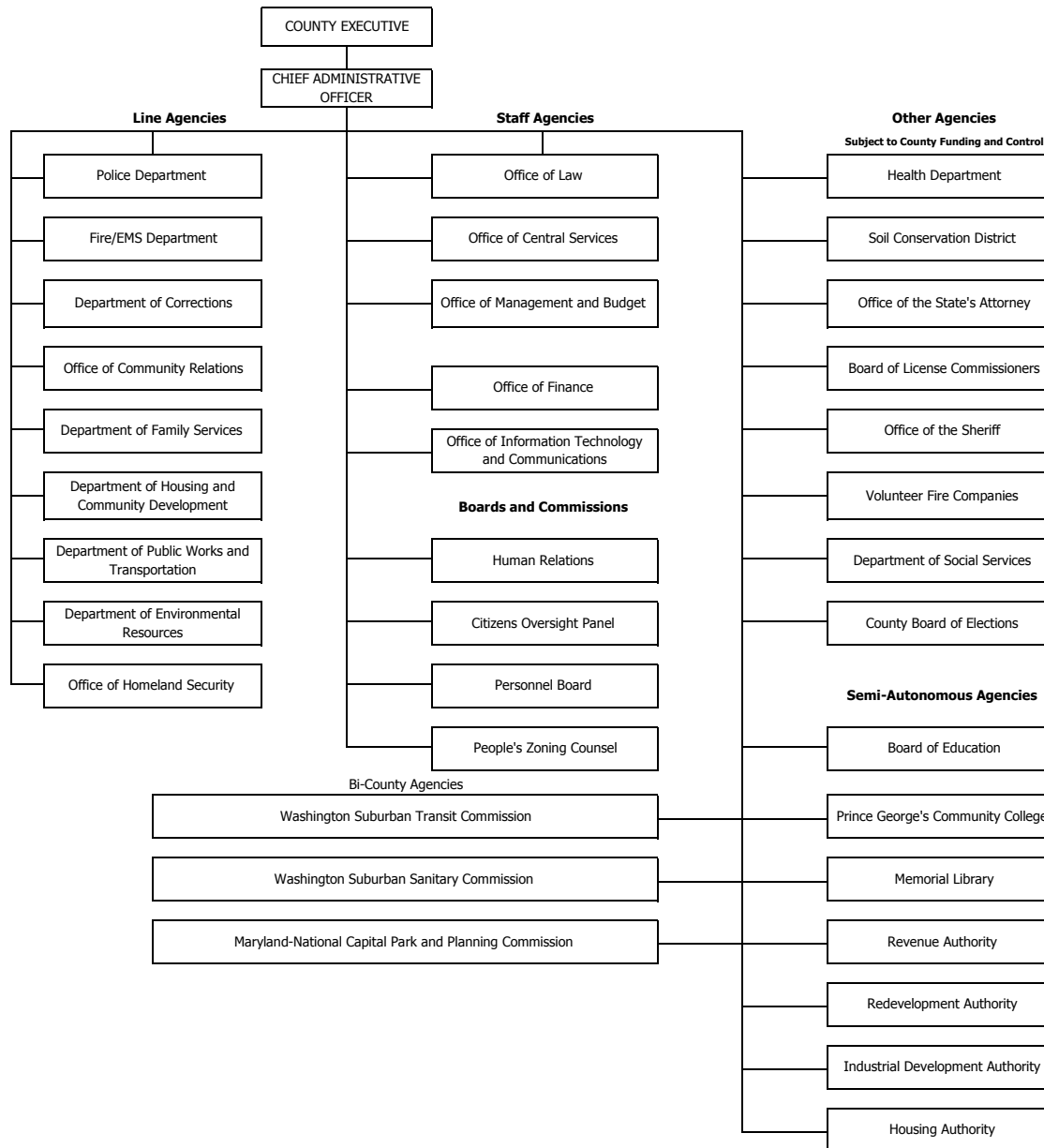


Karen R. Toles
District 7



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, 2012

Executive Director/CEO

- THIS PAGE NOT USED. -

The Honorable County Council,
County Executive, and County Citizens

Prince George's County,
Maryland



Office of Finance
Gail D. Francis, Director

January 31, 2014

The Honorable County Council,
the County Executive, and
Citizens of Prince George's
County, Maryland
Upper Marlboro, Maryland 20772

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, 2013 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. 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.

The County is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. 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.

The Honorable County Council,
County Executive, and County Citizens

Accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental activities 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.

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, Economic Development Corporation, and the Local Government Insurance Trust 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, family 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.

The Honorable County Council,
County Executive, and County Citizens

GOVERNMENTAL STRUCTURE AND DEMOGRAPHICS

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 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 nearly 863,400 residents and more than 15,400 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.

The Honorable County Council,
County Executive, and County Citizens

The Prince George's County Department of Parks and Recreation, under the guidance of The Maryland-National Capital Park and Planning Commission (M-NCPPC), is committed to providing quality recreation programs, facilities, and services within the County. The M-NCPPC was created by the Maryland General Assembly in 1927 to develop and operate public park systems and provide land use planning for the physical development of the great majority of Prince George's County and to operate the public recreation program. State of the art facilities and award winning programs have been the result. More than 27,000 acres of parkland in the County provide a balance between open space in its natural undeveloped state, and land developed with an extensive array of recreation facilities. Residents and visitors of Prince George's County will find a wide variety of programs and activities. Whether it is a class in the newest fitness craze, innovative programs for seniors, or a relaxing jazz concert at an arts center, the Department of Parks and Recreation offers a myriad of programs and activities for every age and interest. Small staff retreats, sports tournaments for hundreds of participants or large events to attract thousands, are all activities that have been hosted in park facilities within Prince George's County.

MAJOR INITIATIVES

In fiscal year 2013, the Prince George's County Government continued to be faced with challenging economic times. The ups and downs of the housing market and associated weakening of other segments of the economy continue to impact the County's revenue stream causing reductions in funding to County agencies. With that said, the County had to be fiscally prudent and made targeted investments to maintain its commitment to quality services across all levels—education, public safety, health/human services, transportation, environmental, economic development and community revitalization. The Path to Greatness vision provides the basis for the spending priorities, while the fiscal policies provide the balance between accomplishing these spending priorities within the framework of sound financial management policies and practices. These policies are the foundation of both short-term and long-term planning decisions. The Path to Greatness vision means to expand our economy—commercial property base, job base, and income base—to provide additional resources for major priorities—education and public safety. It means to provide quality healthcare and effective human services. It means to begin the transformation of Prince George's County into a major force in the economic development world from both a regional and national perspective.

The County's commitment to programs and services has improved the quality of life for its citizens and residents. Some of the major investments in the multiple facets of the Path to Greatness as contained in the fiscal year 2013 budget are in the areas of Economic Development, Education, Public Safety, Healthcare, Human Services, Environment, and High Performance Government Operations.

The Honorable County Council,
County Executive, and County Citizens

Education

Funding to the Board of Education (BOE) was increased in fiscal year 2013 and remains one of the County's major priorities, making up 62.2% of all General Fund spending. The fiscal year 2013 budget included \$1.66 billion to the BOE, an increase of approximately \$50.3 million from fiscal year 2012. A portion of this increase includes approximately \$3.6 million in other funding sources. The total County contribution for fiscal year 2013 to the BOE was approximately \$633.1 million, an increase of \$15.6 million from fiscal year 2012. The Path to Greatness does not exist unless there is a first-class school system to educate our children. The investments that have been made are beginning to produce academic performance gains. This positive direction allows our children to have the high-quality educational system that they deserve. A high-performing system will produce both a highly educated and skilled workforce for businesses to recruit from now and in the future. The County's investment in the public school system has helped to ensure that all students are prepared to meet the challenges of an economically competitive, technologically advanced and culturally diverse society.

In fiscal year 2013, the County invested funds in the continued construction of the Oxon Hill High School replacement, school projects at Hyattsville, Avalon, Henry Ferguson and Doswell Brooks Elementary Schools, and Crossland High School Auditorium. In fiscal year 2013, the Prince George's Community College received \$102.6 million, an increase of 2.3% from fiscal year 2012. The County's contribution for fiscal year 2013 was \$29.5 million, which is 28.8% of total agency funding. The community college is a campus under continuous change as evidenced by the number of construction projects underway at the main campus located in Largo, Maryland. Funding included continued construction of the new Center for Health Studies, a new 110,075 square foot academic building which will house and support the health programs and various infrastructure improvement projects.

The County is also fortunate to have one of the best library systems in the State of Maryland despite spending cuts. The Prince George's County Memorial Library System received \$25.4 million in fiscal year 2013, an increase of \$1.6 million from fiscal year 2012. The County contribution for fiscal year 2013 was \$17.3 million, an increase of \$206,300 from fiscal year 2012. Fiscal year 2013 funds contributed to complete the construction of the South Bowie Branch Library—a new 45,000 square foot library, the Laurel Library Replacement—a new 32,000 square foot library with a large community meeting room and public service area, and the Hyattsville Branch Renovation to renovate existing space and construct a 20,000 square foot addition. The Bladensburg Library renovation project was also added to the six-year capital program.

The Honorable County Council,
County Executive, and County Citizens

Public Safety

Public Safety is a vital aspect of the County's Path to Greatness and is one of the County's major priorities. Despite the difficult fiscal condition, it is essential that the extraordinary progress continue in reducing crime and maintaining safe communities. With that said, the fiscal year 2013 budget continued the investment in public safety agencies – Police, Fire/EMS, Corrections, Sheriff, Homeland Security and Volunteer Fire. In total, the County invested \$515.1 million in these agencies in fiscal year 2013, an increase of nearly \$9.2 million from fiscal year 2012.

The Police Department received the majority of these funds (\$258.8 million). This was an increase of \$1.2 million from fiscal year 2012 to provide patrol, emergency police response and investigative services to protect the lives and property of County citizens, residents and visitors.

The Fire Department received \$116.8 million in fiscal year 2013, an increase of 1.5%, to assist in the delivery of fire and emergency medical system services to our residents. The Office of Homeland Security has also played a critical role in improving the safety of our residents. The fiscal year 2013 budget provided \$23.3 million in funds to Homeland Security which was an increase of 5.9% from fiscal year 2012. The budget also included \$15.2 million in funding for our volunteer fire departments that partner with the County's professional department in providing fire protection services to our citizens. This was an increase of 27% from fiscal year 2012.

In fiscal year 2013, the Department of Corrections received approximately \$68.1 million. The Department of Corrections' budget was increased by 0.6% from fiscal year 2012. The Office of the Sheriff also experienced an increase in funding this fiscal year of \$1.1 million from fiscal year 2012 bringing its fiscal year 2013 funding to \$32.9 million. Funding for several major public safety capital projects was also included in the fiscal year 2013 budget to include completion of the kitchen facility replacement and medical unit renovation and expansion at the County's Detention Center, a new Brandywine Fire/EMS Station, roof replacement/repairs at various fire stations, and the Police Department will continue construction on the new District VII Station and will continue to improve and rehabilitate various police facilities.

Health and Human Services

Another critical component to a thriving community is a healthy, caring community. The fiscal year 2013 budget included \$28.3 million, an increase of \$2.6 million from fiscal year 2012, in funding for various health and human services programs, including services for the elderly and disabled and also for families and children in need. Funding continued to support the County's Family Emergency Shelter Crisis Center for intact homeless families, outreach and counseling services for troubled and at risk youth, and the Regional Health and Human Services Center, a new one-stop full-service health and human service facility.

The Honorable County Council,
County Executive, and County Citizens

The Department of Family Services received \$3.4 million in fiscal year 2013, an increase of \$72,400 from fiscal year 2012. It also received grant revenues of approximately \$13.5 million. This provided funds to restore the Ombudsman Initiative that protects seniors in nursing homes, Nutrition for the Elderly Program, Senior Health Promotion, Medicaid Waiver Administration and Case Management Program, Foster Grandparent Program, High Intensity Drug Trafficking Area Program, Transition Youth programs, and the Local Access Mechanism Programs.

The Department of Social Services (DSS) partners with the community to stabilize and strengthen families, protect children and vulnerable adults, and encourage self-sufficiency and personal responsibility. In fiscal year 2013, DSS received \$2.7 million to continue those services, a decrease of \$30,700 from fiscal year 2012. The Health Department received \$22.2 in fiscal year 2013, a decrease of \$528,900 of general funding from fiscal year 2012, to continue its mission of protecting and promoting a better quality of life for individuals within Prince George's County. The Health Department received \$47.6 in grant funding, a decrease of 2.6 million from fiscal year 2012. This funding included a decrease in the Addictions Treatment Block grant, the Ryan White Part A grant, and an increase in the Federal Fund Treatment grant programs.

Housing and Community Development

Another piece of the Path to Greatness is housing and community development where the goal is to promote and increase the supply of quality affordable housing by creating safe, well-planned and attractive communities to support families and individuals in need. The Department of Housing and Community Development (DHCD) builds and revitalizes homes, businesses and communities for individuals and families of low, moderate, and middle incomes residing and working in the County. This is achieved through the collaborative efforts of DHCD, the Housing Authority of Prince George's County and the Redevelopment Authority of Prince George's County. In fiscal year 2013, the DHCD received \$3.2 million, an increase of \$937,200 from fiscal year 2012. It also received grant funding in the amount of \$88 million this fiscal year. This funding supports a broad range of physical improvements for those areas of the County designated for redevelopment and revitalization. Major programs support infrastructure improvements, public housing renovations and modernization, handicapped accessibility improvements, employment and educational training, job creation and retention for low and moderate-income people and businesses, health care, and general assistance to immigrants, the elderly and homeless. During fiscal year 2013, the DHCD provided housing subsidies to 5,875 families and funding provided an increase of nearly \$4.7 million in the Section 8 Housing Choice Voucher program.

The Honorable County Council,
County Executive, and County Citizens

Economic Development

Economic development is a vital component of the Path to Greatness commitment to ensure a high quality of life and the long-term viability of Prince George's County. In fiscal year 2013, the County invested \$4.6 million in three economic development-related agencies - the Economic Development Corporation, the Prince George's Financial Services Corporation, and the Prince George's County Conference and Visitors Bureau. These agencies work to attract, retain and expand businesses, revitalize our established communities, promote the County's tourism activities and provide financial assistance to businesses.

Prince George's County, Maryland wraps around the eastern boundaries of Washington, D.C. The County has a flourishing economy that adds a brand of diversified, planned growth to the national economic climate. Expanding businesses are making the choice to establish operations in Prince George's County. Some of the impetus for these decisions includes competitively priced land and buildings, an integrated transportation system, proximity to Washington, D.C., the Revitalization Tax Credit, a High Technology Incentive Package, and Enterprise Zone benefits. The County also has a foreign trade zone and two state enterprise zones within its boundaries.

Grant Programs

Grant program funds are used to account for and administer the County's many State and Federal grants. These grants support County agency core responsibilities in an effort to provide expanded and/or increased services to Prince George's County citizens and residents. While human service agencies continue to administer the majority of the grants awarded to the County, many grants can be found in other areas such as Public Safety and Criminal/Civil Justice. For example, the Sheriff's Department received \$2.2 million in grant funds this fiscal year, a \$713,900 decrease from fiscal year 2012 and includes \$2.1 million for Child Support Enforcement (Cooperative Reimbursement). Other areas receiving the additional funding include \$4.6 million for the Police Department (a \$104,300 increase from the fiscal year 2012 budget and includes nearly \$2.3 million in funding to address violent crime); \$1.1 million for the Department of Public Works and Transportation (a \$4.4 million decrease from the fiscal year 2012 budget and includes \$332,800 in funding to replace aging transit vehicles to contribute air quality improvements and provide congestion relief); and \$1.2 million for the Office of the State's Attorney (a \$397,600 increase from the fiscal year 2012 budget and includes \$240,000 for Stop the Violence against Women and Vehicle Theft Prevention programs.)

KEY ECONOMIC FACTORS

Property values fell in fiscal year 2013. Group 3's assessable value dropped by 24.8% in January 2012, causing a decrease in the growth rate of property tax revenue. Home sales rose 0.2% in fiscal year 2013 compared to fiscal year 2012. Median sales price rose to \$179,800 in fiscal year 2013, up from \$161,700 in fiscal year 2012. These two factors contributed to an increase in transfer and recordation tax revenues in fiscal year 2013.

The Honorable County Council,
County Executive, and County Citizens

Foreclosure events remained high in the County, increasing by 32.5% in fiscal year 2013 for a total of 5,677 events. The County continued to lead the State of Maryland in foreclosure activity, accounting for almost a fifth of total foreclosure activity. Additionally, the number of foreclosures in fiscal year 2013 increased on a quarterly basis (with the exception of the third quarter) from 1,295 in the first quarter to 1,522 in the fourth quarter.

Income tax revenues rose to \$495.5 million in fiscal year 2013, an 8.0% increase over fiscal year 2012. The increase was primarily attributable to the formula used by the State to distribute income tax revenues.

LONG-TERM FINANCIAL PLANNING

A Charter amendment adopted by the citizens in November 2002 requires 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

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). The County continues to provide quality governmental services for its citizens while maintaining a sound financial position.

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 Honorable County Council,
County Executive, and County Citizens

As part of the County's Single Audit, described earlier, tests are made of the County's internal control over compliance and of its compliance with laws and regulations applicable to each of the County's major federal award programs. 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.

In addition to periodic audit activities, 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.

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.

The Honorable County Council,
County Executive, and County Citizens

INDEPENDENT AUDIT

County ordinances and state statutes require an annual audit by independent certified public accountants. The public accounting firm of CliftonLarsonAllen LLP was engaged to perform this task for fiscal year 2013. Besides meeting requirements set forth in these ordinances and statutes, the audit must also meet the requirements of the federal Single Audit Act and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Auditing standards generally accepted in the United States of America and the standards set forth in the General Accountability Office's *Government Auditing Standards* were used by the auditors to perform the audit work. 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.

AWARDS

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, 2012. This was the 33rd consecutive year (fiscal years ended 1980 – 2012) 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.

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, 2012. 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.

The Honorable County Council,
County Executive, and County Citizens

ACKNOWLEDGMENTS

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. County leadership, especially County Executive Rushern L. Baker, Chief Administrative Officer Bradford Seamon 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.

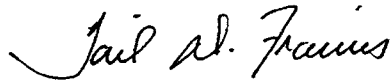
Preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Office of Finance's Accounting Division, and in particular Charles M. Curtis, Jr., Associate Director. We would like to express our appreciation to the Accounting Division 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
Tracy Chatman
Linda Chialastri
Tracey Clayton
Elizabeth Dixon

Teresa Hayward
Rita Houston
Muriel Logan
Dejuan Shambley

Respectfully submitted,



Gail D. Francis
Director of Finance

FINANCIAL SECTION

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



CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

CliftonLarsonAllen

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, as of and for the year ended June 30, 2013, and the budgetary comparison for the general fund and the related notes to the financial statements, which collectively comprise the entity'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 Prince George's County Public Schools, Prince George's Community College, Prince George's County Memorial Library System and Prince George's Community Television, Inc., which represent 91 percent, 86 percent, and 95 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 Public Schools, Prince George's Community College, 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*.

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 report 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



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information of Prince George's County Government as of June 30, 2013, 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.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, Prince George's County Government implemented the provisions of the Governmental Accounting Standards Board (GASB) Statements No. 63 –*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65 – *Items Previously reported as Assets and Liabilities* for the year ended June 30, 2013, which represents a change in accounting principle. The County's net position as of July 1, 2012 was restated to comply with GASB Statement Nos. 63 and 65. A summary for the restatement is presented in Note 2. Our opinion is not modified with respect to this matter.

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

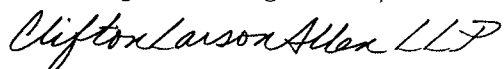
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Prince George's County Government's basic financial statements. The combining and individual fund statements and schedules and other information including the introductory section and 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 relates 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.

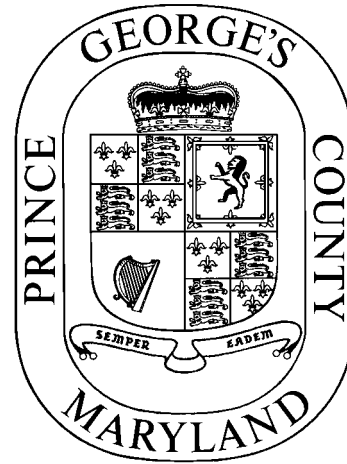
The introductory section and statistical section as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2014, 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
January 31, 2014



**MANAGEMENT'S DISCUSSION AND
ANALYSIS**

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

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, 2013. 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 assets exceeded its liabilities at June 30, 2013 by \$1.4 billion (net position). The primary government has an unrestricted net deficit balance of \$611.0 million, mainly because of debt related to assets owned by its component units - the Board of Education and the Community College.
- The County's total net position decreased by \$211.8 million from the previous year. Net position of governmental activities decreased \$210.5 million, while the net position of business-type activities decreased \$1.3 million.
- At June 30, 2013, the County's governmental funds report combined ending fund balances of \$687.5 million, an increase of \$146.8 million in comparison to the previous fiscal year. Of this amount, \$82.8 million remains in the General Fund of the County as unassigned, which represents approximately 5.4% of total general fund expenditures for fiscal year 2013.

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, 2013. 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, 2013

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 five funds have been combined and presented in one column as "Other Governmental Funds." Combining statements for these other governmental funds are presented on pages 113 to 116 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 and stormwater management, both of which 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 117 to 121 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, 2013

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 95.

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 97 to 135.

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, 2013 was \$1.4 billion. Investment in capital assets such as land, roads, bridges, buildings, machinery and equipment accounts for \$1.6 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, 2013

Schedules of Net Position
June 30, 2013 and 2012
(in thousands)

	Governmental activities		Business-type activities		Total	
	2013	2012 Restated*	2013	2012 Restated*	2013	2012 Restated*
Current and other assets	\$ 1,056,452	913,556	225,843	195,465	1,282,295	1,109,021
Capital assets	2,187,339	2,165,336	287,740	263,287	2,475,079	2,428,623
Total assets	3,243,791	3,078,892	513,583	458,752	3,757,374	3,537,644
Deferred outflow of resources	27,874	9,791	19,041	1,058	46,915	10,849
Long-term liabilities	1,767,942	1,391,776	281,667	209,853	2,049,609	1,601,629
Other liabilities	368,492	351,207	30,031	27,701	398,523	378,908
Total liabilities	2,136,434	1,742,983	311,698	237,554	2,448,132	1,980,537
Net assets						
Invested in capital assets, net of related debt	1,499,392	1,621,314	107,572	143,859	1,606,964	1,765,173
Restricted	341,016	349,077	19,212	18,482	360,228	367,559
Unrestricted (deficit)	(705,177)	(624,691)	94,142	59,915	(611,035)	(564,776)
Total net position	\$ 1,135,231	1,345,700	220,926	222,256	1,356,157	1,567,956

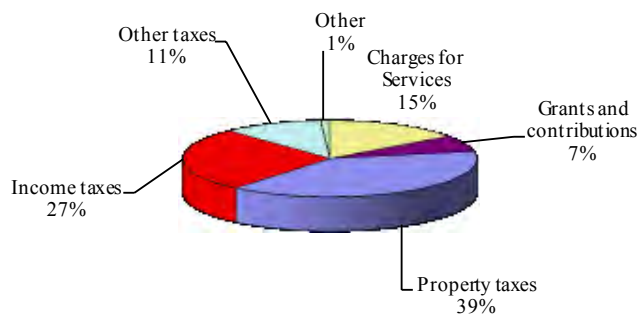
*Fiscal year 2012 amounts restated due to implementation of GASB statement 65. See note 2 on page 45 for more information.

Restricted net position represents are 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 unrestricted net position deficit is primarily attributable to outstanding debt that has been issued on behalf of the County's component units. 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. All other governmental and business-type activities had positive net asset balances as of June 30, 2013.

PRINCE GEORGE'S COUNTY, MARYLAND
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 JUNE 30, 2013

The following represents revenues by source and expenses by function of primary government for the years ended June 30, 2012 and June 30, 2013.

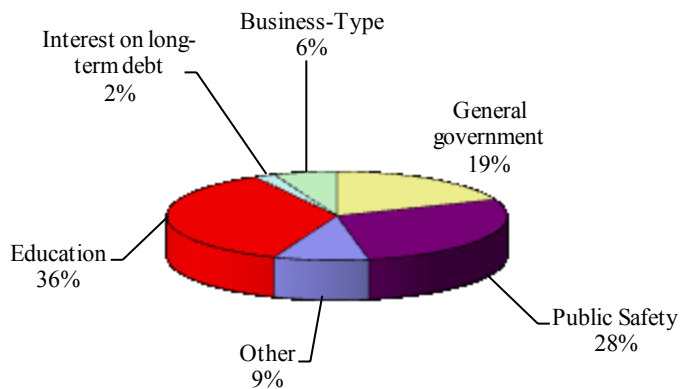
Revenue by Source FY 2013



Revenue by Source FY 2012



Expenses by Function FY 2013



Expenses by Function FY 2012

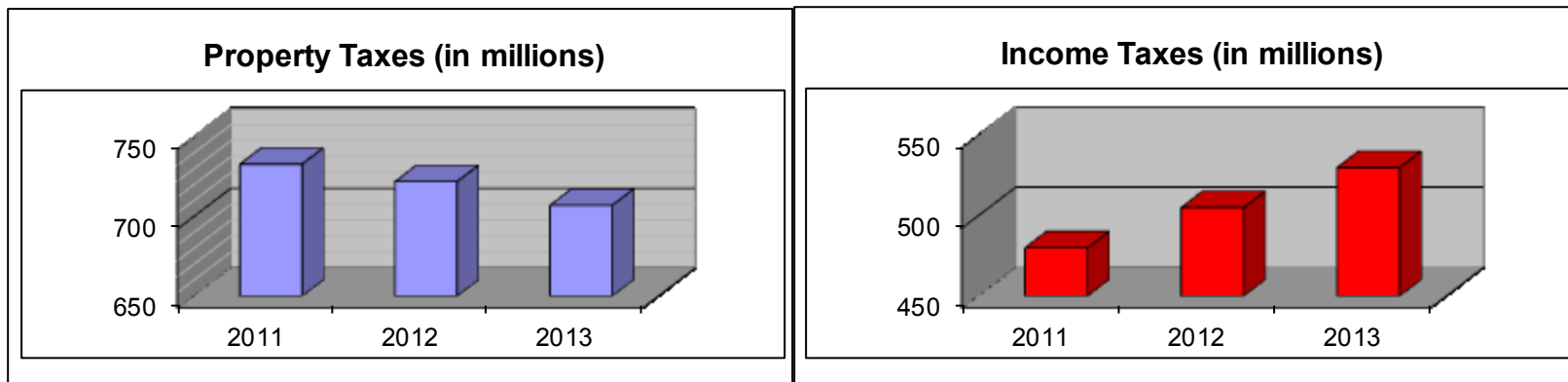


PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

Governmental Activities

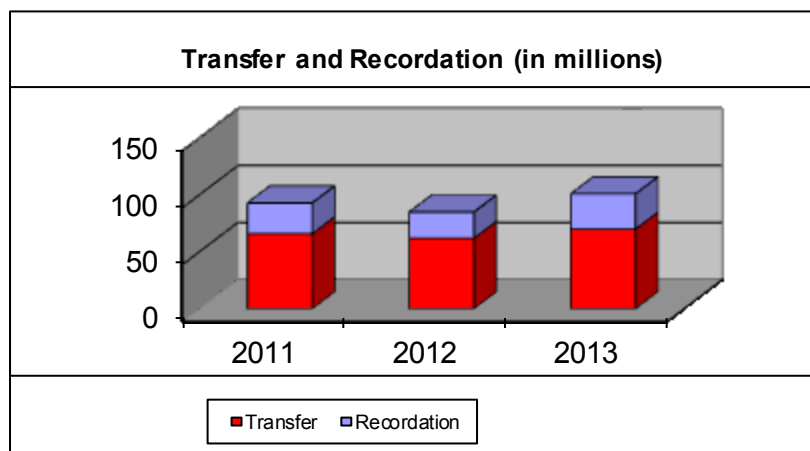
Net position for the County's governmental activities decreased by approximately \$210.5 million in fiscal year 2013.

The County's total revenue from governmental activities was approximately \$1.80 billion in fiscal year 2013 (approximately \$77.7 million less than fiscal year 2012.) Property and income taxes make up approximately 69 percent of this revenue. Income taxes increased by approximately \$24.9 million or 4.9 percent. The County growth exceeded their expectations. A large portion of this amount is based on estimates from the State of Maryland which creates some volatility in the amount. This growth was offset by a decrease of \$14.9 million in property taxes due to a reduction in the assessable value. The majority of the decrease was driven by a \$102.6 million decrease in developer contributions for infrastructure projects.



PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

Transfer and recordation taxes (\$100.1 million), telecommunications taxes (\$36.9 million), and energy taxes (\$56.6 million) comprise the majority of the remaining other taxes. Other taxes increased by approximately \$13.4 million or 6.6 percent. The \$15.0 million increase in transfer and recordation relates to a slight increase in home sales and an increase the median sales price.



The County's total expense from governmental activities was approximately \$2.00 billion in fiscal year 2013 (approximately \$215.7 million more than fiscal year 2012.) The categories experiencing the largest increases were general government (approximately \$67.8 million—20.3% increase), public safety (approximately \$48.9 million—8.9% increase), and education (approximately \$62.3 million—8.8% increase). Some of the factors affecting the changes include:

- \$Additional \$50 million spent for school construction.
- \$13.0 million and 14.8 million increases in general government and public safety costs, respectively relating to internal service funds due to increases in expenses for workers compensation (\$13.9 million), life and health benefits (13.6 million), and information technology.
- General government was also impacted by adjustment to OPEB liability which increased by \$57.6 million because the County's discount rate was lowered to from 7.325% to 4.0% to reflect the change in funding policy.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

**Schedule of Changes in Net Position
For the years ended June 30, 2013 and 2012**

(in thousands)

	Governmental activities		Business-type activities		Total	
	2013	2012 Restated*	2013	2012 Restated*	2013	2012 Restated*
Revenues:						
Program Revenues:						
Charges for services	\$ 194,863	283,475	94,272	91,817	289,135	375,292
Operating grants and contributions	122,295	135,901	-	-	122,295	135,901
Capital grants and contributions	15,340	13,833	2,005	1,065	17,345	14,898
General revenue:						
Property taxes	707,228	722,139	39,630	43,626	746,858	765,765
Income taxes	529,764	504,818	-	-	529,764	504,818
Other taxes	215,621	202,212	-	-	215,621	202,212
Other revenues	13,747	14,174	1,583	2,333	15,330	16,507
Total revenues	<u>1,798,858</u>	<u>1,876,552</u>	<u>137,490</u>	<u>138,841</u>	<u>1,936,348</u>	<u>2,015,393</u>
Expenses:						
General government	402,876	335,347	-	-	402,876	335,347
Public safety	600,225	551,297	-	-	600,225	551,297
Public works and transportation	91,413	55,761	-	-	91,413	55,761
Health	69,429	67,424	-	-	69,429	67,424
Public welfare	28,161	28,326	-	-	28,161	28,326
Education	770,490	708,216	-	-	770,490	708,216
Interest on long-term debt	46,733	47,506	-	-	46,733	47,506
Solid waste	-	-	95,740	98,663	95,740	98,663
Stormwater management	-	-	43,080	42,170	43,080	42,170
Total expenses	<u>2,009,327</u>	<u>1,793,877</u>	<u>138,820</u>	<u>140,833</u>	<u>2,148,147</u>	<u>1,934,710</u>
Change in net position	(210,469)	82,675	(1,330)	(1,992)	(211,799)	80,683
Net position - beginning of year, as restated	1,345,700	1,263,025	222,256	224,248	1,567,956	1,487,273
Net position - end of year	<u>\$ 1,135,231</u>	<u>1,345,700</u>	<u>220,926</u>	<u>222,256</u>	<u>1,356,157</u>	<u>1,567,956</u>

*Fiscal year 2012 amounts restated due to implementaion of GASB statement 65. See note 2 on page 45 for more information.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

Business-type Activities

Business-type activities decreased the County's net position by approximately \$1.3 million in fiscal year 2013. Key elements of this decrease are as follows:

- Total operating expenses for the Solid Waste Fund decreased by approximately \$3.2 million or 3.3 percent. This was primarily a result of two significant factors. First there was a decrease in General and Administrative expenses associated with leachate treatment issues of approximately \$1.1 million at the Brown Station Road Landfill. Secondly, there was a decrease in landfill postclosure expense of \$1 million as a result of the reduction of tonnage at the Brown Station Road Landfill.
- Total nonoperating revenue for the Stormwater Management Fund decreased by approximately \$4.8 million or 11.9 percent. This was primarily a result of a decrease in real property assessed values.

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, unreserved fund balance is a particularly useful measure of net resources available for spending at the end of the fiscal year.

As of June 30, 2013, County governmental funds reported combined fund balances of \$687.5 million, an increase of \$146.8 million in comparison to the prior year balances. Restricted Governmental fund balance was \$472.0 million which includes, \$137.4 million for a charter-mandated contingency reserve (Rainy Day Fund), \$264.3 million for various construction projects, \$9.2 million for drug enforcement, \$41.5 million for debt service and \$19.5 million for other purposes.

The General Fund is the chief operating fund of the County. At June 30, 2013, total fund balance in the general fund was \$359.4 million of which \$82.8 million was unassigned. The General Fund balance decreased by \$24.3 million as a result of current fiscal year operations. The following key factors were responsible for the changes:

- Total revenues increased \$38.4 million from fiscal year 2013, which exceeded the final budget by \$8.8 million. The majority of the decrease related to income, transfer, and recordation taxes which were discussed earlier in the governmental activities analysis. Intergovernmental revenue also increased by \$12.6 million, including \$9.6 million in new funding from the State of Maryland for Teacher retirements.
- Total expenditures and transfers out increased by \$58.4 million or less than 4 percent. In addition the County increased its contributions to the Prince George's County Public Schools by \$15.6 million. The County paid \$7.8 million to employees who elected a leave incentive for retirement.
- The County spent approximately \$25.0 million on equipment purchases related to proceeds received in prior fiscal years.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

Capital Projects Fund expenditures totaled \$180.9 million for fiscal year 2013 compared to \$118.5 million in fiscal year 2012. There was an increase of \$50.9 million in spending on Board of Education projects including a \$36.7 million Oxon Hill Replacement and \$7.6 million on a replacement elementary school in Hyattsville. The County also spent \$18.7 million to purchase additional government facilities. The County issued \$285.7 million in bonds 2013, compared to \$74.3 million in bonds and during fiscal year 2012. These factors led to a total increase in fund balance of approximately \$162.1 million in fiscal year 2013.

Expenditures in the Federal and State Aided Programs Fund decreased by approximately \$14.5 million in comparison to fiscal year 2012. Major changes in grant funding during fiscal year 2013 include:

- The County received \$7.9 million in ARRA funding compared to \$9.0 million in fiscal year 2012. Many of these grants program have ended and the expenditures will continue to decrease.
- No funding for bus purchases for the Urban Transportation grant which totaled \$5.1 million in fiscal year 2012.
- Spending for the HOME program decreased \$2.7 million.

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, 2013, total net position amounted to \$226.7 million for enterprise funds as compared to \$226.8 million at June 30, 2012. Unrestricted net position of the Stormwater Management Fund at the end of the year amounted to \$103.9 million, and those for the Solid Waste Fund were negative \$4.1 million. Total net position increased by \$2.5 million in the Stormwater Management Fund and decreased by \$2.7 million in the Solid Waste Fund.

Other factors concerning the finances of these two funds have already been addressed in the discussion of the County's business-type activities.

BUDGETARY HIGHLIGHTS

The County's final General Fund budget was increased by \$46.8 million from the original budget. The additional funding was used to pay for leave payouts and buyouts for eligible employees who retired prior to June 30, 2013. The majority of the remaining increase was allocated to public safety. The funding for this was a combination of additional use of fund balance (\$23 million) and declaration of additional tax revenue.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

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, 2013 was \$2.5 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 1.9% (1.0% increase for governmental activities and 9.3% increase for business-type activities.)

Major capital asset events during the year include the following:

- South Bowie Library (\$14.7 million) and the Correctional Facilities Housing Expansion Project (\$16.9 million) transferred to the Land and Buildings categories from construction in progress.
- Road and bridge projects totaling \$16.2 million, including Brock Road Bridge (\$7.0 million) Brinkley Road Bridge (\$5.6 million) were completed in 2013 and transferred to the Infrastructure category.
- Purchase of the McCormick and Basil facilities increased Buildings and Improvements by \$18.7
- Completed Stormwater projects increased Stormwater property in service by \$76.3 million.

The County's capital assets, net of accumulated depreciation, are presented in the following table as of June 30, 2013 and 2012:

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

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 89,777,502	86,706,781	26,791,702	20,582,622	116,569,204	107,289,403
Buildings and improvements	362,670,637	323,776,746	18,252,206	18,393,320	380,922,843	342,170,066
Equipment	50,061,561	47,556,838	9,838,717	9,903,224	59,900,278	57,460,062
Infrastructure	1,642,524,665	1,648,123,079	-	-	1,642,524,665	1,648,123,079
Landfill property in service	-	-	28,164,439	33,165,343	28,164,439	33,165,343
Stormwater property in service	-	-	135,527,630	59,205,795	135,527,630	59,205,795
Construction in progress	42,304,878	59,205,505	69,165,055	122,036,363	111,469,933	181,241,868
Total	\$ <u>2,187,339,243</u>	<u>2,165,368,949</u>	<u>287,739,749</u>	<u>263,286,667</u>	<u>2,475,078,992</u>	<u>2,428,655,616</u>

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, 2013

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$1.414 billion. Of this amount, \$1.413 billion comprises debt backed by the full faith and credit of the government. The remainder of the County's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

Outstanding Debt

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
General obligation bonds	\$ 1,231,983,000	1,008,165,000	181,312,000	121,435,000	1,413,295,000	1,129,600,000
Revenue bonds	-	-	758,943	2,934,276	758,943	2,934,276
Total	<u>\$ 1,231,983,000</u>	<u>1,008,165,000</u>	<u>182,070,943</u>	<u>124,369,276</u>	<u>1,414,053,943</u>	<u>1,132,534,276</u>

Total bonded debt of the County increased by \$281.5 million (24.9%) from the previous fiscal year. The key factors in the decrease are bond proceeds of \$137.6 million issued in February 2013, \$216.7 million issued in June of 2013 and the retirement of \$83.1 million of General Obligation and Revenue Bonds.

In February 2013 the County issued \$200.4 of general obligation bonds to refund \$190.1 of certain outstanding general obligation bonds. As a result of the refunding, the County will reduce its overall debt service obligations by \$8.9 million. The present value of debt service savings is \$8.9 million.

The underlying ratings of the County's general obligation bonds as of June 20, 2013, were as follows:

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

The County's Stormwater Management general obligation underlying bond ratings as of June 30, 2013, were as follows:

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

The underlying ratings of the County's Solid Waste Management Refunding Revenue Bonds, series 2003, as of June 30, 2013, were as follows:

	<u>Current Rating</u>
Standard & Poor's	AA-
Moody's Investors Service, Inc.	Aa3

Additional information on the County's long-term debt is located in note 13 starting on page 75 of this report.

PRINCE GEORGE'S COUNTY, MARYLAND
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Factors considered in preparing the County's budget for fiscal year 2014 included:

- Property values fell in FY 2013. Group 3's assessable value dropped by 24.8% from three years ago, causing a decrease in the growth rate of property tax revenue.
- Home sales rose 0.2% in FY 2013 compared to FY 2012. Median sales price rose to \$179,800 in FY 2013, up from \$161,700 in FY 2012. These two factors contributed to an increase in transfer and recordation tax revenues in FY 2013.
- Foreclosure events remained high in the County, increasing by 32.5% in FY 2013 for a total of 5,677 events. The County continued to lead the State of Maryland in foreclosure activity, accounting for almost a fifth of total foreclosure activity. Additionally, the number of foreclosures in FY 2013 increased on a quarterly basis (with the exception of the third quarter) from 1,295 in the first quarter to 1,522 in the fourth quarter.
- Income tax revenues rose to \$505.3 million in FY 2013, a 4.1% increase over FY 2012.

During fiscal year 2013, the unassigned fund balance in the General Fund was \$83.0 million. The County has appropriated \$5.4 million of fund balance for fiscal year 2014.

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, 2013

	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	\$ 399,424,906	79,337,237	478,762,143	246,385,008	79,404,101	325,789,109	-	804,551,252
Cash with fiscal agents	8,040,212	-	8,040,212	-	-	-	-	8,040,212
Receivables (net of allowances for uncollectibles):								
Taxes	4,858,292	606,328	5,464,620	-	-	-	-	5,464,620
Accounts	29,112,553	1,917,705	31,030,258	19,887,186	22,841,839	42,729,025	-	73,759,283
Notes	13,278,293	-	13,278,293	-	-	-	-	13,278,293
Special assessments	-	-	-	-	-	-	-	-
Accrued interest receivable	193,066	78,265	271,331	-	33,384	33,384	-	304,715
Internal balance	6,782,382	(5,732,382)	1,050,000	-	-	-	-	1,050,000
Due from component units	20,623,915	-	20,623,915	-	-	-	-	20,623,915
Due from primary government	-	-	-	26,506,498	453,137	26,959,635	-	26,959,635
Due from other governmental units	180,754,374	1,149,942	181,904,316	91,766,773	4,385,454	96,152,227	-	278,056,543
Inventories	2,122,285	-	2,122,285	7,839,489	132,080	7,971,569	-	10,093,854
Prepaid costs and deposits	203,066	-	203,066	1,248,995	2,790,166	4,039,161	-	4,242,227
Restricted assets:								
Cash and investments	391,008,297	148,486,455	539,494,752	-	12,412,366	12,412,366	-	551,907,118
Land	-	-	-	-	3,897,196	3,897,196	-	3,897,196
Capital assets:								
Nondepreciable assets	132,082,380	95,956,757	228,039,137	213,811,986	63,392,363	277,204,349	-	505,243,486
Depreciable assets, net	2,055,256,863	191,782,992	2,247,039,855	951,485,771	200,034,258	1,151,520,029	-	3,398,559,884
Other assets	50,000	-	50,000	-	166,034	166,034	-	216,034
Total assets	3,243,790,884	513,583,299	3,757,374,183	1,558,931,706	389,942,378	1,948,874,084	-	5,706,248,267
DEFERRED OUTFLOW OF RESOURCES								
Deferred landfill closure costs	-	17,390,226	17,390,226	-	-	-	-	17,390,226
Deferred charge on refunding	27,873,834	1,651,157	29,524,991	-	1,878,953	1,878,953	-	31,403,944
Total deferred outflow of resources	27,873,834	19,041,383	46,915,217	-	1,878,953	1,878,953	-	48,794,170
LIABILITIES								
Accounts payable	37,748,547	12,140,410	49,888,957	110,340,070	14,517,037	124,857,107	-	174,746,064
Retainages payable	4,584,613	1,267,035	5,851,648	13,124,071	-	13,124,071	-	18,975,719
Accrued liabilities	40,597,330	1,433,997	42,031,327	78,728,816	1,255,349	79,984,165	-	122,015,492
Unearned revenue	32,578,618	-	32,578,618	-	2,052,928	2,052,928	-	34,631,546
Matured bonds and interest payable	-	1,616,378	1,616,378	-	4,814,606	4,814,606	-	6,430,984
Deposits	55,511,630	195,013	55,706,643	-	367,277	367,277	-	56,073,920
Due to primary government	-	-	-	10,338,453	10,285,462	20,623,915	-	20,623,915
Due to component units	26,959,635	-	26,959,635	-	-	-	-	26,959,635
Noncurrent liabilities:								
Due within one year	170,511,075	13,379,194	183,890,269	19,621,001	6,723,950	26,344,951	-	210,235,220
Due in more than one year	1,767,942,149	281,666,751	2,049,608,900	876,890,865	68,096,745	944,987,610	-	2,994,596,510
Total liabilities	2,136,433,597	311,698,778	2,448,132,375	1,109,043,276	108,113,354	1,217,156,630	-	3,665,289,005
DEFERRED INFLOW OF RESOURCES -								
Contributions to self insurance fund	-	-	-	6,394,332	-	6,394,332	-	6,394,332
NET POSITION								
Net investment in capital assets	1,499,391,740	107,572,137	1,606,963,877	987,745,237	218,954,334	1,206,699,571	(483,621,901)	2,330,041,547
Restricted for:								
Capital projects	145,179,294	9,000,000	154,179,294	-	-	-	-	154,179,294
Contingency reserve	137,420,570	-	137,420,570	-	-	-	-	137,420,570
Debt service	38,939,294	3,555,404	42,494,698	-	-	-	-	42,494,698
Restricted for I-net	19,476,437	-	19,476,437	-	-	-	-	19,476,437
Landfill	-	4,744,530	4,744,530	-	-	-	-	4,744,530
Preservation	-	1,912,180	1,912,180	-	-	-	-	1,912,180
Education	-	-	-	-	3,861,153	3,861,153	-	3,861,153
Community development	-	-	-	-	6,108,903	6,108,903	-	6,108,903
Unrestricted (deficit)	(705,176,214)	94,141,653	(611,034,561)	(544,251,139)	54,783,587	(489,467,552)	483,621,901	(616,880,212)
Total Net Position	\$ 1,135,231,121	\$ 220,925,904	\$ 1,356,157,025	\$ 443,494,098	\$ 283,707,977	\$ 727,202,075	-	\$ 2,083,359,100

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Activities
For the year ended June 30, 2013

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	\$ 402,876,040	94,431,227	25,222,907	198,425	(283,023,481)	-	(283,023,481)	-	-
Public safety	600,225,256	56,363,172	26,524,768	4,896,876	(512,440,440)	-	(512,440,440)	-	-
Public works and transportation	91,413,306	33,769,227	2,917,851	10,076,015	(44,650,213)	-	(44,650,213)	-	-
Health	69,428,580	9,571,210	43,209,964	156,154	(16,491,252)	-	(16,491,252)	-	-
Public welfare	28,160,840	728,081	24,419,081	12,922	(3,000,756)	-	(3,000,756)	-	-
Education:									
Board of Education	715,792,239	-	-	-	(715,792,239)	-	(715,792,239)	-	-
Community College	31,383,689	-	-	-	(31,383,689)	-	(31,383,689)	-	-
Memorial Library	23,313,523	-	-	-	(23,313,523)	-	(23,313,523)	-	-
Interest on long-term debt	46,733,055	-	-	-	(46,733,055)	-	(46,733,055)	-	-
Total governmental activities	<u>2,009,326,528</u>	<u>194,862,917</u>	<u>122,294,571</u>	<u>15,340,392</u>	<u>(1,676,828,648)</u>	<u>-</u>	<u>(1,676,828,648)</u>	<u>-</u>	<u>-</u>
Business-type activities:									
Solid Waste	95,739,816	91,459,801	-	-	-	(4,280,015)	(4,280,015)	-	-
Stormwater	43,080,734	2,811,579	-	2,005,401	-	(38,263,754)	(38,263,754)	-	-
Total business-type activities	<u>138,820,550</u>	<u>94,271,380</u>	<u>-</u>	<u>2,005,401</u>	<u>-</u>	<u>(42,543,769)</u>	<u>(42,543,769)</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 2,148,147,078</u>	<u>289,134,297</u>	<u>122,294,571</u>	<u>17,345,793</u>	<u>(1,676,828,648)</u>	<u>(42,543,769)</u>	<u>(1,719,372,417)</u>	<u>-</u>	<u>-</u>
Component units:									
Board of Education	1,976,478,421	24,532,484	252,937,001	152,552,168	-	-	(1,546,456,768)	-	-
Other Component Units:									
General Government	31,241,390	21,653,325	660,000	126,359	-	-	-	(8,801,706)	
Education	148,672,256	28,889,468	32,411,559	2,403,628	-	-	-	(84,967,601)	
Community development	93,595,353	3,413,750	81,429,767	3,173,677	-	-	-	(5,578,159)	
Total component units	<u>\$ 2,249,987,420</u>	<u>78,489,027</u>	<u>367,438,327</u>	<u>158,255,832</u>	<u>-</u>	<u>-</u>	<u>(1,546,456,768)</u>	<u>(99,347,466)</u>	
General Revenues:									
Property taxes					707,228,408	39,629,544	746,857,952	-	-
Income taxes					529,764,061	-	529,764,061	-	-
Transfer and recordation taxes					100,116,901	-	100,116,901	-	-
Energy taxes					56,588,560	-	56,588,560	-	-
Telecommunications tax					36,926,752	-	36,926,752	-	-
Other taxes					21,988,466	-	21,988,466	-	-
Unrestricted state shared tax					2,613,510	-	2,613,510	-	-
Earnings (loss) on investments					(2,115,280)	1,583,464	(531,816)	511,793	535,881
Unrestricted grants and contributions					11,822,540	-	11,822,540	1,543,063,616	84,415,579
Miscellaneous revenues					1,426,216	-	1,426,216	318,484	1,653,354
Total general revenues					<u>1,466,360,134</u>	<u>41,213,008</u>	<u>1,507,573,142</u>	<u>1,543,893,893</u>	<u>86,604,814</u>
Change in net position					(210,468,514)	(1,330,761)	(211,799,275)	(2,562,875)	(12,742,652)
Net position - beginning of year					1,348,971,625	222,556,334	1,571,527,959	434,064,725	293,700,292
Prior period adjustment					(3,271,990)	(299,669)	(3,571,659)	11,992,248	2,750,337
Net position - beginning of year, restated					<u>1,345,699,635</u>	<u>222,256,665</u>	<u>1,567,956,300</u>	<u>446,056,973</u>	<u>296,450,629</u>
Net position - end of year					<u>\$ 1,135,231,121</u>	<u>220,925,904</u>	<u>1,356,157,025</u>	<u>443,494,098</u>	<u>283,707,977</u>

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
Balance Sheet
Governmental Funds
June 30, 2013

<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	\$ 269,313,665	1,091,204	136,172	16,152,026	286,693,067
Cash with fiscal agents	-	-	-	8,040,212	8,040,212
Receivables (net of allowances for uncollectibles):					
Taxes	4,858,292	-	-	-	4,858,292
Accounts	26,240,095	1,000	396,764	-	26,637,859
Notes	3,828,768	8,442,421	-	-	12,271,189
Accrued interest receivable	178,751	-	-	-	178,751
Due from other funds	22,110,000	-	-	-	22,110,000
Due from component units	10,040,193	-	-	-	10,040,193
Due from other governmental units	126,150,000	44,495,990	10,051,399	56,985	180,754,374
Inventories	1,532,552	-	-	-	1,532,552
Restricted assets:					
Cash and investments	19,315,229	2,577,223	337,862,206	30,899,082	390,653,740
Other assets	50,000	-	-	-	50,000
Total assets	\$ 483,617,545	56,607,838	348,446,541	55,148,305	943,820,229
<u>Liabilities, Deferred Inflows, and Fund Balances</u>					
Liabilities:					
Compensated absences and termination benefits payable	\$ 94,763	-	-	-	94,763
Accounts payable	10,447,724	9,802,726	13,704,144	441,537	34,396,131
Retainages	-	-	4,584,613	-	4,584,613
Accrued liabilities	23,995,897	1,415,286	-	-	25,411,183
Unearned revenue	4,843,698	27,734,906	-	-	32,578,604
Deposits	29,141,861	17,697	26,352,072	-	55,511,630
Due to other funds	-	15,060,000	6,000,000	-	21,060,000
Due to component units	-	-	26,959,635	-	26,959,635
Total liabilities	<u>68,523,943</u>	<u>54,030,615</u>	<u>77,600,464</u>	<u>441,537</u>	<u>200,596,559</u>
Deferred inflows of resources					
Unavailable tax revenue	55,731,628	-	-	-	55,731,628
Total deferred inflow of resources	<u>55,731,628</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,731,628</u>
Fund balances:					
Nonspendable	1,532,552	-	-	-	1,532,552
Restricted	156,735,799	2,577,223	264,347,366	48,349,192	472,009,580
Committed	54,968,228	-	6,498,711	-	61,466,939
Assigned	63,342,963	-	-	6,357,576	69,700,539
Unassigned	82,782,432	-	-	-	82,782,432
Total fund balances	<u>359,361,974</u>	<u>2,577,223</u>	<u>270,846,077</u>	<u>54,706,768</u>	<u>687,492,042</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 483,617,545</u>	<u>56,607,838</u>	<u>348,446,541</u>	<u>55,148,305</u>	<u>943,820,229</u>

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, 2013

Total fund balances for governmental funds (Exhibit A-3) \$ 687,492,042

Amounts reported for governmental activities in the statement of net assets 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	\$ 88,777,502	
Infrastructure, net of \$1,076,392,028 accumulated depreciation	1,642,524,665	
Buildings and improvements, net of \$125,619,475	362,480,959	
Equipment, net of \$113,628,126 accumulated depreciation	49,650,425	
Construction in progress	<u>42,304,878</u>	
Total capital assets		2,185,738,429

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 assets are:

(19,594,693)

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.

55,731,628

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, 2013 are:

Unmatured accrued interest (14,795,407)

Long-term liabilities:

Bonded debt	(1,231,983,000)	
Deferred bond refunding costs	27,855,638	
Unamortized discount (premium)	(124,831,694)	
Capital lease obligations	(19,365,264)	
Pension and OPEB obligations	(285,565,218)	
Compensated absences and termination benefits payable	(70,009,781)	
Notes payable	<u>(56,448,663)</u>	

(1,760,347,982)

Total net position of governmental activities

\$ 1,135,231,121

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2013

	General	Federal and State Aided Programs	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 1,447,048,619	-	-	2,119,425	1,449,168,044
Licenses and permits	22,429,216	-	-	280,845	22,710,061
Fines and forfeitures	16,854,696	-	1,711,865	1,118,257	19,684,818
Use of money and property	458,844	1,137,198	41,216	68,275	1,705,533
Charges for services	40,128,639	3,233,636	10,465,903	22,752,641	76,580,819
Intergovernmental	43,223,958	97,212,674	9,558,558	5,746,784	155,741,974
Miscellaneous	3,146,730	688,764	2,377,411	(93,604)	6,119,301
Total revenues	<u>1,573,290,702</u>	<u>102,272,272</u>	<u>24,154,953</u>	<u>31,992,623</u>	<u>1,731,710,550</u>
Expenditures:					
Current:					
General government	241,665,424	12,233,660	-	4,097,079	257,996,163
Public safety	552,488,827	18,812,480	-	1,935,879	573,237,186
Public works and transportation	11,747,787	2,640,319	-	-	14,388,106
Health	21,731,256	45,865,047	-	-	67,596,303
Public welfare	3,117,380	24,564,260	-	408,076	28,089,716
Capital projects	-	-	90,316,298	-	90,316,298
Education:					
Board of Education	633,069,100	-	82,723,139	-	715,792,239
Community College	29,545,200	-	1,838,489	-	31,383,689
Memorial Library	17,267,200	-	6,046,323	-	23,313,523
Debt service:					
Principal retirement	11,111,080	271,000	-	71,870,000	83,252,080
Interest	3,955,976	260,423	-	42,990,512	47,206,911
Total expenditures	<u>1,525,699,230</u>	<u>104,647,189</u>	<u>180,924,249</u>	<u>121,301,546</u>	<u>1,932,572,214</u>
Excess of revenues over (under) expenditures	<u>47,591,472</u>	<u>(2,374,917)</u>	<u>(156,769,296)</u>	<u>(89,308,923)</u>	<u>(200,861,664)</u>
Other financing sources (uses):					
General obligation bonds issued	-	-	285,748,000	-	285,748,000
Capital lease financing	16,055,642	-	-	-	16,055,642
Bond and notes premium	-	-	15,090,537	28,265,037	43,355,574
Bonds issued - refunding	-	-	-	191,130,000	191,130,000
Bond premium - refunding	-	-	-	20,981,662	20,981,662
Payment to bond refunding escrow agent	-	-	-	(209,562,879)	(209,562,879)
Transfers in - other funds	-	2,231,038	19,177,100	67,684,786	89,092,924
Transfers out - other funds	(87,972,924)	-	(1,120,000)	-	(89,092,924)
Total other financing sources (uses)	<u>(71,917,282)</u>	<u>2,231,038</u>	<u>318,895,637</u>	<u>98,498,606</u>	<u>347,707,999</u>
Net change in fund balances	<u>(24,325,810)</u>	<u>(143,879)</u>	<u>162,126,341</u>	<u>9,189,683</u>	<u>146,846,335</u>
Fund balances, beginning of year	383,687,784	2,721,102	108,719,736	45,517,085	540,645,707
Fund balances, end of year	<u>\$ 359,361,974</u>	<u>2,577,223</u>	<u>270,846,077</u>	<u>54,706,768</u>	<u>687,492,042</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, 2013

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

Net change in fund balances - total governmental funds		146,846,335
Capital Outlay, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Assets.		69,744,150
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.		(72,118,853)
Donated capital assets are reported as revenue on the statement of activities; however, they do not provide current financial resources to the funds.		24,836,949
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.		3,190,048
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.		(226,882)
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.		(26,097,133)
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	\$ (476,878,000)	
Bond and notes premium	(64,337,236)	
Capital lease and note proceeds	(16,055,642)	
Payment to escrow agent	209,562,879	
Principal payments and gain from refunding activity	85,800,863	
Net adjustment		(261,907,136)
Certain expenses (i.e. arbitrage, compensated absences) 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.		(94,735,992)
Change in net position of governmental activities		<u>(210,468,514)</u>

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, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,407,009,400	1,428,885,800	1,447,048,619	18,162,819
Licenses and permits	18,001,000	18,001,000	22,429,216	4,428,216
Fines and forfeitures	32,345,800	32,345,800	16,854,696	(15,491,104)
Use of money and property	7,300,000	8,200,000	(166,617)	(8,366,617)
Charges for services	35,535,300	35,535,300	40,128,639	4,593,339
Intergovernmental	38,895,600	39,895,600	43,223,958	3,328,358
Miscellaneous	1,000,000	1,000,000	3,146,730	2,146,730
Total revenues	<u>1,540,087,100</u>	<u>1,563,863,500</u>	<u>1,572,665,241</u>	<u>8,801,741</u>
Expenditures:				
General government:				
County Executive	5,117,000	5,117,000	5,063,907	53,093
Legislative Branch	13,055,400	13,055,400	12,179,310	876,090
Office of Ethics and Accountability	376,200	134,300	4,500	129,800
Circuit Court	14,289,000	14,584,000	14,232,317	351,683
Orphan's Court	406,700	406,700	401,992	4,708
Office of the State's Attorney	13,996,800	14,672,800	14,525,617	147,183
Personnel Board	309,100	338,600	338,033	567
Office of Finance	3,906,100	3,906,100	3,719,433	186,667
Citizen Complaint Oversight Panel	253,100	253,100	221,865	31,235
Office of Community Relations	4,013,700	3,263,700	3,263,276	424
Office of Management and Budget	2,498,300	2,498,300	2,492,953	5,347
Board of License Commissioners	1,203,700	1,203,700	1,063,859	139,841
Office of Law	3,688,500	3,688,500	3,688,445	55
Office of Human Resource Management	5,775,000	5,775,000	5,706,186	68,814
Board of Elections	4,033,000	4,403,000	4,308,745	94,255
Office of Central Services	15,537,400	16,212,400	16,067,616	144,784
Department of Family Services	2,951,700	2,969,158	2,808,492	160,666
Department of Housing and Community Development	3,153,400	2,826,600	2,490,832	335,768
Non-departmental	147,126,900	140,849,800	141,148,037	(298,237)
Total general government	<u>241,691,000</u>	<u>236,158,158</u>	<u>233,725,415</u>	<u>2,432,743</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, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Public safety				
Department of Environmental Resources	9,744,100	10,408,900	10,077,324	331,576
Police Department	258,794,600	274,059,403	274,036,092	23,311
Fire Department	131,889,700	136,737,201	136,714,663	22,538
Sheriff's Department	32,100,200	34,855,800	34,852,281	3,519
Department of Corrections	68,134,900	72,771,800	72,769,423	2,377
Office of Homeland Security	23,330,800	23,944,900	23,943,430	1,470
Total Public Safety	<u>523,994,300</u>	<u>552,778,004</u>	<u>552,393,213</u>	<u>384,791</u>
Public works and transportation	12,199,800	12,366,900	12,337,741	29,159
Health	21,781,000	21,781,000	21,484,187	296,813
Public welfare	2,726,600	2,842,300	2,821,885	20,415
Education	679,881,500	679,881,500	679,881,500	-
Total expenditures	<u>1,482,274,200</u>	<u>1,505,807,862</u>	<u>1,502,643,941</u>	<u>3,163,921</u>
Excess of revenues over expenditures	<u>57,812,900</u>	<u>58,055,638</u>	<u>70,021,300</u>	<u>11,965,662</u>
Other financing sources (uses):				
Prior year encumbrances cancelled	-	-	7,317,110	7,317,110
Transfers out - other funds	(82,412,000)	(105,654,738)	(87,972,924)	17,681,814
Appropriated fund balance	<u>24,599,100</u>	<u>47,599,100</u>	-	(47,599,100)
Total other financing sources (uses)	<u>(57,812,900)</u>	<u>(58,055,638)</u>	<u>(80,655,814)</u>	<u>(22,600,176)</u>
Deficiency of revenues and other financing sources under expenditures and other uses (budgetary basis)	<u>-</u>	<u>-</u>	<u>(10,634,514)</u>	<u>(10,634,514)</u>
Adjustments:				
Prior year encumbrances cancelled			(7,317,110)	
Current year encumbrances outstanding			7,298,849	
Expenditure of prior year encumbrances			(4,465,463)	
Purchase agreement financing			16,055,642	
Economic Development Incentive Fund activity			(279,462)	
Capital financing expenditures			<u>(24,983,752)</u>	
Excess of revenues and other financing sources over expenditures and other uses (GAAP basis)			<u>(24,325,810)</u>	
Fund balance, beginning of year			<u>383,687,784</u>	
Fund balance, end of year			<u><u>359,361,974</u></u>	

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
 Statement of Net Position
 Proprietary Funds
 June 30, 2013

Assets	Business-type Activities - Enterprise Funds			Governmental
	Solid Waste Fund	Stormwater Management Fund	Total	Activities- Internal Service Funds
Current assets:				
Cash and investments	\$ 2,620,180	76,717,057	79,337,237	112,731,839
Taxes receivable	-	635,259	635,259	-
Less allowance for uncollectibles	-	(28,931)	(28,931)	-
Accounts receivable	2,313,659	-	2,313,659	2,474,694
Less allowance for uncollectibles	(395,954)	-	(395,954)	-
Accrued interest receivable	50,884	27,381	78,265	14,315
Due from component units	-	-	-	10,583,722
Due from other governmental units	426,030	723,912	1,149,942	-
Inventories	-	-	-	589,733
Prepaid costs and deposits	-	-	-	203,066
Total current assets	<u>5,014,799</u>	<u>78,074,678</u>	<u>83,089,477</u>	<u>126,597,369</u>
Noncurrent assets:				
Restricted cash and investments				
Self-insurance	-	-	-	354,557
Revenue bond operation and maintenance	9,000,000	-	9,000,000	-
Sandy Hill Trust	1,890,485	-	1,890,485	-
Debt service	3,555,404	-	3,555,404	-
Landfill closure	83,751,023	-	83,751,023	-
Unspent bond proceeds	-	50,289,543	50,289,543	-
Total restricted cash and investments	<u>98,196,912</u>	<u>50,289,543</u>	<u>148,486,455</u>	<u>354,557</u>
Capital assets:				
Land	11,306,082	15,485,620	26,791,702	1,000,000
Buildings and improvements	29,227,755	242,525	29,470,280	2,640,889
Accumulated depreciation	(10,988,484)	(229,590)	(11,218,074)	(2,468,378)
Improvements other than buildings	3,203,990	-	3,203,990	328,014
Accumulated depreciation	(3,203,990)	-	(3,203,990)	(310,847)
Equipment	27,505,087	4,001,912	31,506,999	10,499,616
Accumulated depreciation	(19,213,891)	(2,454,391)	(21,668,282)	(10,088,480)
Landfill property in service	121,336,027	-	121,336,027	-
Accumulated depreciation	(93,171,588)	-	(93,171,588)	-
Stormwater property in service	-	184,367,840	184,367,840	-
Accumulated depreciation	-	(48,840,210)	(48,840,210)	-
Construction in progress	24,447,352	44,717,703	69,165,055	-
Total capital assets	<u>90,448,340</u>	<u>197,291,409</u>	<u>287,739,749</u>	<u>1,600,814</u>
Total noncurrent assets	<u>188,645,252</u>	<u>247,580,952</u>	<u>436,226,204</u>	<u>1,955,371</u>
Total assets	<u>193,660,051</u>	<u>325,655,630</u>	<u>519,315,681</u>	<u>128,552,740</u>
Deferred outflow of resources:				
Deferred landfill closure costs	17,390,226	-	17,390,226	-
Deferred charge on refunding	665,693	985,464	1,651,157	18,196
Total deferred outflow of resources	<u>18,055,919</u>	<u>985,464</u>	<u>19,041,383</u>	<u>18,196</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Net Position, Continued
Proprietary Funds
June 30, 2013

	<u>Business-type Activities - Enterprise Funds</u>			Governmental
Liabilities	Solid Waste Fund	Stormwater Management Fund	Total	Activities- Internal Service Funds
Current liabilities:				
Payable from unrestricted assets:				
Current portion of bonded debt	\$ 4,727,945	4,375,000	9,102,945	-
Current portion of capital lease obligations	-	10,090	10,090	-
Current portion of compensated absences and termination benefits payable	1,395,315	1,598,005	2,993,320	1,292,619
Current portion of notes payable	-	-	-	280,000
Current portion of pending liability	-	-	-	-
Current portion of estimated liability on pending claims	-	-	-	42,243,604
Current portion of postclosure liability	1,272,839	-	1,272,839	-
Accounts payable	6,967,816	5,172,594	12,140,410	3,352,416
Retainages	265,023	1,002,012	1,267,035	-
Accrued liabilities	934,386	499,611	1,433,997	390,740
Unearned revenue	-	-	-	14
Matured bonds and interest payable	-	1,616,378	1,616,378	-
Deposits	83,713	111,300	195,013	-
Total current liabilities	<u>15,647,037</u>	<u>14,384,990</u>	<u>30,032,027</u>	<u>47,559,393</u>
Long-term liabilities:				
Bonded debt, less current portion (net of unamortized premiums and discounts)	36,397,998	136,570,000	172,967,998	-
Unamortized bond premium (discount)	2,196,365	9,441,059	11,637,424	-
Capital lease obligations, less current portion	-	-	-	-
Compensated absences and termination benefits payable, less current portion	-	46,964	46,964	219,312
Notes payable, less current portion (net of unamortized premium)	-	-	-	293,216
Estimated liability on pending claims, less current portion	-	-	-	105,826,090
Estimated liability for landfill closure costs, less current portion	97,014,365	-	97,014,365	-
Total long-term liabilities	<u>135,608,728</u>	<u>146,058,023</u>	<u>281,666,751</u>	<u>106,338,618</u>
Total liabilities	<u>151,255,765</u>	<u>160,443,013</u>	<u>311,698,778</u>	<u>153,898,011</u>
Net position:				
Net investment in capital assets	47,254,925	60,317,212	107,572,137	1,027,598
Restricted for capital improvements and future maintenance	9,000,000	-	9,000,000	-
Restricted for Sandy Hill Trust	1,890,485	-	1,890,485	-
Restricted for debt service	3,555,404	-	3,555,404	-
Restricted for landfill closure costs	2,854,045	-	2,854,045	-
Restricted for Chesapeake Bay and tree preservation activities	-	1,912,180	1,912,180	-
Restricted for I-Net	-	-	-	19,476,437
Unrestricted	(4,094,654)	103,968,689	99,874,035	(45,831,110)
Total net position	<u>\$ 60,460,205</u>	<u>166,198,081</u>	<u>226,658,286</u>	<u>(25,327,075)</u>
			(5,732,382)	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			<u>\$ 220,925,904</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, 2013

	<u>Business-type Activities - Enterprise Funds</u>			Governmental Activities- Internal Service Funds
	Solid Waste Fund	Stormwater Management Fund	Total	
Operating revenues:				
Premium contributions	\$ -	-	-	120,301,045
Licenses and permits	-	2,811,579	2,811,579	-
Sales	364,097	-	364,097	27,950,192
Charges for services	90,185,711	-	90,185,711	12,520,479
Use of money and property - rentals	-	-	-	173,211
Miscellaneous	909,993	-	909,993	1,057,402
Total operating revenues	<u>91,459,801</u>	<u>2,811,579</u>	<u>94,271,380</u>	<u>162,002,329</u>
Operating expenses:				
Salaries	11,863,409	13,462,783	25,326,192	10,176,372
Project charges - salaries/recoveries	5,089,556	3,669,806	8,759,362	-
Fringe benefits	6,274,469	7,882,826	14,157,295	4,693,281
Contractual services	36,588,196	-	36,588,196	8,231,985
Materials	-	-	-	14,987,117
Rent	-	-	-	362,800
General and administrative	23,004,628	9,903,368	32,907,996	13,193,647
Depreciation and amortization	7,617,598	3,390,597	11,008,195	294,663
Insurance claims and premiums	-	-	-	133,315,767
Landfill postclosure expense	3,240,460	-	3,240,460	-
Other	-	-	-	4,355,132
Total operating expenses	<u>93,678,316</u>	<u>38,309,380</u>	<u>131,987,696</u>	<u>189,610,764</u>
Operating loss	<u>(2,218,515)</u>	<u>(35,497,801)</u>	<u>(37,716,316)</u>	<u>(27,608,435)</u>
Nonoperating revenues (expenses):				
Taxes	-	39,629,544	39,629,544	-
Interest income	1,104,889	478,575	1,583,464	105,011
Interest expense	(1,521,193)	(3,823,096)	(5,344,289)	(32,923)
Debt issuance costs	(22,863)	(167,991)	(190,854)	-
Gain (loss) on sale of capital assets	149,013	(7,510)	141,503	-
Total nonoperating revenues (expenses)	<u>(290,154)</u>	<u>36,109,522</u>	<u>35,819,368</u>	<u>72,088</u>
Income (loss) before contributions and transfers	<u>(2,508,669)</u>	<u>611,721</u>	<u>(1,896,948)</u>	<u>(27,536,347)</u>
Capital contributions	-	2,005,401	2,005,401	-
Change in net position	<u>(2,508,669)</u>	<u>2,617,122</u>	<u>108,453</u>	<u>(27,536,347)</u>
Net position - beginning of year	63,123,210	163,726,292		2,219,464
Prior period adjustment	(154,336)	(145,333)		(10,192)
Net position, beginning of year as restated	<u>62,968,874</u>	<u>163,580,959</u>		<u>2,209,272</u>
Net position - end of year	<u>\$ 60,460,205</u>	<u>166,198,081</u>		<u>(25,327,075)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(1,439,214)	
Change in net position of business-type activities			<u>\$ (1,330,761)</u>	

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2013

	Business-type Activities - Enterprise Funds			Governmental
	Solid Waste Fund	Stormwater Management Fund	Total	Activities- Internal Service Funds
Cash flows from operating activities:				
Cash received from customers	\$ 91,133,493	2,811,579	93,945,072	165,940,014
Cash payments to suppliers for goods and services	(60,171,061)	(7,430,869)	(67,601,930)	(107,292,173)
Cash payments to employees for services	(22,867,660)	(25,324,376)	(48,192,036)	(14,912,200)
Premium and claim payments	-	-	-	(54,974,686)
Other cash receipts	-	-	-	371,659
Net cash and cash equivalents provided (used) by operating activities	<u>8,094,772</u>	<u>(29,943,666)</u>	<u>(21,848,894)</u>	<u>(10,867,386)</u>
Cash flows from noncapital financing activities:				
Tax collections	-	39,557,065	39,557,065	-
Net cash and cash equivalents provided by noncapital financing activities	<u>-</u>	<u>39,557,065</u>	<u>39,557,065</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of property, plant and equipment	(6,142,849)	(29,176,925)	(35,319,774)	(29,593)
Capital grants	-	1,882,831	1,882,831	-
Proceeds of bonded debt	11,041,217	74,724,286	85,765,503	-
Payment to refund bond escrow agent	(2,397,118)	(7,879,416)	(10,276,534)	-
Payment of bond issue costs	(22,863)	(167,990)	(190,853)	-
Principal payments on bonded debt	(5,780,333)	(5,405,000)	(11,185,333)	-
Principal payments on notes payable	-	-	-	(270,000)
Principal payments on capital lease	-	(9,330)	(9,330)	-
Interest payments	<u>(1,601,139)</u>	<u>(3,782,815)</u>	<u>(5,383,954)</u>	<u>(22,983)</u>
Net cash and cash equivalents provided by (used) in capital and related financing activities	<u>(4,903,085)</u>	<u>30,185,641</u>	<u>25,282,556</u>	<u>(322,576)</u>
Cash flows from investing activities:				
Interest on investments	<u>1,104,889</u>	<u>526,857</u>	<u>1,631,746</u>	<u>117,927</u>
Net cash and cash equivalents provided by investing activities	<u>1,104,889</u>	<u>526,857</u>	<u>1,631,746</u>	<u>117,927</u>
Net increase (decrease) in cash and cash equivalents	4,296,576	40,325,897	44,622,473	(11,072,035)
Cash and cash equivalents, beginning of year	<u>96,520,516</u>	<u>86,680,703</u>	<u>183,201,219</u>	<u>124,158,431</u>
Cash and cash equivalents, end of year	<u>\$ 100,817,092</u>	<u>127,006,600</u>	<u>227,823,692</u>	<u>113,086,396</u>
Cash classified as:				
Current assets	\$ 2,620,180	76,717,057	79,337,237	112,731,839
Restricted assets	98,196,912	50,289,543	148,486,455	354,557
	<u>\$ 100,817,092</u>	<u>127,006,600</u>	<u>227,823,692</u>	<u>113,086,396</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Statement of Cash Flows, Continued
 Proprietary Funds
 For the year ended June 30, 2013

	<u>Business-type Activities - Enterprise Funds</u>			Governmental
	Solid Waste Fund	Stormwater Management Fund	Total	Activities- Internal Service Funds
Reconciliation of operating loss to net cash provided (used in) operating activities:				
Operating loss	\$ <u>(2,218,515)</u>	<u>(35,497,801)</u>	<u>(37,716,316)</u>	<u>(27,608,435)</u>
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:				
Depreciation and amortization	7,617,598	3,390,597	11,008,195	294,663
Provision for doubtful receivables	(782,728)	-	(782,728)	-
Effect of changes in operating assets and liabilities:				
Accounts receivable	443,678	-	443,678	2,142,565
Inventories	-	-	-	(69,216)
Due from other governmental units	12,742	-	12,742	-
Prepaid costs	-	-	-	(110,981)
Deferred landfill closure costs	(5,470,162)	-	(5,470,162)	-
Compensated absences and termination benefits payable	331,121	(104,765)	226,356	(796)
Accounts payable	88,957	1,965,326	2,054,283	(1,869,611)
Retainages	106,058	507,173	613,231	-
Accrued costs	28,653	(204,196)	(175,543)	(41,759)
Deferred revenue	-	-	-	(213,633)
Due from component units	-	-	-	1,745,737
Estimated liability for landfill closure costs	7,937,370	-	7,937,370	-
Estimated liability on pending claims	-	-	-	14,864,080
Total adjustments	<u>10,313,287</u>	<u>5,554,135</u>	<u>15,867,422</u>	<u>16,741,049</u>
Net cash and cash equivalents provided by (used in) operating activities	\$ <u><u>8,094,772</u></u>	<u><u>(29,943,666)</u></u>	<u><u>(21,848,894)</u></u>	<u><u>(10,867,386)</u></u>
Non-cash investing, capital and related financing activities:				
Decrease (increase) in accrued interest receivable	\$ 59,964	48,282	108,246	12,916
Capital contributions - amount included in due from other governmental	-	572,293	572,293	-
	<u>\$ 59,964</u>	<u>620,575</u>	<u>680,539</u>	<u>12,916</u>

See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Net Position
Fiduciary Funds
June 30, 2013

	Pension and Other Postemployment Benefit Trust Funds	Agency Funds
Assets:		
Equity in pooled cash and investments	\$ 16,523,216	5,608,272
Collateral for loaned securities	5,331,286	-
Investments:		
Pooled separate accounts	461,808,929	-
U.S. Government & agency securities	31,713,001	-
Corporate bonds	93,490,841	-
Common stock	199,191,047	-
Real estate investment trust	36,324,106	-
International Government securities	417,694	-
Preferred stock	1,500,298	-
Asset backed securities	21,889,250	-
Money market funds	419,264,148	-
Short-term investments	26,340,645	-
Alternative investments	164,967,889	-
Receivables:		
Taxes	-	6,385,931
Accounts	176,366	624
Accrued interest receivable	1,912,177	-
Prepaid costs and deposits	32,953	-
Total assets	<u>1,480,883,846</u>	<u>11,994,827</u>
Liabilities:		
Collateral for loaned securities payable	5,331,286	-
Accounts payable	1,108,181	118,204
Accrued costs	9,095,730	-
Due to other funds	1,050,000	-
Due to other governmental units	-	8,932,136
Funds held in trust	-	2,944,487
Total liabilities	<u>16,585,197</u>	<u>11,994,827</u>
Net position:		
Net position held in trust for benefit payments	<u>\$ 1,464,298,649</u>	<u>-</u>

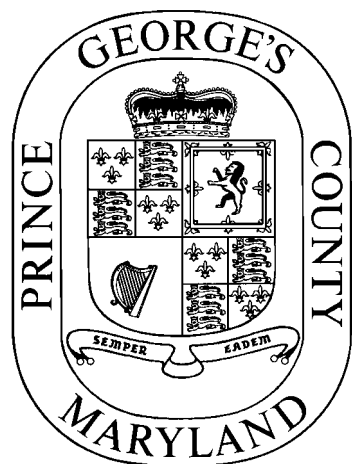
See accompanying notes to financial statements.

PRINCE GEORGE'S COUNTY, MARYLAND
Statement of Changes in Net Position
Fiduciary Funds
For the year ended June 30, 2013

	<u>Pension and Other Postemployment Benefit Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 141,507,664
Employee	29,653,111
Other	370,897
Total contributions	<u>171,531,672</u>
Investment income:	
Net depreciation in fair value of investments	122,048,311
Interest and dividends	33,628,249
Total investment income	<u>155,676,560</u>
Less investment expense	5,566,901
Net investment income	<u>150,109,659</u>
Total additions	<u>321,641,331</u>
Deductions:	
Benefits	180,563,085
Refunds of contributions	3,434,466
General and administrative expenses	2,919,648
Total deductions	<u>186,917,199</u>
Net increase	134,724,132
Net position held in trust for benefit payments, beginning of year	<u>1,329,574,517</u>
Net position held in trust for benefit payments, end of year	<u>\$ 1,464,298,649</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 to Financial Statements
June 30, 2013

PRINCE GEORGE'S COUNTY
Notes to Financial Statements

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PRINCE GEORGE'S COUNTY, MARYLAND
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PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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 to 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, or 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 18, 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 to 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:

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.

(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. GASB 62 Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, eliminates a previous election that allowed financial statements for Government-wide, Proprietary, and Trust Funds to apply post-November 30, 1989 FASB Statements and Interpretations for the financial statements to the extent that the FASB Statements and Interpretations did not conflict with or contradict GASB pronouncements. The County has elected not to follow subsequent private-sector guidance.

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 and 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 to 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 assets applicable to a future period. While deferred inflows of resources are the acquisition of net assets applicable to a future period. The government-wide and proprietary fund financial statements report deferred outflows of resources relating to debt refunding and landfill closure 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 to 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 2013, such appropriations amounted to a \$46.8 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:
Property Management Services Fund
Collington Center Fund
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 (other than those held by the Trust Funds) are stated at cost or amortized cost, unless the remaining maturity at the time of purchase is one year or more, in which case they would be recorded at fair value. In the Trust Funds, investments are stated at quoted market value or fair value as determined by the trustee/investment manager in the absence of readily ascertainable market values.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to 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	\$ 11,846,372
Federal and State Aided Fund	20,441,275
Solid Waste Fund	395,954
Stormwater Management Fund	<u>28,931</u>
	\$ <u><u>32,712,532</u></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, 2013, there were approximately \$28.9 million of outstanding loans receivable under these programs. Approximately \$8.5 million of these loans are offset by equivalent deferred revenue in the Federal and State Aided Programs Special Revenue Fund. The remaining \$20.4 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 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, 2013 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 to 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 have not been capitalized.

Depreciation has been 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 FY13.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to 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 assets. 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 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 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 (inventory) or legally 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 annual of the 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. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed
- 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 to 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. Such taxes are overdue and in arrears on the first day of October, at which time interest and penalties are charged at the rate of 20% per annum on all unpaid accounts. 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 \$11,608,879, amounted to \$4,858,292.

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 2010, 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 2013, \$12.00 per ton of solid waste dumped was designated for closure and postclosure costs.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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 asset deficit related to component unit debt (\$483,621,901). 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 assets for the County, while the capital assets are reported in net assets invested in capital assets, net of related debt by the component units.

(2) New Accounting Pronouncements

In Fiscal Year 2013 the County implemented GASB Statement No. 61, "The Financial Reporting Entity: Omnibus: an amendment of GASB Statements No. 14 and No. 34". This Statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, the display of component units (blending vs. discrete presentation) and certain disclosure requirements. Adoption of this standard had no material impact on the County's current financial statements.

The County implemented GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements". Adoption of this standard had no material impact on the County's current financial statements.

The County implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". This statement identifies net position (previously nets assets) as the residual of all other elements presented in a statement of financial position. It also provides guidance on the reporting of deferred outflows of resources and deferred inflows of resources. These changes are reflected in the County's financial statements presentation.

The County early implemented GASB Statements No. 65, "Items Previously Reported as Assets and Liabilities". This objective of this statement is to either (a) properly classify items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources and (b) recognize these items as outflows of resources (expenses or expenditures) or inflows of resources (revenues). Bond issue costs which were previously, deferred over the life of the existing debt are now recognized as a period expense. The June 30, 2012 balance of the deferred bond issue costs of \$3,271,990 for Governmental Activities and \$299,669 for Business Type activities is included in the Statement of Activities as a prior period adjustment. Certain other items previously reported as assets and liabilities have been reclassified.

	Total Net Assets as of June 30, 2012	Deferred Bond Issue Cost Expensed	Adjusted Net Position as of June 30, 2012
Governmental Activities	1,348,971,625	(3,271,990)	1,345,699,635
Business-type Activities	222,556,334	(299,669)	222,256,665
Total	1,571,527,959	(3,571,659)	1,567,956,300
Internal Service Funds	2,219,464	(10,192)	2,209,272
Enterprise Fund - Solid Waste	63,123,210	(154,336)	62,968,874
Enterprise Fund - Stormwater Management	163,726,292	(145,333)	163,580,959
Total Proprietary Funds	229,068,966	(309,861)	228,759,105

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(3) Compliance and Accountability

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

The Primary Government's Workers' Compensation Internal Service Fund's net deficit at June 30, 2013 was \$87,162,569. The County's risk management contributions increased by \$4.1 million during fiscal year 2013. Expenditures increased by \$14.3 million driven by an increase in claims expenses, including an \$11.5 million judgment against the County that was recorded as an expense. 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.

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 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. The Policy establishes a strategic target for asset allocation between equity securities (48%), fixed income (32%), real estate (5%), and alternative investments (5%). 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.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

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, 2013, investments with maturities greater than one year at the time of purchase were 19.7% 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	6 to 10	
U.S. Agency Securities	\$ 236,603	\$ 31,503	\$ 120,191	\$ 84,909	
Certificates of Deposit	56,248	56,248	-	-	
Money Market Mutual Funds	230,541	230,541	-	-	
Local Government Investment Pool	516,221	516,221	-	-	
	<u>\$ 1,039,613</u>	<u>\$ 834,513</u>	<u>\$ 120,191</u>	<u>\$ 84,909</u>	

The table below includes the OPEB Plan's fixed income holdings by investment type, fair value, and maturity:

OPEB Fund Investments (in thousands)						
Investment Type	Fair Value	Less than 1 year	1 to 5	6 to 10	over 10	
U.S. Government securities	\$ 2,240	\$ 1,012	\$ 688	\$ -	\$ 540	
U.S. Agency securities	6,082	3,039	3,043	-	-	
Corporate bonds	18,639	311	10,843	4,575	2,910	
Asset-backed securities	4,819	-	501	490	3,828	
Short-term investments	14,173	14,173	-	-	-	
	<u>\$ 45,953</u>	<u>\$ 18,535</u>	<u>\$ 15,075</u>	<u>\$ 5,065</u>	<u>\$ 7,278</u>	

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

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:

Pension Fund Investments (in thousands) ⁽¹⁾						
Investment Type	Fair Value	Less than 1 year	1 to 5	6 to 10	over 10	
U.S. Government Securities	\$ 5,559	\$ 135	\$ 85	\$ 1,215	\$ 4,124	
U.S. Agency Securities	20,438	1,215	9,509	3,850	5,865	
Corporate Bonds	97,265	140	19,485	72,320	5,321	
Asset-Backed Securities	38,034	-	307	10,224	27,503	
Short-Term Investments	16,118	16,118	-	-	-	
	<u>\$ 177,414</u>	<u>\$ 17,608</u>	<u>\$ 29,386</u>	<u>\$ 87,609</u>	<u>\$ 42,813</u>	

⁽¹⁾ Table does not include International Government Securities 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, 2013, the primary government had investments in the following issuers with credit quality ratings as a percent of the total investments in debt securities:

Primary Government Fund Investments (in thousands)					
Credit Risk					
Investment Type	Amount	Moody's	S&P	%	
U.S. Agency Securities	\$ 236,603	Aaa	AA+	24.06%	
Government Money Market Mutual Funds	230,541	Aaa	AAAm	23.44%	
Maryland Local Government Investment Pool	516,221	NR	AAAm	52.50%	
	<u>\$ 983,365</u>				

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

As of June 30, 2013, the OPEB Plan had investments in the following issuers with credit quality ratings as a percentage of the total investments in debt securities:

CREDIT RISK							
INVESTMENT TYPE	AMOUNT	MOODY'S	%	INVESTMENT TYPE	AMOUNT	S&P	%
Corporate bonds	\$ 1,572	AAA	3.60%	Corporate bonds	\$ 1,055	AAA	2.41%
Corporate bonds	842	AA	1.93%	Corporate bonds	643	AA	1.47%
Corporate bonds	7,735	A	17.69%	Corporate bonds	8,721	A	19.95%
Corporate bonds	7,355	BAA	16.83%	Corporate bonds	7,677	BBB	17.56%
Corporate bonds	1,135	BAA	2.60%	Corporate bonds	543	BB	1.24%
Asset-Backed securities	4,404	AAA	10.07%				
				Asset-Backed securities	3,903	AA	8.93%
Asset-Backed securities	415	NR	0.95%	Asset-Backed securities	916	NR	2.10%
Short-Term investments	14,173	NR	32.42%	Short-Term investments	14,173	NR	32.42%
U.S. Agency securities	5,978	AAA	13.68%				
U.S. Agency securities	104	AA	0.24%	U.S. Agency securities	6,082	AA	13.91%
	<u>\$ 43,713</u>				<u>\$ 43,713</u>		

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

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 2013 the Plans investments in government sponsored entities with ratings below AAA exceeded the 5% limit. As of June 30, 2013 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 ⁽¹⁾							
Credit Risk							
Investment Type	Amount	Moody's	%	Investment Type	Amount	S&P	%
U.S. Agency Securities	\$ 5,866	Aaa	3.42%	U.S. Agency Securities	\$ 1,853	AAA	1.08%
U.S. Agency Securities	2,379	Aa	1.39%	U.S. Agency Securities	6,950	AA	4.05%
U.S. Agency Securities	3,976	A	2.32%	U.S. Agency Securities	472	A	0.27%
U.S. Agency Securities	1,157	Baa	0.67%	U.S. Agency Securities	519	BBB	0.30%
U.S. Agency Securities	7,061	NR	4.11%	U.S. Agency Securities	10,645	NR	6.20%
Short-Term Investments	16,118	NR	9.39%	Short-Term Investments	16,118	NR	9.39%
Corporate Bonds	178	Aaa	0.10%	Corporate Bonds	380	AAA	0.22%
Corporate Bonds	1,350	Aa	0.79%	Corporate Bonds	4,181	AA	2.43%
Corporate Bonds	18,139	A	10.56%	Corporate Bonds	20,583	A	11.99%
Corporate Bonds	10,543	Baa	6.14%	Corporate Bonds	7,210	BBB	4.20%
Corporate Bonds	12,207	Ba	7.11%	Corporate Bonds	20,461	BB	11.92%
Corporate Bonds	48,197	B	28.07%	Corporate Bonds	37,708	B	21.96%
Corporate Bonds	1,724	CAA	1.00%	Corporate Bonds	3,991	CCC	2.32%
Corporate Bonds	4,786	NR	2.79%	Corporate Bonds	2,610	NR	1.52%
Asset-Backed Securities	292	Aaa	0.17%	Asset-Backed Securities	297	AAA	0.17%
Asset-Backed Securities	230	Aa	0.13%	Asset-Backed Securities	168	AA	0.10%
Asset-Backed Securities	326	A	0.19%	Asset-Backed Securities	326	A	0.19%
Asset-Backed Securities	6,775	NR	3.95%	Asset-Backed Securities	6,832	NR	3.98%
Mortgage-Backed Securities	25,568	AAA	14.89%	Mortgage-Backed Securities	775	AAA	0.45%
Mortgage-Backed Securities	696	AA	0.41%	Mortgage-Backed Securities	24,691	AA	14.38%
Mortgage-Backed Securities	490	A	0.29%	Mortgage-Backed Securities	368	A	0.21%
				Mortgage-Backed Securities	563	BBB	0.33%
Mortgage-Backed Securities	3,658	NR	2.13%	Mortgage-Backed Securities	4,015	NR	2.34%
	<u>\$ 17,176</u>				<u>\$ 17,176</u>		

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

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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 following investments represent over 5% of total OPEB Plan investments with a single investor.

State Street /SSGA FUNDS	
Money Market Fund	\$ 14,143,343
Percentage	28.79%

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

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	\$ 70,833,057	\$ 30,365,839	\$ 34,661,289
Percentage	9.61%	8.98%	10.33%
State Street /Causway International			
Equity Fund	48,347,581	22,671,114	23,241,812
Percentage	6.56%	6.70%	6.92%
State Street /Pointer LP			
Alternative Investments	41,053,068	18,445,535	-
Percentage	5.57%	5.45%	-
State Street / SSGA S&P 500			
Equity Fund	47,123,015	18,288,193	-
Percentage	6.39%	5.41%	-
State Street / Aberdeen Debt Emerging Markets			
Bond Fund	36,613,772	16,716,046	-
Percentage	4.97%	4.94%	-
State Street / Ballie Gifford Funds			
Equity Fund	43,455,942	22,916,516	-
Percentage	5.90%	6.78%	-
State Street / Mondrian Internatrional Small			
Alternative Investment	30,208,996	12,945,957	16,618,097
Percentage	4.10%	3.83%	4.95%
State Street / Clarian Lion Properties Fund			
Real Estate Investment Trust	22,425,726	10,252,710	17,967,183
Percentage	3.04%	3.03%	5.35%

(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.

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, 2013, there were no investments exposed to custodial credit risk.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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, 2013:

Local Currency	Other Pension Fund Investments (in thousands)				
	Foreign Currency Exposure				
	Equity	Fixed Income	Other	Total	%
Australian Dollar	2,505	175	-	2,680	0.19%
Canadian Dollar	2,634	938	3,485	7,057	0.50%
Danish Krone	1,332	-	-	1,332	0.09%
Euro Currency	8,562	3,601	211	12,374	0.88%
Hong Kong Dollar	1,118	2	256	1,376	0.10%
Israeli Shekel	554	44	-	598	0.04%
Japanese Yen	6,998	3,880	-	10,878	0.77%
Malaysian Ringgit	-	394	-	394	0.03%
Mexican Peso	-	498	-	498	0.04%
New Zealand Dollar	-	280	-	280	0.02%
Norwegian Krone	419	468	-	887	0.06%
Polish Zloty	-	13	-	13	0.00%
Pound Sterling	6,730	1,426	-	8,156	0.58%
Singapore Dollar	479	352	-	831	0.06%
South African rand	-	3	-	3	0.00%
South Korean Won	1,672	4	-	1,676	0.12%
Swedish Krona	509	127	-	636	0.05%
Swish Franc	2,116	-	-	2,116	0.15%
Thailand Baht	-	93	-	93	0.01%
Total Foreign Holdings	\$ 35,628	\$ 12,298	\$ 3,952	\$ 51,878	3.68%

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(g) Securities Lending

The Board of Trustees for the Pension Plans (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 for credit risk as it relates to counterparty loan activity. During the Fiscal Year, the Plans and the borrowers maintained the right to terminate securities lending transactions upon notice. The cash collateral received on each loan was invested, together with the cash collateral of other qualified tax-exempt plan lenders, in a collective investment fund comprised of a liquidity pool and a duration pool. As of June 30, 2013 the liquidity pool had an average duration of 29 days and an average weighted final maturity of 85 days for cash collateral. As of June 30, 2013 the duration pool had an average duration of 44 days and an average weighted final maturity of 1,972 days for cash collateral. Because the securities lending transactions were terminable at will their duration did not generally match the duration of the investments made with the cash collateral received from the borrower. On June 30, 2013 the Plans had no credit risk exposure to borrowers. The collateral held and the fair value of securities on loan as of June 30, 2013 totaled \$5,331,286 and \$5,153,115, respectively. Cash collateral held, amounting to \$5,331,286, 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 2013 the Plans invested directly in various derivatives including futures contracts, forward currency contracts, 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, 2013
Foreign Currency Forward Contracts	\$ 2,203,825	\$ 45,031	Long-Term Instruments	\$ 21,221
Rights	-	26,942	Common Stock	-
Warrants	4,727	661	Common Stock	661
	<u>\$ 2,208,552</u>	<u>\$ 72,634</u>		<u>\$ 21,882</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(5) Interfund Receivables, Payables, and Transfers

Interfund balances for the Primary Government as of June 30, 2013 are as follows:

Due from/to other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Federal and State Aided Programs	\$ 15,060,000
	Capital Projects	6,000,000
	Fiduciary Funds	1,050,000
		\$ 22,110,000

Due from/to other entities:

Receivable Entity	Payable Entity	Amount
Component Unit - Board of Education	Primary Government - Capital Projects Fund	\$ 26,506,498
Component Unit - Memorial Library	Primary Government - Capital Projects Fund	193,286
Component Unit - Community College	Primary Government - Capital Projects Fund	259,851
		\$ 26,959,635
Primary Government - General Fund	Component Unit - Housing Authority	\$ 3,556,000
Primary Government - General Fund	Component Unit - Community Television	450,000
Primary Government - General Fund	Component Unit - Revenue Authority	6,034,193
Primary Government - Internal Service Funds	Component Unit - Board of Education	10,338,453
Primary Government - Internal Service Funds	Component Unit - Community College	119,753
Primary Government - Internal Service Funds	Component Unit - Memorial Library	125,516
		\$ 20,623,915

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, 2013 are as follows:

Transfers From	Transfers To	Amount
General Fund	Federal and State Aided Programs	\$ 2,231,038
	Nonmajor Governmental Funds	66,564,786
	Capital Projects	19,177,100
Capital Projects	Nonmajor Governmental Funds	1,120,000
		\$ 89,092,924

The other transfers from the General Fund to other funds represent payments to support grants, debt service, pay-go financing and the Computer Services Fund.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(6) Due From Other Governmental Units

The State owes the Primary Government \$95,099,210 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, 2013 is listed below:

	State of <u>Maryland</u>	Federal <u>Government</u>	Other <u>Sources</u>	<u>Total</u>
Primary Government	\$ <u>120,729,012</u>	<u>43,122,148</u>	<u>18,053,156</u>	<u>181,904,316</u>
Component Units:				
Board of Education	22,022,769	27,607,307	42,136,697	91,766,773
Other Component Units	<u>2,469,886</u>	<u>1,257,710</u>	<u>657,858</u>	<u>4,385,454</u>
Total	<u>24,492,655</u>	<u>28,865,017</u>	<u>42,794,555</u>	<u>96,152,227</u>
Total Reporting Entity	\$ <u><u>145,221,667</u></u>	<u><u>71,987,165</u></u>	<u><u>60,847,711</u></u>	<u><u>278,056,543</u></u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(7) Capital Assets

(a) Governmental Activities

Changes in capital assets during fiscal year 2013 were as follows:

	Balance <u>July 1, 2012</u>	<u>Additions</u>	Disposals and <u>Completed Construction</u>	Balance <u>June 30, 2013</u>
Primary Government:				
Capital assets, not being depreciated:				
Land	\$ 86,706,781	3,070,721	-	89,777,502
Construction in progress	<u>59,205,505</u>	<u>52,380,882</u>	<u>69,281,509</u>	<u>42,304,878</u>
Total capital assets, not being depreciated:	<u>145,912,286</u>	<u>55,451,603</u>	<u>69,281,509</u>	<u>132,082,380</u>
Capital assets, being depreciated:				
Buildings and improvements	442,035,396	49,033,940	-	491,069,336
Equipment	171,897,539	18,186,359	16,305,730	173,778,168
Infrastructure	<u>2,677,829,666</u>	<u>41,220,299</u>	<u>133,272</u>	<u>2,718,916,693</u>
Total capital assets, being depreciated:	<u>3,291,762,601</u>	<u>108,440,598</u>	<u>16,439,002</u>	<u>3,383,764,197</u>
Less accumulated depreciation for:				
Buildings and improvements	118,258,651	10,140,051	-	128,398,702
Equipment	124,340,700	15,588,024	16,212,120	123,716,604
Infrastructure	<u>1,029,706,587</u>	<u>46,685,441</u>	<u>-</u>	<u>1,076,392,028</u>
Total accumulated depreciation	<u>1,272,305,938</u>	<u>72,413,516</u>	<u>16,212,120</u>	<u>1,328,507,334</u>
Total capital assets being depreciated, net	<u>2,019,456,663</u>	<u>36,027,082</u>	<u>226,882</u>	<u>2,055,256,863</u>
Governmental activities capital assets	<u>\$ 2,165,368,949</u>	<u>91,478,685</u>	<u>69,508,391</u>	<u>2,187,339,243</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

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

Governmental Activities:	
General government	\$ 10,387,563
Public safety	10,193,989
Public works and transportation, including depreciation of general infrastructure assets	51,078,899
Health	454,292
Public Welfare	4,110
Capital assets being held by internal service funds are charged to the various functions based on their usage of the assets	<u>294,663</u>
Total depreciation expense - governmental activities	<u>\$ 72,413,516</u>

Construction of capital assets in progress for the Primary Government at June 30, 2013, exclusive of Proprietary Fund assets and improvements not capitalized, is as follows:

	<u>Project No.</u>	Expended through <u>June 30, 2013</u>	Encumbered at <u>June 30, 2013</u>
AIS Legacy System	300143	\$ 637,160	281,609
Virginia Manor Road	664231	6,038,827	10,781,742
Oxon Hill Road	666681	6,337,321	1,162,304
Pther public facilities	Various	8,174,645	2,839,654
Other library projects	Various	941,941	600,232
Public safety projects	Various	9,518,852	2,300,746
Other road and bridge projects	Various	<u>10,656,132</u>	<u>4,200,887</u>
Total Primary Government		<u>\$ 42,304,878</u>	<u>22,167,174</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(b) Business-type Activities

Changes in capital assets during fiscal year 2013 were as follows:

	Balance July 1, 2012	Additions	Disposals and Completed Construction	Balance June 30, 2013
Capital assets, not being depreciated:				
Land	\$ 20,582,622	6,209,080	-	26,791,702
Construction in progress	<u>122,036,363</u>	<u>32,579,182</u>	<u>85,450,490</u>	<u>69,165,055</u>
Total capital assets, not being depreciated:	<u>142,618,985</u>	<u>38,788,262</u>	<u>85,450,490</u>	<u>95,956,757</u>
Capital assets, being depreciated:				
Buildings and improvements	32,110,019	564,251	-	32,674,270
Equipment and vehicles	29,512,201	2,440,445	445,647	31,506,999
Landfill property in service	121,336,027	-	-	121,336,027
Stormwater property in service	<u>105,225,533</u>	<u>79,142,307</u>	<u>-</u>	<u>184,367,840</u>
Total capital assets being depreciated:	<u>288,183,780</u>	<u>82,147,003</u>	<u>445,647</u>	<u>369,885,136</u>
Less accumulated depreciation for:				
Buildings and improvements	13,716,699	705,365	-	14,422,064
Equipment and vehicles	19,608,977	2,481,454	422,149	21,668,282
Landfill property in service	88,170,684	5,000,904	-	93,171,588
Stormwater property in service	<u>46,019,738</u>	<u>2,820,472</u>	<u>-</u>	<u>48,840,210</u>
Total accumulated depreciation	<u>167,516,098</u>	<u>11,008,195</u>	<u>422,149</u>	<u>178,102,144</u>
Total capital assets being depreciated, net	<u>120,667,682</u>	<u>71,138,808</u>	<u>23,498</u>	<u>191,782,992</u>
Business-type activities capital assets	<u>\$ 263,286,667</u>	<u>109,927,070</u>	<u>85,473,988</u>	<u>287,739,749</u>

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

Solid Waste Fund	\$ 7,617,598
Stormwater Management Fund	<u>3,390,597</u>
Total depreciation expense - business-type activities	<u>\$ 11,008,195</u>

As of June 30, 2013, construction requisitions outstanding for proprietary funds of the Primary Government totaled \$20,907,604.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

Changes in capital assets for the Stormwater Management Fund during 2013 were as follows:

	Balance July 1, 2012	Additions	Disposals and Completed Construction	Balance June 30, 2013
Capital assets, not being depreciated:				
Land	\$ 9,276,540	6,209,080	-	15,485,620
Construction in progress	<u>101,151,497</u>	<u>28,504,838</u>	<u>84,938,632</u>	<u>44,717,703</u>
Total capital assets, not being depreciated:	<u>110,428,037</u>	<u>34,713,918</u>	<u>84,938,632</u>	<u>60,203,323</u>
Capital assets, being depreciated:				
Buildings and improvements	242,525	-	-	242,525
Equipment and vehicles	3,892,776	259,332	150,196	4,001,912
Stormwater property in service	<u>105,225,533</u>	<u>79,142,307</u>	<u>-</u>	<u>184,367,840</u>
Total capital assets being depreciated:	<u>109,360,834</u>	<u>79,401,639</u>	<u>150,196</u>	<u>188,612,277</u>
Less accumulated depreciation for:				
Buildings and improvements	219,889	9,701	-	229,590
Equipment and vehicles	2,036,653	560,424	142,686	2,454,391
Stormwater property in service	<u>46,019,738</u>	<u>2,820,472</u>	<u>-</u>	<u>48,840,210</u>
Total accumulated depreciation	<u>48,276,280</u>	<u>3,390,597</u>	<u>142,686</u>	<u>51,524,191</u>
Total capital assets being depreciated, net	<u>61,084,554</u>	<u>76,011,042</u>	<u>7,510</u>	<u>137,088,086</u>
Stormwater Management Fund capital assets	<u>\$ 171,512,591</u>	<u>110,724,960</u>	<u>84,946,142</u>	<u>197,291,409</u>

Changes in capital assets for the Solid Waste Fund during 2013 were as follows:

	Balance July 1, 2012	Additions	Disposals and Completed Construction	Balance June 30, 2013
Capital assets, not being depreciated:				
Land	\$ 11,306,082	-	-	11,306,082
Construction in progress	<u>20,884,866</u>	<u>4,074,344</u>	<u>511,858</u>	<u>24,447,352</u>
Total capital assets, not being depreciated:	<u>32,190,948</u>	<u>4,074,344</u>	<u>511,858</u>	<u>35,753,434</u>
Capital assets, being depreciated:				
Buildings and improvements	31,867,494	564,251	-	32,431,745
Equipment and vehicles	25,619,425	2,181,113	295,451	27,505,087
Landfill property in service	<u>121,336,027</u>	<u>-</u>	<u>-</u>	<u>121,336,027</u>
Total capital assets being depreciated:	<u>178,822,946</u>	<u>2,745,364</u>	<u>295,451</u>	<u>181,272,859</u>
Less accumulated depreciation for:				
Buildings and improvements	13,496,810	695,664	-	14,192,474
Equipment and vehicles	17,572,324	1,921,030	279,463	19,213,891
Landfill property in service	<u>88,170,684</u>	<u>5,000,904</u>	<u>-</u>	<u>93,171,588</u>
Total accumulated depreciation	<u>119,239,818</u>	<u>7,617,598</u>	<u>279,463</u>	<u>126,577,953</u>
Total capital assets being depreciated, net	<u>59,583,128</u>	<u>(4,872,234)</u>	<u>15,988</u>	<u>54,694,906</u>
Solid Waste Fund capital assets	<u>\$ 91,774,076</u>	<u>(797,890)</u>	<u>527,846</u>	<u>90,448,340</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

Construction in progress in the enterprise funds as of June 30, 2013 consists of the following:

Primary Government - Business-type Activities:

o Stormwater Management Enterprise Fund		
- Stormdrain Relief Program (540425)	\$	7,410,393
- Anacostia Retrofit (540855)		1,265,801
- Stormwater Management Restoration (540925)		7,099,492
- Oxon Run Flood Control Structure (541265)		652,238
- Major Reconstruction – DPWT (541435)		13,699,115
- COE Anacostia Restoration (541685)		7,285,697
- Bladensburg Environmental Revitalization (541835)		5,393,187
- Other miscellaneous projects		1,911,780
		<u>44,717,703</u>
o Solid Waste Enterprise Fund		
- Brown Station Landfill Expansion (541113)		7,243,689
- Rural Convenience Center (541135)		201,951
- Sandy Hill Landfill Expansion (548846)		16,332,802
- Commercial Manufacturer/Waste Transfer Station (548925)		668,910
		<u>24,447,352</u>
Total Primary Government - Business-type Activities	\$	<u>69,165,055</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(c) Component Units Capital Assets Activity

Changes in Board of Education capital assets during fiscal year 2013 were as follows:

	Balance <u>June 30, 2012</u>	Additions	Disposals and <u>Completed Construction</u>	Balance <u>June 30, 2013</u>
Capital assets, not being depreciated:				
Land	\$ 23,258,419	389,410	28,790	23,619,039
Construction in progress	93,979,509	150,218,654	54,005,216	190,192,947
Total capital assets, not being depreciated:	<u>117,237,928</u>	<u>150,608,064</u>	<u>54,034,006</u>	<u>213,811,986</u>
Capital assets, being depreciated:				
Buildings and improvements	1,447,494,187	55,159,477	1,698,643	1,500,955,021
Equipment and vehicles	171,055,066	4,031,678	34,610,069	140,476,675
Total capital assets, being depreciated:	<u>1,618,549,253</u>	<u>59,191,155</u>	<u>36,308,712</u>	<u>1,641,431,696</u>
Less accumulated depreciation for:				
Buildings and improvements	563,373,704	44,162,290	1,633,455	605,902,539
Equipment and vehicles	107,941,746	10,188,464	34,086,824	84,043,386
Total accumulated depreciation	<u>671,315,450</u>	<u>54,350,754</u>	<u>35,720,279</u>	<u>689,945,925</u>
Total capital assets being, depreciated, net	<u>947,233,803</u>	<u>4,840,401</u>	<u>588,433</u>	<u>951,485,771</u>
Component units - Board of Education capital assets	<u>\$ 1,064,471,731</u>	<u>155,448,465</u>	<u>54,622,439</u>	<u>1,165,297,757</u>

Changes in other component units' capital assets during fiscal year 2013 were as follows:

	Balance <u>June 30, 2012</u>	Additions	Disposals and <u>Completed Construction</u>	Balance <u>June 30, 2013</u>
Capital assets, not being depreciated:				
Land	\$ 61,630,599	393,612	-	62,024,211
Construction in progress	1,368,152	-	-	1,368,152
Total capital assets, not being depreciated:	<u>62,998,751</u>	<u>393,612</u>	<u>-</u>	<u>63,392,363</u>
Capital assets, being depreciated:				
Buildings and improvements	264,907,492	4,331,315	2,500	269,236,307
Equipment and vehicles	46,857,038	13,676,644	4,684,135	55,849,547
Total capital assets, being depreciated:	<u>311,764,530</u>	<u>18,007,959</u>	<u>4,686,635</u>	<u>325,085,854</u>
Less accumulated depreciation for:				
Buildings and improvements	83,401,393	6,823,878	-	90,225,271
Equipment and vehicles	33,596,909	5,842,451	4,613,035	34,826,325
Total accumulated depreciation	<u>116,998,302</u>	<u>12,666,329</u>	<u>4,613,035</u>	<u>125,051,596</u>
Total capital assets being, depreciated, net	<u>194,766,228</u>	<u>5,341,630</u>	<u>73,600</u>	<u>200,034,258</u>
Other component units - capital assets	<u>\$ 257,764,979</u>	<u>5,735,242</u>	<u>73,600</u>	<u>263,426,621</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(8) Risk Management

Details of estimated liabilities on pending claims, by fund, at June 30, 2013 are as follows:

	Risk Management <u>Pools</u>	Other <u>Self-Insurance</u>	<u>Total</u>
Primary Government:			
Internal Service Funds:			
Unemployment Compensation	\$ -	\$ 152,378	\$ 152,378
Property Loss	396,883	-	396,883
Automobile Liability	2,668,471	-	2,668,471
Workers' Compensation	123,164,180	-	123,164,180
General Liability	9,594,026	-	9,594,026
Life and Health Benefits	-	12,093,756	12,093,756
Total Primary Government	<u>\$ 135,823,560</u>	<u>\$ 12,246,134</u>	<u>\$ 148,069,694</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 The Travelers Indemnity Company (Travelers), 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 \$200,000 per person not to exceed \$500,000 per incident for all participants with the exception of the Board of Education, which retains immunity at \$100,000 per incident. These limits do not apply to claims brought under Federal jurisdiction. Excess liability coverage is provided by Travelers at the \$1,000,000 through \$5,000,000 levels for the Community College and the Library. There were no losses in excess of insurance coverage in the last three fiscal years. Insurance coverage at June 30, 2013 is consistent with the prior year.

Participants of the risk management pools normally make contributions based upon prior experience with evaluations conducted annually by an actuary. In fiscal year 2013, the Primary Government made contributions amounting to \$63,113,880. 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.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

The total claims liability of \$135,823,560 reported for the risk management pools at June 30, 2013 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, 2013. 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 2012 and 2013 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 2012	\$127,723,905	49,651,569	(54,433,529)	122,941,945
Fiscal year 2013	\$122,941,945	62,873,984	(49,992,369)	135,823,560

The following is a summary of the fiscal year 2013 claims expenses by fund:

	<u>Total Claim Payments</u>	<u>Liability on Pending Claims Adjustment</u>	<u>Total Claims Expenses</u>
Property Loss Fund	\$ 380,013	\$ (225,495)	\$ 154,518
Auto Liability Fund	1,839,951	(542,263)	1,297,688
Workers' Compensation Fund	42,025,328	14,627,371	56,652,699
General Liability Fund	<u>5,747,077</u>	<u>(977,998)</u>	<u>4,769,079</u>
	<u>\$ 49,992,369</u>	<u>\$ 12,881,615</u>	<u>\$ 62,873,984</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 2012 and 2013 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 2012	\$9,830,645	41,484,558	(41,051,534)	10,263,669
Fiscal year 2013	\$10,263,669	50,813,321	(48,830,856)	12,246,134

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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 State Retirement and Pension System of Maryland (SRPS) [formerly Maryland State Retirement and Pension Systems (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 (SRPS) - [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 SRPS. 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 SRPS 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. SRPS 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 SRPS' administrative offices located at 301 West Preston Street, Fourth Floor, Baltimore, Maryland 21201, or can be made by telephoning (410) 767-4030 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.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

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 for the indicated fiscal years.

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarial contribution requirement	\$ 14,088,765	17,839,700	17,619,468

(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 police officers, firefighters, paramedics, deputy sheriffs and correctional officers under the Comprehensive Plans. For AFSCME Local 241 (Crossing Guards), AFSCME Locals 2462 and 2735, general schedule employees, and deputy sheriffs 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 sheriffs. 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 sheriffs, 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.

PRINCE GEORGE'S COUNTY, MARYLAND
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Funding Policy

Contributions to the Plans for 2013 were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of July 1, 2011. The Primary Government's fiscal year 2013 total payroll was \$494,980,614. 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.

The contribution rates as a percentage of covered payrolls during fiscal year 2013 were as follows:

		<u>July 1, 2012 to June 30, 2013</u>		
		Employee	Employer	Covered
		<u>Rates</u>	<u>Rates</u>	<u>Payroll</u>
Comprehensive Plans:				
	Police	5.50%	50.45%	\$ 113,612,283
	Fire Service	4.00	58.81	51,609,161
	Deputy Sheriff's	10.00	38.98	13,408,926
	Correctional Officers'	12.00	27.95	23,470,084
Supplemental Plans:				
	Deputy Sheriff's	5.20	63.63	717,237
	Correctional Officers'	5.75	34.20	1,547,850
	Crossing Guards	4.35	5.53	1,576,052
	AFSCME	1.58	7.18	54,115,932
	General Schedule	3.37	7.50	83,866,383
	Fire Civilian	0.43	11.38	3,634,202
	Police Civilian	4.21	5.80	17,251,532

PRINCE GEORGE'S COUNTY, MARYLAND
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Actuarially Determined Contribution Requirements

The significant assumptions used to compute the actuarially determined contribution requirements are as follows:

	Actuarial Valuation Date	Actuarial Cost Method	Amortization Method	Remaining Amortization Period	Asset Valuation Method	Actuarial assumptions				
						Investment Rate of Return	Projected Salary Increases	Inflation	Cost of living increases	
Comprehensive Plans:										
Police	07/01/2011	Entry age	Level percent, open	30 years	5-year smoothed market	8%	3% per year plus salary based component	5%	\$35 per month	
Fire Service	07/01/2011	Entry age	Level percent, open	30 years	5-year smoothed market	8%	3% per year plus salary based component	5%	minimum of \$35 per month or 4.9% of the monthly benefit	
Deputy Sheriff's	07/01/2011	Entry age	Level percent, open	30 years	5-year smoothed market	8%	3% per year plus salary based component	5%	\$10 per month	
Correctional Officers'	07/01/2011	Entry age	Level percent, open	30 years	5-year smoothed market	8%	3% per year plus salary based component	5%	\$10 per month	
Supplemental Plans:										
Deputy Sheriff's	07/01/2011	Entry age	Level dollar, closed	13 years	5-year smoothed market	8%	3% per year plus salary based component	5%	none	
Correctional Officers'	07/01/2011	Entry age	Level percent, open	30 years	5-year smoothed market	8%	3% per year plus salary based component	5%	none	
Crossing Guards	07/01/2011	Entry age	Level percent, open	18 years	5-year smoothed market	8%	3% per year plus salary based component	5%	none	
AFSCME	07/01/2011	Entry age	Level percent, open	18 years	5-year smoothed market	8%	3% per year plus salary based component	5%	none	
General Schedule	07/01/2011	Entry age	Level percent, open	18 years	5-year smoothed market	8%	3% per year plus salary based component	5%	none	
Fire Civilian	07/01/2011	Entry age	Level percent, open	18 years	5-year smoothed market	8%	3% per year plus salary based component	5%	none	
Police Civilian	07/01/2011	Entry age	Level percent, open	18 years	5-year smoothed market	8%	3% per year plus salary based component	5%	none	

PRINCE GEORGE'S COUNTY, MARYLAND
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Annual Pension Costs

Annual pension costs (APC) are the actuarially required employer contributions to the pension plans. The net pension obligation (NPO) represents the difference between the APC and the actual employer contributions. The APC for the Police and Fire Service Pension Plans was \$86.5 million for fiscal year 2013. Based on recommendations from the County's actuary, the actual employer contribution for fiscal year 2013 was \$86.2 million. The resulting NPO of \$.3 million along with the \$14.5 million NPO from fiscal year 2012, results in a total NPO at the end of the year of \$14.8 million. Three-year trend information for Comprehensive Pension Plans is presented below (in thousands):

	Year Ended <u>June 30</u>	NPO beginning <u>of year</u>	Annual Pension Cost (APC)				NPO End <u>of year</u>	Percentage of <u>APC Contributed</u>	
			<u>ARC</u>	<u>Interest</u>	<u>Adjustment</u>	<u>Total</u>			<u>Decrease in NPO</u>
Comprehensive Pension Plans:									
Police	2013	\$ 12,876	56,265	1,030	(744)	56,551	(56,265)	13,162	99%
	2012	12,596	52,793	1,008	(728)	53,073	(52,793)	12,876	99
	2011	12,322	47,359	986	(712)	47,633	(47,359)	12,596	99
Fire Service	2013	1,615	29,994	129	(93)	30,030	(29,994)	1,651	100
	2012	1,580	31,141	126	(91)	31,176	(31,141)	1,615	100
	2011	1,545	25,957	124	(89)	25,992	(25,957)	1,580	100
Deputy Sheriff's	2013	-	5,172	-	-	5,172	-	-	100
	2012	-	5,244	-	-	5,244	-	-	100
	2011	-	4,627	-	-	4,627	-	-	100
Correctional Officers'	2013	-	6,361	-	-	6,361	-	-	100
	2012	-	6,655	-	-	6,655	-	-	100
	2011	-	6,196	-	-	6,196	-	-	100

PRINCE GEORGE'S COUNTY, MARYLAND
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Annual Pension Costs (continued)

Three-year trend information for the Supplemental Pension Plans is presented below (in thousands):

	Year Ended <u>June 30</u>	Annual Pension <u>Cost (APC)</u>	Percentage of <u>APC Contributed</u>	Net Pension <u>Obligation</u>
Supplemental Pension Plans:				
Deputy Sheriff's	2013	\$ 652	100 %	-
	2012	274	100	-
	2011	257	100	-
Correctional Officers'	2013	529	100	-
	2012	568	100	-
	2011	546	100	-
Crossing Guards	2013	87	100	-
	2012	85	100	-
	2011	79	100	-
AFSCME	2013	3,877	100	-
	2012	4,063	100	-
	2011	3,907	100	-
General Schedule	2013	6,270	100	-
	2012	6,225	100	-
	2011	5,687	100	-
Fire Civilian	2013	412	100	-
	2012	426	100	-
	2011	375	100	-
Police Civilian	2013	998	100	-
	2012	1,050	100	-
	2011	968	100	-

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Funded Status and Funding Progress

The following is the funded status for the plans as of July 1, 2012, 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
	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
Comprehensive						
Police	\$ 683,529,800	\$ 1,252,708,300	\$ 569,178,500	54.56	\$ 107,624,300	528.86
Fire Service	314,865,600	649,857,900	334,992,300	48.45	52,054,300	643.54
Deputy Sheriff's	43,412,600	96,436,100	53,023,500	45.02	13,064,600	405.86
Correctional Officers'	79,399,400	149,628,400	70,229,000	53.06	26,773,100	262.31
Supplemental						
Deputy Sheriff's	3,032,500	8,950,000	5,917,500	33.88	920,700	642.72
Crossing Guards	1,185,700	1,850,500	664,800	64.07	1,549,600	42.90
AFSCME	56,796,500	81,647,900	24,851,400	69.56	54,010,000	46.01
General Schedule	91,956,200	151,801,000	59,844,800	60.58	8,105,1300	73.84
Fire Civilian	5,416,200	10,229,500	4,813,300	52.95	3,656,800	131.63
Police Civilian	14,622,100	25,185,700	10,563,600	58.06	17,374,100	60.80

The schedule of funding progress, presented as Required Supplemental Information following the notes to the financial statements, presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

(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 SRPS. Review of these financial statements indicates the Component Units individually met the actuarially determined contribution requirements for fiscal years 2013, 2012, and 2011.

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 2013 amounted to \$92,947,741, \$4,206,288 and \$1,622,153, 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 \$823,947 to these plans during fiscal year 2013. 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.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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 745% 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.

(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 \$31.3 million, during fiscal year 2013 for current premiums (approximately 74% of total premiums). Plan members receiving benefits contributed \$10.7 million (approximately 26 percent) to the Plan.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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 2013 was \$136.3 million. Actual contributions for the fiscal year were \$31.2 million. The resulting NOPEBO of \$105.1 million along with the \$165.76 million NOPEBO from fiscal year 2012, results in a total NOPEBO at the end of the year of \$270.7 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 June 30	NOPEBO beginning of year	Annual OPEB Cost (AOC)				Decrease in NOPEBO	NOPEBO end of year	Percentage of AOC Contributed
		ARC	Interest	Adjustment	Total			
2013	\$ 165,747	135,968	6,630	(6,334)	136,264	(31,258)	270,753	23%
2012	121,644	72,785	1,956	-	74,741	(30,638)	165,747	4%
2011	80,206	69,657	5,875	(4,560)	70,972	(29,534)	121,644	42%

(d) Funding Status and Funding Progress

The following is the funded status for the OPEB plan as of June 30, 2013, 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
(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
\$ 47,938	\$ 1584,584	\$ 1,536,646	3.03%	\$ 494,980	310%

(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	07/01/2012
Actuarial cost method	Projected unit credit cost method
Discount rate	4.00% 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	0.04
Amortization method	Level percent of payroll, open
Remaining amortization period	30 years

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(f) Component Units

The Board of Education, the Housing Authority, the Community College, and the Memorial Library implemented GASB Statement No.45 during fiscal year 2008. The Housing Authority and the Memorial Library participate in the County's retiree life and health insurance benefit plan. Fiscal year 2013 employer contributions to the Plan by the Housing Authority and the Memorial Library were \$83,000 and \$294,210, respectively. The Board of Education and the Community College operate separate retiree benefit plans. The Board of Education paid employer contribution of \$89.6 million and recognized a NOPEBO of \$746.0 million in fiscal year 2013. The Community College contributed \$3.6 million in employer contribution with an NOPEBO of \$1.5 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 565 annuities to former volunteer members of the County's fire companies or rescue squads who met certain age and service criteria. Benefits totaling \$1,924,935 in fiscal year 2013 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.

(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, 2013 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, 2013:

	Unavailable	Unearned	Total
General Fund			
Income Taxes Receivable	\$ 50,408,585	\$ -	\$ 50,408,585
Property Taxes Receivable	5,323,043	-	5,323,043
Property Tax Deferred	-	33,459	33,459
Notes Receivable	-	3,828,768	3,828,768
Receipt of Revenue prior to Service Provided	-	981,471	981,471
Subtotal	55,731,628	4,843,698	60,575,326
Federal And State Aided Programs			
Grant Drawdowns in Excess of Expenditures	-	27,734,906	27,734,906
Internal Service Funds			
Receipt of Revenue prior to Service Provided	-	14	14
	\$ 55,731,628	\$ 32,578,618	\$ 88,310,246

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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.

(13) Bonded Debt

(a) Outstanding Long-term Liabilities

The following is a summary of all primary government outstanding long-term liabilities as of June 30, 2013:

	Governmental Activities		Business-type Activities		Total		Total
	Amounts Due Within One Year	Amounts Due in More Than One Year	Amounts Due Within One Year	Amounts Due in More Than One Year	Amounts Due Within One Year	Amounts Due in More Than One Year	
Bonds payable							
General obligation bonds	\$ 72,765,000	1,159,218,000	8,730,000	172,582,000	8,149,000	1,331,800,000	1,413,295,000
Revenue bonds	-	-	372,945	385,998	372,945	385,998	758,943
Bond premium	-	124,834,910	-	11,637,424	-	136,472,334	136,472,334
Total bonds payable	72,765,000	1,284,052,910	9,102,945	184,605,422	8,186,945	1,468,658,332	1,550,526,277
Notes payable	8,606,626	48,412,037	-	-	8,606,626	48,412,037	57,018,663
Capital lease obligations	4,747,530	14,617,734	10,090	-	4,757,620	14,617,734	19,375,354
Estimated liabilities on pending claims	42,243,604	105,826,090	-	-	42,243,604	105,826,090	148,069,694
Compensated absences and termination benefits payable	42,148,315	29,468,160	2,993,320	46,964	45,141,635	29,515,124	74,656,759
Pension obligations	-	14,812,540	-	-	-	14,812,540	14,812,540
OPEB obligations	-	270,752,678	-	-	-	270,752,678	270,752,678
Landfill closure / postclosure	-	-	1,272,839	97,014,365	1,272,839	97,014,365	98,287,204
Other long-term liabilities	97,746,075	483,889,239	4,276,249	97,061,329	102,022,324	580,950,568	682,972,892
Total long-term liabilities	\$ 170,511,075	1,767,942,149	13,379,194	281,666,751	183,890,269	2,049,608,900	2,233,499,169

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(b) Bonded Debt Transactions

The following is a summary of bonded debt transactions of the County for the fiscal year ended June 30, 2013:

		Primary Government			Component Units	Total	
		Governmental Activities	Business-type Activities				
			Solid Waste	Stormwater Management			Total
Bonded debt at July 1, 2012	\$	1,008,165,000	38,944,276	85,425,000	1,132,534,276	66,245,000	1,198,779,276
Debt issued		476,878,000	10,062,000	67,690,000	554,630,000	-	554,630,000
Debt retired		(71,870,000)	(5,780,333)	(5,405,000)	(83,055,333)	(4,685,000)	(87,740,333)
Debt defeased		(181,190,000)	(2,100,000)	(6,765,000)	(190,055,000)	-	(190,055,000)
Bonded debt (including current portion)							
As of June 30, 2013		1,231,983,000	41,125,943	140,945,000	1,414,053,943	61,560,000	1,475,613,943
Less current portion		(72,765,000)	(4,727,945)	(4,375,000)	(81,867,945)	(4,875,000)	(86,742,945)
Noncurrent portion as of of June 30, 2013	\$	<u>1,159,218,000</u>	<u>36,397,998</u>	<u>136,570,000</u>	<u>1,332,185,998</u>	<u>56,685,000</u>	<u>1,388,870,998</u>

(c) Debt Service Requirements

The annual requirements to amortize all bonded debt outstanding as of June 30, 2013 are as follows:

Year ended June 30,		Primary Government							Component Units		Total
		Governmental Activities		Business-type Activities				Total	Principal	Interest	
		Principal	Interest	Solid Waste		Stormwater Management					
				Principal	Interest	Principal	Interest				
2014	\$	72,765,000	49,578,796	4,727,945	1,626,101	4,375,000	5,512,653	138,585,495	4,875,000	3,104,776	146,565,271
2015		78,370,000	48,311,361	4,685,998	1,510,522	6,410,000	5,847,803	145,135,683	5,100,000	2,886,083	153,121,766
2016		85,140,000	44,429,451	3,410,000	1,333,239	6,700,000	5,555,102	146,567,791	5,340,000	2,647,136	154,554,927
2017		87,210,000	40,514,200	1,745,000	1,216,598	7,085,000	5,236,028	143,006,825	5,590,000	2,391,969	150,988,794
2018		88,310,000	36,609,659	1,850,000	1,130,450	7,145,000	4,888,203	139,933,311	5,865,000	2,123,535	147,921,846
2019 - 2023		438,350,000	123,370,852	10,280,000	4,299,194	40,030,000	18,872,506	635,202,552	14,950,000	7,337,134	657,489,686
2024 - 2028		303,510,000	42,293,310	9,105,000	2,073,070	37,155,000	10,289,623	404,426,003	13,365,000	3,888,297	421,679,300
2029 - 2033		76,078,000	5,905,044	5,017,000	450,831	29,490,000	3,300,014	120,240,889	6,475,000	429,653	127,145,542
2034		2,250,000	45,000	305,000	6,100	2,555,000	51,100	5,212,200			5,212,200
	\$	<u>1,231,983,000</u>	<u>391,057,671</u>	<u>41,125,943</u>	<u>13,646,104</u>	<u>140,945,000</u>	<u>59,553,031</u>	<u>1,878,310,748</u>	<u>61,560,000</u>	<u>24,808,583</u>	<u>1,964,679,331</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(d) Bonded Debt Details

Details of the County's long-term bonded debt at June 30, 2013 are as follows:

<u>Primary Government:</u>	<u>Interest Rates</u>	<u>Maturity Dates</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Governmental Activities:				
General obligation bonds:				
2003 - 2004F, 2005-2007B, 2008, 2009A, 2009B CPI; 2009A TQSC, 2009B TESC; 2010 A/B; 2011, 2011A/11B, 2013 A/B/C	1.615 - 6.05%	2034	\$ 1,995,050,000	\$ 1,231,983,000
Total governmental activities long-term bonded debt			<u>\$ 1,995,050,000</u>	<u>\$ 1,231,983,000</u>
<u>Business-type Activities:</u>	<u>Interest Rates</u>	<u>Maturity Dates</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
2003, 2004, 2005, 2006, 2007A, 2007B, 2008, 2010 A/B, 2011A/B 2013 A/B/C stormwater management - general obligation	2.50 - 5.50%	2034	\$ 157,450,000	\$ 140,945,000
2003B, 2004, 2004C-F, 2005, 2007B, 2008, 2009A and 2009B, 2010A/B, 2011A/B 2013 A/B/C solid waste management system - general obligation	2.50 - 5.50%	2034	97,787,000	40,367,000
1994A and 2003 solid waste management system - revenue bonds	2.00 - 6.50%	2015	103,767,386	758,943
Total business-type activities long-term bonded debt			<u>359,004,386</u>	<u>182,070,943</u>
Total primary government long-term bonded debt			<u>\$ 2,354,054,386</u>	<u>\$ 1,414,053,943</u>
Component Units:				
Revenue bonds:				
Housing Authority -				
Capital Fund Securitization Revenue Bonds	2.0 - 4.55%	2023	\$ 1,465,000	\$ 910,000
Industrial Development Authority -				
2003A refunding lease revenue	2.0 - 5.125%	2019	27,430,000	22,420,000
2003B subordinated lease revenue	3.5 - 4.75%	2030	22,085,000	16,425,000
2009 taxable lease revenue bonds	0.64 - 6.169%	2030	23,850,000	21,805,000
Total Component Units revenue bonds			<u>\$ 74,830,000</u>	<u>\$ 61,560,000</u>
Total long-term bonded debt			<u>\$ 2,428,884,386</u>	<u>\$ 1,475,613,943</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(e) Bond Additions

On February 20, 2013, the Primary Government issued \$137,590,000 of General Obligation Consolidated Public Improvement Bonds, Series 2013A dated February 5, 2013 maturing on March 1 of the years 2014 through 2033. To provide funds for planning, construction, reconstruction, extension, enlargement, demolition, improvement or acquisition of certain capital projects. Of the total \$137,590,000 bonds issued, \$24,842,000 (\$21,590,000 for Stormwater and \$3,252,000 for Solid Waste) is reported as business-type activities and the remainder as governmental activities.

On June 4, 2013, the Primary Government issued \$216,650,000 of General Obligation Consolidated Public Improvement Bonds, Series 2013c dated May 21, 2013 maturing on August 1 of the years 2014 through 2033. To provide funds for planning, construction, reconstruction, extension, enlargement, demolition, improvement or acquisition of certain capital projects. Of the total \$216,650,000 bonds issued, \$43,650,000 (\$39,000,000 for Stormwater and \$4,650,000 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, 2013 is summarized as follows:

	<u>Enabled Amount</u>	<u>Authorized and Unissued amount</u>
Enabled by authority of the State of Maryland:		
Health	\$ 16,000,000	-
Roads, parking and mass transit	703,300,000	163,608,000
Public buildings	301,731,000	53,449,000
Public Safety	333,627,000	74,858,000
	<u>\$ 1,354,658,000</u>	<u>291,915,000</u>

The legal debt limit and margin at June 30, 2013 were \$5,078,692,976 and \$4,179,178,477, respectively. The County was in compliance with all significant bond covenants at June 30, 2013.

(g) Advance Refunding

- 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 (iv) General Obligation Consolidated Public Improvement Bonds, Series 2007 A, dated June 1, 2007. Of the \$200,390,000 advance refunded bonds, \$9,260,000 (\$7,100,000 for Stormwater and \$2,160,000 for Solid Waste) is reported as business-type activities. The remaining \$191,130,000 Refunded Bonds relate to governmental activities. The net Refunding Bond proceeds of \$220,036,639 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 refunding was designed to restructure debt to effect reduction in overall debt service of \$8,923,597 and to net economic present value debt service savings of \$8,924,922.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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, 2013 follows:

- On August 3, 2000, the Primary Government issued \$6,365,000 of Water Quality Refunding Bonds, Series 2000A, dated August 3, 2000 to advance refund \$5,930,000 of certain selected callable maturities of the County's (i) Consolidated Public Improvement Bonds, Series 1995, dated May 1, 1995, and (ii) Consolidated Public Improvement Bonds, Series 1996, dated May 15, 1996. At June 30, 2013, \$715,000 of the refunded bonds outstanding that mature in the years 2014 through 2016 are considered defeased.
- 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, 2013, \$1,230,000 of the refunded bonds outstanding that mature in fiscal years 201 through 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. The net refunding bonds proceeds of \$102,948,094 were escrowed for purchase of Escrow Securities, together with interest earnings and cash on hand to pay the principal, interest and early redemption premium on all refunded bonds referenced above. At June 30, 2013, \$17,570,000 of the outstanding refunded bonds that mature in the years 2013 through 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, 2012, \$60,850,000 of the refunded bonds outstanding that mature in the years 2014 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, 2013, \$80,400,000 of the refunded bonds outstanding that mature in the years 2013 through 2024 are considered defeased.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

- 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, 2013, \$196,245,000 of the refunded bonds outstanding that mature in the years 2014 through 2025 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, 2013, there were one hundred and seventy series of Economic Development Revenue Bonds outstanding. The aggregate principal amount, for the two series issued after July 1, 1995 that remain outstanding, is \$52.1 million. The aggregate principal amount payable on June 30, 2013 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.

(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, 2013 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	88,055,000	07/01/2033
Prince George's County, Maryland Special Tax District Bonds, Series 2005	Victoria Falls Project	09/08/2005	12,000,000	11,650,000	07/01/2035
Prince George's County, Maryland Special Obligation Bonds, Series 2005	National Harbor Project	09/21/2005	65,000,000	65,000,000	07/01/2034
Prince George's County, Maryland Special Obligation Bonds, Series 1997A	Woodview Village Improvements Projects	10/25/2006	7,450,000	5,905,000	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	7,070,000	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	34,691,000	01/01/2039
Glenarden Special Obligation Developer Note, Series 2012	Woodmore Town Center	01/18/2012	17,000,000	15,172,295	01/01/2032
			\$ 289,655,000	277,543,295	

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

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

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

	Balance June 30, 2012	Additions	Reductions	Balance June 30, 2013
Pension obligations	\$ 14,490,624	86,581,242	86,259,326	\$ 14,812,540
OPEB obligations	165,747,265	136,264,000	31,258,587	270,752,678
Compensated absences and termination benefits payable	72,680,186	41,084,604	42,148,315	71,616,475
Estimated liabilities on pending claims and judgements	133,205,614	113,687,305	98,823,225	148,069,694
Capital lease obligations	6,491,697	16,055,642	3,182,075	19,365,264
Notes payable:				
Purchase agreements and certificates of participation	59,875,481	-	8,098,454	51,777,027
MILA loans	153,586	-	32,250	121,336
Commercial Building Loan Fund	4,907,000	-	271,000	4,636,000
Maryland CDA Infrastructure Financing	552,600	-	68,300	484,300
Total notes payable	<u>65,488,667</u>	<u>-</u>	<u>8,470,004</u>	<u>57,018,663</u>
	<u>\$ 458,104,053</u>	<u>393,672,793</u>	<u>270,441,532</u>	<u>\$ 581,635,314</u>

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

	Balance June 30, 2012	Additions	Reductions	Balance June 30, 2013
Compensated absences and termination benefits payable	\$ 2,813,928	3,219,676	2,993,320	\$ 3,040,284
Landfill closure / postclosure costs	90,349,834	7,937,370	-	98,287,204
Capital lease	19,419	-	9,329	10,090
Total notes payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 93,183,181</u>	<u>11,157,046</u>	<u>3,002,649</u>	<u>\$ 101,337,578</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, \$1,511,931 (\$1,292,619 within one year, and \$219,312 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.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

a) Capital Lease Obligations

In April 2011 the County entered into an agreement with Grant Capital Management to finance the purchase of snow removal equipment and Fire/EMS ambulances. The County also entered into a lease agreement to purchase copiers for its business type activities during fiscal year 2011. 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.

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-type Activities Stormwater	Total
Asset:			
Equipment	\$ 11,013,319	47,289	11,060,608
Less: Accumulated depreciation	<u>(2,479,532)</u>	<u>(35,940)</u>	<u>(2,515,472)</u>
Total	<u>\$ 8,533,787</u>	<u>11,349</u>	<u>8,545,136</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2013, were as follows:

<u>Year ending June 30</u>	Governmental Activities	Business-type Activities Stormwater	Total
2014	\$ 5,020,482	10,292	5,030,774
2015	5,020,482	-	5,020,482
2016	5,020,482	-	5,020,482
2017	3,287,619	-	3,287,619
2018	<u>1,643,809</u>	<u>-</u>	<u>1,643,809</u>
Total minimum lease payments	19,992,874	10,292	20,003,166
Less: amount representing interest	<u>(627,610)</u>	<u>(202)</u>	<u>(627,812)</u>
Present value of minimum lease payments	<u>\$ 19,365,264</u>	<u>10,090</u>	<u>19,375,354</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

b) Pension and OPEB Obligations

The liability for pension and OPEB obligations represents the difference between the actuarially required and the actual employer contributions. The balance as of June 30, 2013 for the Pension and OPEB liabilities was \$14,812,540 (see note 9 – Pension Plans) and \$270,752,678 (see note 10 – Postemployment Benefits Other Than Pensions), respectively.

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, 2013 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, 2013 (in thousands):

	Governmental Activities	Primary Government				Component Units
		Business-type Activities			Total	
		Solid Waste	Stormwater Management	Total		
Primary Government	\$ 71,616	1,395	1,645	3,040	74,656	-
Component Units:						
Board of Education	-	-	-	-	-	63,451
Housing Authority	-	-	-	-	-	671
Memorial Library	-	-	-	-	-	2,303
Community College	-	-	-	-	-	2,504
	71,616	1,395	1,645	3,040	74,656	68,929
Less current portion	42,148	1,395	1,598	2,993	45,141	2,206
Total long-term portion	\$ 29,468	-	47	47	29,515	66,723

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

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, 2013 (in thousands):

	Primary Government		
	Governmental Activities		
ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 8,212	3,740	11,952
2015	8,398	3,561	11,959
2016	6,877	3,341	10,218
2017	6,635	1,030	7,665
2018	1,735	868	2,603
2019- 2023	9,690	3,402	13,092
2024- 2028	5,910	1,837	7,747
2029- 2031	4,320	332	4,652
Total note payments \$	51,777	18,111	69,888

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(ii) Other General Long-Term Debt Notes Payable

The Primary Government is obligated for promissory notes in the amount of \$121,336, payable to the Maryland Industrial Land Act (MILA) of the State of Maryland with interest rate of 6.9%. The loan matures September 15, 2016.

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, 2013, \$1,870,000 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, 2013, \$1,357,000 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, 2013 was \$1,409,000.

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, 2013, \$484,300 remained outstanding.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to 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. The balance in the stabilization fund is disclosed in the table below.

A schedule of fund balance classifications at June 30, 2013 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	\$ 137,420,570	\$ 137,420,570	\$ -	\$ -	\$ -
Public Facilities	9,701,474	-	-	9,701,474	-
Public Safety	49,263,813	-	-	49,263,813	-
Health	770,018	-	-	770,018	-
Public Works	32,769,796	-	-	32,769,796	-
Education	171,842,265	-	-	171,842,265	-
Debt Service	41,516,517	-	2,577,223	-	38,939,294
Restricted for other purposes					
Domestic Violence	166,774	-	-	-	166,774
Drug Enforcement and Education	9,243,124	-	-	-	9,243,124
Unspent Proceeds from debt issuances:					
Equipment purchases	4,160,028	4,160,028	-	-	-
Real estate purchases	15,155,201	15,155,201	-	-	-
Total restricted fund balances	<u>\$ 472,009,580</u>	<u>\$ 156,735,799</u>	<u>\$ 2,577,223</u>	<u>\$ 264,347,366</u>	<u>\$ 48,349,192</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

	Total	General Fund	Federal and State Aided Programs	Capital Projects Fund	Non-Major Funds
Nonspendable:					
Inventory	\$ 1,532,552	\$ 1,532,552	\$ -	\$ -	\$ -
Unrestricted - Committed Fund Balance					
Operating Reserve	\$ 54,968,228	54,968,228	\$ -	\$ -	\$ -
Public Safety	6,498,711	-	-	6,498,711	-
Total committed fund balances	<u>\$ 61,466,939</u>	<u>54,968,228</u>	<u>\$ -</u>	<u>\$ 6,498,711</u>	<u>\$ -</u>
Unrestricted - Assigned Fund Balance					
General Government	\$ 3,792,638	3,792,638	\$ -	\$ -	\$ -
Public Safety	2,451,821	2,451,821	-	-	-
Public Works	730,580	730,580	-	-	-
Health	1,058,026	1,058,026	-	-	-
Public Welfare	54,360	54,360	-	-	-
Economic Development	49,720,538	49,720,538	-	-	-
Property Sales and Acquisitions	3,534,400	-	-	-	3,534,400
Drug Enforcement and Education	2,823,176	-	-	-	2,823,176
Appropriation of Fund Balance for Subsequent Year's Budget	5,535,000	5,535,000	-	-	-
Total assigned fund balances	<u>\$ 69,700,539</u>	<u>63,342,963</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,357,576</u>
Unassigned:	\$ 82,782,432	\$ 82,782,432	\$ -	\$ -	\$ -
Total fund balance	<u><u>\$ 687,492,042</u></u>	<u><u>\$ 359,361,974</u></u>	<u><u>\$ 2,577,223</u></u>	<u><u>\$ 270,846,077</u></u>	<u><u>\$ 54,706,768</u></u>

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to 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. Amounts reported as encumbrances in the General Fund are reported as an assignment of Fund Balance. Encumbrances in other governmental funds are included in the restricted fund balance category. The following table includes functional encumbrance balances as of June 30, 2013:

	Total	General Fund	Capital Projects Fund
General Government	\$ 10,374,684	\$ 3,792,638	6,582,046
Public Safety	6,296,091	2,451,821	3,844,270
Public Works	33,784,876	730,580	33,054,296
Health	1,503,418	1,058,026	445,392
Public Welfare	54,360	54,360	-
Education	1,092,266	-	1,092,266
Total	\$ 53,105,695	\$ 8,087,425	\$ 45,018,270

(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 Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations." The final results of this examination for fiscal year 2013 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.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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 69.3% of total estimated capacity has been utilized as of June 30, 2013. It is expected to operate through the year 2020.

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 \$26.4 million (\$14.2 million of which has been liquidated), and closure and 30-year post-closure costs for Phase II of \$72 million. Estimated costs are "as if incurred" in fiscal year 2013 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, 2013, the Primary Government has recorded an accumulated total liability for closure and post-closure costs of \$61.6 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, 2013, the Primary Government's Solid Waste Enterprise Fund shows restricted assets of \$83,751,023 for landfill closure costs. The fiscal year 2013 financial statements reflect post-closure expenses of approximately \$3.2 million, based on the above criteria.

(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.

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 \$38 million because this landfill is substantially full. Of this amount, \$28.4 million has been deferred as of June 30, 2013, and will be recognized as revenues earmarked for post-closure activities are earned through operations of the Solid Waste Fund. Estimated costs for post-closure activities, are "as if incurred," and will be updated annually for changes in technology, applicable regulations and inflation.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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 June 30,			
2014		\$	17,887
2015			18,191
2016			18,506
2017			18,818
2018			19,152
2019-2023			81,545
2024-2028			86,656
2029-2033			87,363
		\$	<u>348,118</u>

During fiscal year 2013, rent expense under these lease agreements amounted to approximately \$17.7 million.

(20) Termination Benefits

During fiscal year 2013 the County offered employees eligible for retirement a \$1,000 bonus for every year of service if they retired prior to July 1, 2013. Approximately 196 employees took advantage of the retirement incentive. The total cost of the bonuses was \$5,006,500. The County also disbursed an additional \$2,837,175 for annual and sick leave payouts. These amounts were recognized as expenditures in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-Wide Statement of Activities. Liabilities of \$7,390,171 for the amounts unpaid as of June 30, 2013 were recognized in the General Fund Balance Sheet and the Government-wide Statement of Net Position.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(21) 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 2013 amounted to \$81,780.

(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, 2013, the Primary Government was contingently liable as guarantor on bonds issued by M-NCPPC in the amount of \$47,503,123.

(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 2013, 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.

PRINCE GEORGE'S COUNTY, MARYLAND
Notes to Financial Statements

(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

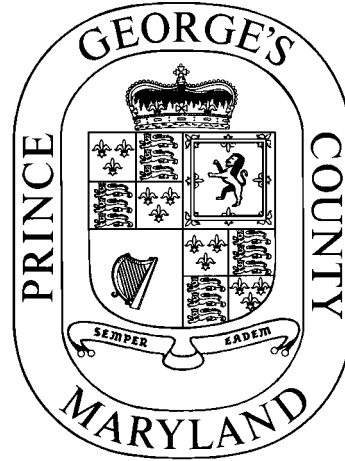
The Maryland-National Capital Park and Planning Commission
6611 Kenilworth Avenue
Riverdale, Maryland 20737

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

Washington Suburban Sanitary Commission
14501 Sweitzer Lane
Laurel, Maryland 29797

(22) Jointly Governed Organization

The Metropolitan Washington Council of Governments (COG) provides to participating local governments within the Washington, D.C. metropolitan area resources 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 2013 contributions to COG amounted to approximately \$514,236.



REQUIRED SUPPLEMENTARY INFORMATION

Prince George's County, Maryland
 Schedule of Funding Progress
 For the fiscal year ended June 30, 2013

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 latest actuarial valuation for the Plans was performed as of July 1, 2012. Beginning with the July 1, 2012 actuary report the Correctional Offices' Comprehensive and Supplemental Pension Plans reported combined data ⁽¹⁾. The OPEB Plan had actuarial valuations as of July 1, 2007, July 1, 2008, July 1, 2010 and July 1, 2012. 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 Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Comprehensive Pension Plans:						
Police						
07/01/2012	\$ 683,529,800	\$ 1,252,708,300	\$ 569,178,500	54.56 %	\$ 107,624,300	528.86 %
07/01/2011	676,596,300	1,148,643,000	472,046,700	58.90	105,970,000	445.45
07/01/2010	660,807,300	1,107,839,000	447,031,700	59.65	106,868,400	418.30
07/01/2009	668,828,400	1,062,724,100	393,895,700	62.94	108,335,400	363.59
07/01/2008	666,746,200	985,857,100	319,110,900	67.63	108,498,400	294.12
07/01/2007	619,987,700	921,408,500	301,420,800	67.29	101,048,300	298.29
Fire Service						
07/01/2012	\$ 314,865,600	\$ 649,857,900	\$ 334,992,300	48.45 %	\$ 52,054,300	643.54 %
07/01/2011	311,047,700	596,322,800	285,275,100	52.16	51,753,900	551.21
07/01/2010	306,212,500	574,931,700	268,719,200	53.26	49,060,800	547.73
07/01/2009	313,339,300	550,846,400	237,507,100	56.88	52,036,500	456.42
07/01/2008	309,789,400	499,603,800	189,814,400	62.01	50,846,300	373.31
07/01/2007	285,531,700	469,455,300	183,923,600	60.82	49,859,800	368.88
Deputy Sheriffs'						
07/01/2012	\$ 43,412,600	\$ 96,436,100	\$ 53,023,500	45.02 %	\$ 13,064,600	405.86 %
07/01/2011	41,024,800	87,538,700	46,513,900	46.86	13,420,100	346.60
07/01/2010	38,266,500	82,382,200	44,115,700	46.45	12,931,600	341.15
07/01/2009	37,362,400	76,873,900	39,511,500	48.60	13,597,000	290.59
07/01/2008	35,383,500	68,315,900	32,932,400	51.79	12,394,700	265.70
07/01/2007	31,243,500	63,691,900	32,448,400	49.05	11,648,200	278.57
Correctional Officers'						
⁽¹⁾ 07/01/2012	\$ 79,399,400	\$ 149,628,400	\$ 70,229,000	53.06 %	\$ 26,773,100	262.31 %
07/01/2011	74,788,400	142,798,100	68,009,700	52.37	25,098,900	270.97
07/01/2010	69,679,000	134,277,900	64,598,900	51.89	25,181,100	256.54
07/01/2009	67,793,100	127,639,000	59,845,900	53.11	24,397,700	245.29
07/01/2008	64,683,800	108,764,000	44,100,200	59.47	23,274,200	189.48
07/01/2007	57,180,400	99,245,500	42,065,100	57.62	22,883,300	183.82

Prince George's County, Maryland
 Schedule of Funding Progress, continued
 For the fiscal year ended June 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Supplemental Pension Plans:						
Deputy Sheriffs'						
07/01/12	\$ 3,032,500	\$ 8,950,000	\$ 5,917,500	33.88 %	\$ 920,700	642.72
07/01/11	3,396,300	8,520,500	5,124,200	39.86	1,025,000	499.92
07/01/10	3,647,700	8,333,400	4,685,700	43.77	1,208,100	387.86
07/01/09	3,916,100	8,101,100	4,185,000	48.34	1,285,400	325.58
07/01/08	4,175,800	7,683,700	3,507,900	54.35	1,235,200	283.99
07/01/07	4,071,700	7,487,600	3,415,900	54.38	1,381,900	247.19
Correctional Officers'						
07/01/11	\$ 4,611,000	\$ 6,830,300	\$ 2,219,300	67.51 %	1,674,200	132.56
07/01/10	4,062,000	6,838,200	2,776,200	59.40	1,816,300	152.85
07/01/09	4,036,000	6,558,800	2,522,800	61.54	1,808,200	139.52
07/01/08	3,897,200	5,726,100	1,828,900	68.06	1,911,500	95.68
07/01/07	3,492,500	5,393,400	1,900,900	64.76	2,071,200	91.78
Crossing Guards						
07/01/12	\$ 1,185,700	\$ 1,850,500	\$ 664,800	64.07 %	\$ 1,549,600	42.90
07/01/11	1,145,900	1,838,700	692,800	62.32	1,482,200	46.74
07/01/10	1,113,500	1,836,200	722,700	60.64	1,539,300	46.95
07/01/09	1,104,200	1,828,200	724,000	60.40	1,685,200	42.96
07/01/08	1,067,500	1,796,800	729,300	59.41	1,655,300	44.06
07/01/07	959,700	1,858,600	898,900	51.64	1,690,900	53.16
AFSCME						
07/01/12	\$ 56,796,500	\$ 81,647,900	\$ 24,851,400	69.56 %	\$ 54,010,000	46.01
07/01/11	52,335,500	74,580,400	22,244,900	70.17	54,135,400	41.09
07/01/10	47,544,800	71,474,400	23,929,600	66.52	55,451,600	43.15
07/01/09	44,700,300	69,406,900	24,706,600	64.40	58,701,800	42.09
07/01/08	41,001,400	63,333,200	22,331,800	64.74	57,555,100	38.80
07/01/07	35,119,900	58,227,800	23,107,900	60.31	53,891,200	42.88

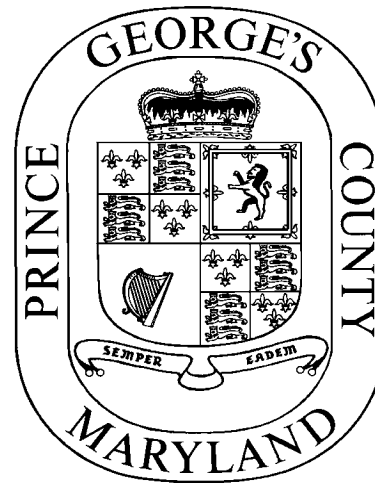
Prince George's County, Maryland
 Schedule of Funding Progress, continued
 For the fiscal year ended June 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Supplemental Pension Plans (continued):						
General Schedule						
07/01/12	\$ 91,956,200	\$ 151,801,000	\$ 59,844,800	60.58 %	\$ 81,051,300	73.84 %
07/01/11	88,648,000	139,561,200	50,913,200	63.52	79,578,600	63.98
07/01/10	84,006,000	134,320,300	50,314,300	62.54	78,996,700	63.69
07/01/09	82,628,200	132,510,700	49,882,500	62.36	82,751,800	60.28
07/01/08	80,133,200	123,448,900	43,315,700	64.91	79,038,500	54.80
07/01/07	72,873,300	115,739,600	42,866,300	62.96	74,444,200	57.58
Fire Civilian						
07/01/12	\$ 5,416,200	\$ 10,229,500	\$ 4,813,300	52.95 %	\$ 3,656,800	131.63 %
07/01/11	5,239,900	9,567,500	4,327,600	54.77	3,887,600	111.32
07/01/10	5,060,000	9,389,100	4,329,100	53.89	3,972,100	108.99
07/01/09	5,005,000	8,737,600	3,732,600	57.28	4,337,100	86.06
07/01/08	4,831,900	7,805,600	2,973,700	61.90	4,089,200	72.72
07/01/07	4,309,900	7,383,100	3,073,200	58.38	4,089,800	75.14
Police Civilian						
07/01/12	\$ 14,622,100	\$ 25,185,700	\$ 10,563,600	58.06 %	\$ 17,374,100	60.80 %
07/01/11	13,574,100	22,825,600	9,251,500	59.47	17,248,700	53.64
07/01/10	12,511,400	22,083,000	9,571,600	56.66	17,187,700	55.69
07/01/09	11,897,000	21,002,100	9,105,100	56.65	17,718,800	51.39
07/01/08	10,980,100	18,799,500	7,819,400	58.41	17,197,800	45.47
07/01/07	9,482,600	17,294,800	7,812,200	54.83	15,274,100	51.15
OPEB Plan Net Assets						
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%
07/01/08	29,647	792,265	762,618	3.74%	468,907	162.64%
07/01/07	-	762,335	762,335	-	463,893	164.33%

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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, 2013

<u>Assets</u>		<u>Liabilities, Deferred Inflow of Resources, and Fund Balance</u>	
Cash and investments	\$ 269,313,665	Liabilities:	
Taxes receivable:		Compensated absences and termination benefits payable	\$ 94,763
Property taxes	16,467,171	Accounts payable	10,447,724
Less allowance for uncollectible taxes	<u>(11,608,879)</u>	Accrued costs	23,995,897
Net property taxes	<u>4,858,292</u>	Unearned revenue	4,843,698
Accounts receivable	26,477,588	Deposits	<u>29,141,861</u>
Less allowance for uncollectible accounts	<u>(237,493)</u>	Total liabilities	<u>68,523,943</u>
Net accounts receivable	<u>26,240,095</u>	Deferred Inflow of Resources:	
Notes receivable	3,828,768	Unavailable revenue - income taxes	50,408,585
Accrued interest receivable	178,751	Unavailable revenue - property taxes	<u>5,323,043</u>
Due from other funds:		Total deferred inflow of resources	<u>55,731,628</u>
Special Revenue	15,060,000	Fund balance:	
Capital Projects	6,000,000	Nonspendable	1,532,552
Pension Fund	<u>1,050,000</u>	Restricted	
Total due from other funds	<u>22,110,000</u>	Economic stabilization	137,420,570
Due from component units:		Equipment purchases	15,155,201
Housing Authority	3,556,000	Real estate purchases	<u>4,160,028</u>
Revenue Authority	6,034,193	Total Restricted	<u>156,735,799</u>
Prince George's Community Television	<u>450,000</u>	Committed - Operating Reserve	54,968,228
Total due from component units	<u>10,040,193</u>	Assigned	
Due from other governmental units:		Economic Development	49,720,538
State	108,677,857	Subsequent Years Expenditures	5,535,000
Federal	196,187	Contracts	<u>8,087,425</u>
Other	<u>17,275,956</u>	Total Assigned	<u>63,342,963</u>
Total due from other governmental units	<u>126,150,000</u>	Unassigned	<u>82,782,432</u>
Inventories, at average cost	1,532,552	Total fund balance	<u>359,361,974</u>
Cash and investments-restricted	19,315,229		
Other assets	50,000		
	<u>\$ 483,617,545</u>		<u>\$ 483,617,545</u>

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Revenue, Expenditures, and Changes in Fund Balance
 General Fund
 For the year ended June 30, 2013

Revenues:	
Taxes	\$ 1,447,048,619
Licenses and permits	22,429,216
Fines and forfeitures	16,854,696
Use of money and property	458,844
Charges for services	40,128,639
Intergovernmental	43,223,958
Miscellaneous	3,146,730
Total revenues	<u>1,573,290,702</u>
Expenditures:	
General government	241,665,424
Public safety	552,488,827
Public works	11,747,787
Health	21,731,256
Public welfare	3,117,380
Payments to component units	679,881,500
Debt Service	15,067,056
Total expenditures	<u>1,525,699,230</u>
Excess of revenues over expenditures	<u>47,591,472</u>
Other financing sources (uses):	
Purchase agreement financing	16,055,642
Transfers out - other funds	<u>(87,972,924)</u>
Total other financing sources (uses)	<u>(71,917,282)</u>
Excess of revenues and other financing sources under expenditures and other uses	<u>(24,325,810)</u>
Fund balance, beginning of year	383,687,784
Fund balance, end of year	<u>\$ <u>359,361,974</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, 2013

	Budget <u>As Revised</u>	Actual <u>Revenues</u>	Variance Positive <u>(Negative)</u>
General property taxes:			
Real property (net of credits)	\$ 629,900,500	630,338,525	438,025
Unincorporated business personal property	506,600	1,188,899	682,299
Railroad and public utility	29,540,800	32,801,567	3,260,767
Corporate personal property	<u>35,842,700</u>	<u>37,181,648</u>	<u>1,338,948</u>
Total general property taxes	<u>695,790,600</u>	<u>701,510,639</u>	<u>5,720,039</u>
Local taxes:			
Income	495,664,800	505,266,237	9,601,437
State income disparity grant	21,694,800	21,694,767	(33)
Recordation	28,163,600	30,641,413	2,477,813
Interest and penalties on delinquent taxes	4,120,800	3,579,532	(541,268)
Transfer	62,306,200	69,475,489	7,169,289
Trailer camp	40,000	32,175	(7,825)
Hotel/motel	5,286,700	4,960,813	(325,887)
Amusement	10,803,000	13,415,947	2,612,947
Telecommunications tax	37,080,600	36,926,752	(153,848)
Energy tax	<u>65,346,500</u>	<u>56,588,560</u>	<u>(8,757,940)</u>
Total local taxes	<u>730,507,000</u>	<u>742,581,685</u>	<u>12,074,685</u>
Shared taxes:			
Gas and motor vehicle	2,548,200	2,613,510	65,310
State transfer taxes	<u>40,000</u>	<u>342,785</u>	<u>302,785</u>
	<u>2,588,200</u>	<u>2,956,295</u>	<u>368,095</u>
Total taxes	<u>1,428,885,800</u>	<u>1,447,048,619</u>	<u>18,162,819</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, 2013

	Budget <u>As Revised</u>	Actual <u>Revenues</u>	Variance Positive <u>(Negative)</u>
Licenses and permits:			
Street privileges and permits	\$ 2,700,000	4,952,922	2,252,922
Liquor license and permits	1,303,400	1,658,843	355,443
Traders	917,400	757,992	(159,408)
Hawkers and peddlers	3,900	3,000	(900)
Refuse	61,000	-	(61,000)
Taxicab	510,000	527,860	17,860
Dance licenses	6,000	11,000	5,000
Bonder's license fees	650,000	726,455	76,455
Animal registration	156,300	125,746	(30,554)
Mechanics	13,000	12,705	(295)
Electrical licenses	125,000	130,670	5,670
Building permits	7,060,200	8,780,295	1,720,095
Single family and apartment rental license fee	2,108,000	2,442,867	334,867
New sign permits	52,000	84,784	32,784
Towing facility	150,000	128,350	(21,650)
Palmist	3,000	2,770	(230)
Burglar alarm	562,000	464,276	(97,724)
Benefit performance and casino permits	2,000	1,835	(165)
Board of registration - contractor's fee	6,000	7,755	1,755
Health permits	1,567,800	1,560,946	(6,854)
Secondhand dealers	30,000	42,010	12,010
Other	14,000	6,135	(7,865)
	<u>18,001,000</u>	<u>22,429,216</u>	<u>4,428,216</u>
Total licenses and permits			
Fines and forfeitures:			
Motor vehicles	800,000	829,552	29,552
Animal	45,000	37,950	(7,050)
Automated Speed Enforcement	27,984,000	13,111,721	(14,872,279)
Traffic Light	1,800,000	2,807,978	1,007,978
Other	1,716,800	67,495	(1,649,305)
	<u>32,345,800</u>	<u>16,854,696</u>	<u>(15,491,104)</u>
Total fines and forfeitures			

(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, 2013

	Budget As Revised	Actual Revenues	Variance Positive (Negative)
Use of money and property:			
Interest and dividends	\$ 5,800,000	(2,546,502)	(8,346,502)
Telephone commissions	415,000	375,850	(39,150)
Rental of County-owned property	1,900,000	1,958,123	58,123
Xerox commissions	5,000	5,751	751
Vending machines and cafeteria commissions	80,000	15,654	(64,346)
Other use of money and property	-	24,507	24,507
Total use of money and property	<u>8,200,000</u>	<u>(166,617)</u>	<u>(8,366,617)</u>
Charges for services:			
Sheriff's fees	3,344,100	2,807,817	(536,283)
Zoning Appeals Board fee	26,000	19,802	(6,198)
Tax certification fees	-	17,100	17,100
Tax collection service	65,000	-	(65,000)
Health fees	945,500	1,174,129	228,629
Appearance and witness fees	168,000	191,409	23,409
Emergency transport and related services	11,359,500	12,818,688	1,459,188
Tax sale cost recoveries	112,900	75,276	(37,624)
Housing - State prisoners	-	465,975	465,975
Housing - Federal prisoners	157,800	244,880	87,080
Contractual police services	500,000	827,048	327,048
Fire inspection fee	-	220,030	220,030
Inmate commissions	100,000	283,976	183,976
County sales	500	1,338	838
Animal control fees	109,000	66,829	(42,171)
Circuit Court marriage ceremonies	44,000	47,129	3,129
Local 911 fee	7,098,000	5,982,457	(1,115,543)
Cable franchise fees	8,934,400	11,215,806	2,281,406
Stadium contract revenue	1,520,600	1,886,028	365,428
Jury fees reimbursements	670,000	722,530	52,530
Sex offenders registration fee	-	178,400	178,400
Interpreter fee	330,000	455,505	125,505
Other	50,000	426,487	376,487
Total charges for services	<u>35,535,300</u>	<u>40,128,639</u>	<u>4,593,339</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, 2013

	<u>Budget</u> <u>As Revised</u>	<u>Actual</u> <u>Revenues</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>
Intergovernmental revenues:			
Civil defense	\$ 100,000	-	(100,000)
Police protection	9,725,900	9,270,447	(455,453)
Land management	10,000	8,619	(1,381)
Health Department - State share	5,007,000	3,867,987	(1,139,013)
Fire grant	200,000	-	(200,000)
Racing grant	1,000,000	1,000,000	-
Fish and wildlife service	250,000	137,747	(112,253)
Teacher Retirement grant	9,628,700	9,628,702	2
FEMA Reimbursement	-	1,140,508	1,140,508
DHR DSS grant	-	40,289	40,289
State grants	-	64,282	64,282
Federal grants	-	174,599	174,599
Payment from Revenue Authority	-	2,150,000	2,150,000
DSS salary reimbursement	215,600	249,431	33,831
Payment from M-NCPPC	11,758,400	14,751,177	2,992,777
Other	2,000,000	740,170	(1,259,830)
	<u>39,895,600</u>	<u>43,223,958</u>	<u>3,328,358</u>
Total intergovernmental revenues			
Miscellaneous revenues:			
Cedarville state forest	-	5,579	5,579
Sale of surplus property	184,000	464,047	280,047
Sale of voter lists	10,700	2,755	(7,945)
Sale of accident reports and photos	166,700	166,271	(429)
Other miscellaneous sales	38,600	81,996	43,396
Miscellaneous revenue	600,000	2,426,082	1,826,082
	<u>1,000,000</u>	<u>3,146,730</u>	<u>2,146,730</u>
Total miscellaneous revenues			
	<u>\$ 1,563,863,500</u>	<u>1,572,665,241</u>	<u>8,801,741</u>

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures, Encumbrances and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2013

	Encumbrances outstanding July 1, 2012	Current year expenditures previously encumbered	Prior year encumbrances cancelled	Prior year encumbrances outstanding June 30, 2013	Year ended June 30, 2013				Variance Positive (Negative)
					Budget as revised	Expenditures	Encumbrances	Subtotal	
General government:									
County Executive:									
Compensation	\$ -	-	-	-	3,625,700	3,839,180	-	3,839,180	(213,480)
Other current expenses	562	344	-	218	616,300	332,594	-	332,594	283,706
Fringe benefits	-	-	-	-	875,000	892,133	-	892,133	(17,133)
Total County Executive	562	344	-	218	5,117,000	5,063,907	-	5,063,907	53,093
Legislative Branch:									
Compensation	-	-	-	-	9,279,700	8,989,892	-	8,989,892	289,808
Other current expenses	443,758	152,076	87,197	204,485	2,217,800	1,805,278	221,765	2,027,043	190,757
Capital outlay	-	-	-	-	50,000	15,808	-	15,808	34,192
Fringe benefits	-	-	-	-	2,535,200	2,443,951	-	2,443,951	91,249
Project charges	-	-	-	-	(1,027,300)	(1,297,384)	-	(1,297,384)	270,084
Total Legislative Branch	443,758	152,076	87,197	204,485	13,055,400	11,957,545	221,765	12,179,310	876,090
Office of Ethics and Accountability:									
Compensation	-	-	-	-	80,000	-	-	-	80,000
Other current expenses	-	-	-	-	34,500	4,500	-	4,500	30,000
Fringe benefits	-	-	-	-	19,800	-	-	-	19,800
Total Ethics and Accountability	-	-	-	-	134,300	4,500	-	4,500	129,800
Circuit Court:									
Compensation	-	-	-	-	8,566,800	8,522,889	-	8,522,889	43,911
Other current expenses	68,548	64,670	3,878	-	3,467,600	3,254,873	88,126	3,342,999	124,601
Fringe benefits	-	-	-	-	2,681,600	2,366,429	-	2,366,429	315,171
Project charges	-	-	-	-	(132,000)	-	-	-	(132,000)
Total Circuit Court	68,548	64,670	3,878	-	14,584,000	14,144,191	88,126	14,232,317	351,683

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures, Encumbrances and Other Financing (Non-GAAP Budgetary Basis)
 Sources (Uses) Compared with Budget
 General Fund
 For the year ended June 30, 2013

	Encumbrances outstanding July 1, 2012	Current year expenditures previously encumbered	Prior year encumbrances cancelled	Prior year encumbrances outstanding June 30, 2013	Year ended June 30, 2013				Variance Positive (Negative)
					Budget as revised	Expenditures	Encumbrances	Subtotal	
General government, continued:									
Orphan's Court:									
Compensation	\$ -	-	-	-	312,100	312,066	-	312,066	34
Other current expenses	-	-	-	-	13,900	15,372	-	15,372	(1,472)
Fringe benefits	-	-	-	-	80,700	74,554	-	74,554	6,146
Total Orphan's Court	-	-	-	-	406,700	401,992	-	401,992	4,708
Office of the State's Attorney									
Compensation	-	-	-	-	10,330,800	10,300,593	-	10,300,593	30,207
Other current expenses	19,574	6,117	13,457	-	1,539,200	1,513,266	13,394	1,526,660	12,540
Fringe benefits	-	-	-	-	2,802,800	2,757,531	-	2,757,531	45,269
Project charges	-	-	-	-	-	(59,167)	-	(59,167)	59,167
Total State's Attorney Office	19,574	6,117	13,457	-	14,672,800	14,512,223	13,394	14,525,617	147,183
Personnel Board:									
Compensation	-	-	-	-	187,900	189,076	-	189,076	(1,176)
Other current expenses	4,738	4,365	373	-	102,600	89,908	15,144	105,052	(2,452)
Fringe benefits	-	-	-	-	48,100	43,905	-	43,905	4,195
Total Personnel Board	4,738	4,365	373	-	338,600	322,889	15,144	338,033	567
Office of Finance:									
Compensation	-	-	-	-	4,227,000	4,249,357	-	4,249,357	(22,357)
Other current expenses	36,396	14,787	21,609	-	877,600	780,784	22,819	803,603	73,997
Fringe benefits	-	-	-	-	1,417,000	1,281,801	-	1,281,801	135,199
Project charges	-	-	-	-	(2,615,500)	(2,615,328)	-	(2,615,328)	(172)
Total Office of Finance	36,396	14,787	21,609	-	3,906,100	3,696,614	22,819	3,719,433	186,667
Citizen Complaint Oversight Panel:									
Compensation	-	-	-	-	118,600	119,473	-	119,473	(873)
Other current expenses	6,460	-	6,460	-	102,700	77,449	-	77,449	25,251
Fringe benefits	-	-	-	-	31,800	24,943	-	24,943	6,857
Total Citizen Complaint Oversight Panel	6,460	-	6,460	-	253,100	221,865	-	221,865	31,235

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures, Encumbrances and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2013

	Encumbrances outstanding July 1, 2012	Current year expenditures previously encumbered	Prior year encumbrances cancelled	Prior year encumbrances outstanding June 30, 2013	Year ended June 30, 2013				Variance Positive (Negative)
					Budget as revised	Expenditures	Encumbrances	Subtotal	
General government, continued:									
Office of Community Relations									
Compensation	\$ -	-	-	-	2,249,200	2,264,443	-	2,264,443	(15,243)
Other current expenses	13,543	-	13,543	-	378,200	353,633	11,900	365,533	12,667
Fringe benefits	-	-	-	-	636,300	633,300	-	633,300	3,000
Total Office of Community Relations	13,543	-	13,543	-	3,263,700	3,251,376	11,900	3,263,276	424
Peoples Zoning Council:									
Other current expenses	-	-	-	-	200,000	-	-	-	200,000
Project charges	-	-	-	-	(200,000)	-	-	-	(200,000)
Total Peoples Zoning Council	-	-	-	-	-	-	-	-	-
Office of Management and Budget:									
Compensation	-	-	-	-	1,992,000	1,986,780	-	1,986,780	5,220
Other current expenses	-	-	-	-	171,600	169,272	-	169,272	2,328
Fringe benefits	-	-	-	-	573,700	574,244	-	574,244	(544)
Project charges	-	-	-	-	(239,000)	(237,343)	-	(237,343)	(1,657)
Total Office of Management and Budget	-	-	-	-	2,498,300	2,492,953	-	2,492,953	5,347
Board of License Commissioners:									
Compensation	-	-	-	-	809,100	743,691	-	743,691	65,409
Other current expenses	579	-	579	-	87,500	73,119	-	73,119	14,381
Fringe benefits	-	-	-	-	307,100	247,049	-	247,049	60,051
Total Board of License Commissioners	579	-	579	-	1,203,700	1,063,859	-	1,063,859	139,841
Office of Law:									
Compensation	-	-	-	-	4,441,600	4,559,643	-	4,559,643	(118,043)
Other current expenses	7,090	7,090	-	-	462,700	228,302	12,371	240,673	222,027
Fringe benefits	-	-	-	-	1,266,400	1,141,983	-	1,141,983	124,417
Project charges	-	-	-	-	(2,482,200)	(2,253,854)	-	(2,253,854)	(228,346)
Total Office of Law	7,090	7,090	-	-	3,688,500	3,676,074	12,371	3,688,445	55

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures, Encumbrances and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2013

	Encumbrances outstanding July 1, 2012	Current year expenditures previously encumbered	Prior year encumbrances cancelled	Prior year encumbrances outstanding June 30, 2013	Year ended June 30, 2013				Variance Positive (Negative)
					Budget as revised	Expenditures	Encumbrances	Subtotal	
General government, continued:									
Office of Human Resources Management									
Compensation	\$ -	-	-	-	5,037,600	4,986,824	-	4,986,824	50,776
Other current expenses	128,659	64,356	64,303	-	1,129,200	954,058	70,774	1,024,832	104,368
Fringe benefits	-	-	-	-	1,389,800	1,227,328	-	1,227,328	162,472
Project charges	-	-	-	-	(1,781,600)	(1,532,798)	-	(1,532,798)	(248,802)
Total Office of Human Resources Management	128,659	64,356	64,303	-	5,775,000	5,635,412	70,774	5,706,186	68,814
Board of Elections:									
Compensation	-	-	-	-	2,992,200	3,223,242	-	3,223,242	(231,042)
Other current expenses	17,578	17,578	-	-	995,500	673,092	-	673,092	322,408
Fringe benefits	-	-	-	-	415,300	412,411	-	412,411	2,889
Total Board of Elections	17,578	17,578	-	-	4,403,000	4,308,745	-	4,308,745	94,255
Soil Conservation:									
Compensation	-	-	-	-	1,042,900	923,251	-	923,251	119,649
Other current expenses	-	-	-	-	13,300	12,284	-	12,284	1,016
Fringe benefits	-	-	-	-	273,100	220,429	-	220,429	52,671
Project charges	-	-	-	-	(1,329,300)	(1,155,964)	-	(1,155,964)	(173,336)
Total Soil Conservation	-	-	-	-	-	-	-	-	-

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures, Encumbrances and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2013

	Encumbrances outstanding July 1, 2012	Current year expenditures previously encumbered	Prior year encumbrances cancelled	Prior year encumbrances outstanding June 30, 2013	Year ended June 30, 2013				Variance Positive (Negative)
					Budget as revised	Expenditures	Encumbrances	Subtotal	
General government, continued:									
Office of Central Services:									
Compensation	\$ -	-	-	-	8,473,900	8,398,080	-	8,398,080	75,820
Other current expenses	403,776	82,711	319,586	1,479	6,438,600	6,185,388	618,930	6,804,318	(365,718)
Fringe benefits	-	-	-	-	3,139,700	2,714,201	-	2,714,201	425,499
Project charges	-	-	-	-	(1,839,800)	(1,848,983)	-	(1,848,983)	9,183
Total Office of Central Services	<u>403,776</u>	<u>82,711</u>	<u>319,586</u>	<u>1,479</u>	<u>16,212,400</u>	<u>15,448,686</u>	<u>618,930</u>	<u>16,067,616</u>	<u>144,784</u>
Department of Family Services									
Compensation	-	-	-	-	1,764,300	1,354,957	-	1,354,957	409,343
Other current expenses	110,466	101,724	8,742	-	1,197,658	1,007,903	102,887	1,110,790	86,868
Fringe benefits	-	-	-	-	617,200	367,356	-	367,356	249,844
Project charges	-	-	-	-	(610,000)	(24,611)	-	(24,611)	(585,389)
Total Department of Family Services	<u>110,466</u>	<u>101,724</u>	<u>8,742</u>	<u>-</u>	<u>2,969,158</u>	<u>2,705,605</u>	<u>102,887</u>	<u>2,808,492</u>	<u>160,666</u>
Department of Housing and Community Development:									
Compensation	-	-	-	-	1,722,300	1,558,310	-	1,558,310	163,990
Other current expenses	1,065	-	-	1,065	504,700	460,465	11,797	472,262	32,438
Fringe benefits	-	-	-	-	599,600	460,260	-	460,260	139,340
Total Department of Housing and Community Development	<u>1,065</u>	<u>-</u>	<u>-</u>	<u>1,065</u>	<u>2,826,600</u>	<u>2,479,035</u>	<u>11,797</u>	<u>2,490,832</u>	<u>335,768</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures, Encumbrances and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2013

	Encumbrances outstanding <u>July 1, 2012</u>	Current year expenditures previously <u>encumbered</u>	Prior year encumbrances <u>cancelled</u>	Prior year encumbrances outstanding <u>June 30, 2013</u>	Year ended June 30, 2013				Variance Positive (Negative)
					Budget as revised	Expenditures	Encumbrances	Subtotal	
General government, continued:									
Non-departmental:									
Employee incentives	\$ 995	-	995	-	-	-	-	-	-
Grants to community organizations	-	-	-	-	3,897,400	3,959,250	-	3,959,250	(61,850)
Grants to governmental groups	-	-	-	-	216,800	191,700	-	191,700	25,100
Grants and contributions to component units	-	-	-	-	3,935,100	3,935,100	-	3,935,100	-
Memberships	-	-	-	-	588,500	589,011	-	589,011	(511)
Economic Development	-	-	-	-	4,026,000	4,146,873	-	4,146,873	(120,873)
Conference and Visitors Bureau	-	-	-	-	822,500	822,500	-	822,500	-
Retiree Payout	-	-	-	-	15,000,000	7,843,674	-	7,843,674	7,156,326
Discretionary Grants	63,375	-	63,375	-	2,964,000	1,565,800	-	1,565,800	1,398,200
General Fund insurance payments	-	-	-	-	8,437,700	8,437,700	-	8,437,700	-
Judgments - associated legal and professional expenses	889,123	32,476	856,647	-	784,900	504,688	96,132	600,820	184,080
Professional Service	1,293,778	146,838	1,146,940	-	13,650,700	10,504,758	814,396	11,319,154	2,331,546
Postage	52,671	5,372	47,299	-	880,000	1,121,988	10,307	1,132,295	(252,295)
Utilities and leases	1,261,458	3,277	1,258,181	-	40,518,300	42,669,525	452,027	43,121,552	(2,603,252)
Grant to Hospital Authority	130,050	-	130,050	-	-	-	-	-	-
Real property acquisition and disposal costs	21,946	-	21,946	-	-	-	23,069	23,069	(23,069)
Employees Retirement	-	-	-	-	-	195,821	-	195,821	(195,821)
Debt payments	-	-	-	-	4,386,600	4,418,483	-	4,418,483	(31,883)
Debt issuance costs	-	-	-	-	8,000	-	-	-	8,000
Project charges	-	-	-	-	(8,391,400)	(8,056,181)	-	(8,056,181)	(335,219)
Contingency	-	-	-	-	250,000	-	-	-	250,000
Grant to Dimensions Health Corporation	-	-	-	-	15,800,000	15,800,000	-	15,800,000	-
Interest	-	-	-	-	200,000	1,081,820	-	1,081,820	(881,820)
Group Health (Retirees)	-	-	-	-	25,048,400	25,048,400	-	25,048,400	-
Group Life (Retirees)	-	-	-	-	900,000	225,000	-	225,000	675,000
Unemployment Compensation	-	-	-	-	500,000	478,000	-	478,000	22,000
Deferred compensation contributions	-	-	-	-	100,000	59,658	-	59,658	40,342
Retired county personnel pension payments	-	-	-	-	53,000	44,602	-	44,602	8,398
Compensated Absences	-	-	-	-	-	(201,367)	-	(201,367)	201,367
Summer Youth Programs	-	-	-	-	1,141,000	698,896	-	698,896	442,104
Workers Compensation	-	-	-	-	-	6,725,114	-	6,725,114	(6,725,114)
Other miscellaneous	207,626	-	207,626	-	5,132,300	5,941,740	999,553	6,941,293	(1,808,993)
Total non-departmental	3,921,022	187,963	3,733,059	-	140,849,800	138,752,553	2,395,484	141,148,037	(298,237)
Total general government	5,183,814	703,781	4,272,786	207,247	236,158,158	230,140,024	3,585,391	233,725,415	2,432,743

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures, Encumbrances and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2013

	Encumbrances outstanding July 1, 2012	Current year expenditures previously encumbered	Prior year encumbrances cancelled	Prior year encumbrances outstanding June 30, 2013	Year ended June 30, 2013				Variance Positive (Negative)
					Budget as revised	Expenditures	Encumbrances	Subtotal	
Public safety:									
Department of Environmental Resources:									
Compensation	\$ -	-	-	-	11,445,800	11,428,062	-	11,428,062	17,738
Other current expenses	382,782	229,035	108,424	45,323	1,715,000	1,589,795	127,792	1,717,587	(2,587)
Fringe benefits	-	-	-	-	3,556,800	3,464,458	-	3,464,458	92,342
Project charges	-	-	-	-	(6,308,700)	(6,532,783)	-	(6,532,783)	224,083
Total Department of Environmental Resources	<u>382,782</u>	<u>229,035</u>	<u>108,424</u>	<u>45,323</u>	<u>10,408,900</u>	<u>9,949,532</u>	<u>127,792</u>	<u>10,077,324</u>	<u>331,576</u>
Police Department:									
Compensation	-	-	-	-	156,356,300	158,842,816	-	158,842,816	(2,486,516)
Other current expenses	1,872,092	798,927	1,017,452	55,713	31,828,503	31,759,436	918,675	32,678,111	(849,608)
Capital outlay	206,924	188,824	-	18,100	200,000	-	70,526	70,526	129,474
Fringe benefits	-	-	-	-	86,699,600	82,845,426	-	82,845,426	3,854,174
Project charges	-	-	-	-	(1,025,000)	(400,787)	-	(400,787)	(624,213)
Total Police Department	<u>2,079,016</u>	<u>987,751</u>	<u>1,017,452</u>	<u>73,813</u>	<u>274,059,403</u>	<u>273,046,891</u>	<u>989,201</u>	<u>274,036,092</u>	<u>23,311</u>
Fire Department:									
Fire Department - Career Service:									
Compensation	-	-	-	-	67,969,200	69,940,310	-	69,940,310	(1,971,110)
Other current expenses	104,670	73,449	31,221	-	6,212,101	5,497,381	112,795	5,610,176	601,925
Capital outlay	471,143	471,143	-	-	516,500	58,944	440,000	498,944	17,556
Fringe benefits	-	-	-	-	47,345,000	45,771,839	-	45,771,839	1,573,161
Project charges	-	-	-	-	(515,000)	(315,406)	-	(315,406)	(199,594)
Total Fire Department - Career Service	<u>575,813</u>	<u>544,592</u>	<u>31,221</u>	<u>-</u>	<u>121,527,801</u>	<u>120,953,068</u>	<u>552,795</u>	<u>121,505,863</u>	<u>21,938</u>
Volunteer Fire Companies:									
Other current expenses	362,513	75,502	287,011	-	13,279,400	13,146,735	137,130	13,283,865	(4,465)
Fringe benefits	-	-	-	-	1,930,000	1,924,935	-	1,924,935	5,065
Total Volunteer Fire Companies	<u>362,513</u>	<u>75,502</u>	<u>287,011</u>	<u>-</u>	<u>15,209,400</u>	<u>15,071,670</u>	<u>137,130</u>	<u>15,208,800</u>	<u>600</u>
Total Fire Department	<u>938,326</u>	<u>620,094</u>	<u>318,232</u>	<u>-</u>	<u>136,737,201</u>	<u>136,024,738</u>	<u>689,925</u>	<u>136,714,663</u>	<u>22,538</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures, Encumbrances and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2013

	Encumbrances outstanding July 1, 2012	Current year expenditures previously encumbered	Prior year encumbrances cancelled	Prior year encumbrances outstanding June 30, 2013	Year ended June 30, 2013				Variance Positive (Negative)
					Budget as revised	Expenditures	Encumbrances	Subtotal	
Public safety, continued:									
Sheriff's Department:									
Compensation	\$ -	-	-	-	19,758,700	19,734,717	-	19,734,717	23,983
Other current expenses	53,644	37,569	16,075	-	3,862,800	4,333,200	58,842	4,392,042	(529,242)
Fringe benefits	-	-	-	-	11,234,300	10,737,397	-	10,737,397	496,903
Project charges	-	-	-	-	-	(11,875)	-	(11,875)	11,875
Total Sheriff's Department	<u>53,644</u>	<u>37,569</u>	<u>16,075</u>	<u>-</u>	<u>34,855,800</u>	<u>34,793,439</u>	<u>58,842</u>	<u>34,852,281</u>	<u>3,519</u>
Department of Corrections:									
Compensation	-	-	-	-	44,549,900	45,164,709	-	45,164,709	(614,809)
Other current expenses	451,008	263,326	167,306	20,376	10,714,000	10,485,216	231,933	10,717,149	(3,149)
Fringe benefits	-	-	-	-	17,750,900	17,030,530	-	17,030,530	720,370
Project charges	-	-	-	-	(243,000)	(142,965)	-	(142,965)	(100,035)
Total Department of Corrections	<u>451,008</u>	<u>263,326</u>	<u>167,306</u>	<u>20,376</u>	<u>72,771,800</u>	<u>72,537,490</u>	<u>231,933</u>	<u>72,769,423</u>	<u>2,377</u>
Office of Homeland Security									
Compensation	-	-	-	-	12,467,700	12,668,895	-	12,668,895	(201,195)
Other current expenses	318,817	77,973	48,669	192,175	7,914,900	8,022,034	22,441	8,044,475	(129,575)
Fringe benefits	-	-	-	-	3,562,300	3,230,060	-	3,230,060	332,240
Total Office of Homeland Security	<u>318,817</u>	<u>77,973</u>	<u>48,669</u>	<u>192,175</u>	<u>23,944,900</u>	<u>23,920,989</u>	<u>22,441</u>	<u>23,943,430</u>	<u>1,470</u>
Total public safety	<u>4,223,593</u>	<u>2,215,748</u>	<u>1,676,158</u>	<u>331,687</u>	<u>552,778,004</u>	<u>550,273,079</u>	<u>2,120,134</u>	<u>552,393,213</u>	<u>384,791</u>

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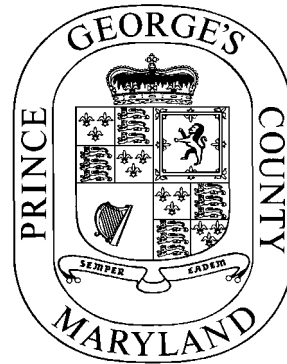
PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures, Encumbrances and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2013

	Encumbrances outstanding July 1, 2012	Current year expenditures previously encumbered	Prior year encumbrances cancelled	Prior year encumbrances outstanding June 30, 2013	Year ended June 30, 2013				Variance Positive (Negative)
					Budget as revised	Expenditures	Encumbrances	Subtotal	
Public works - Department of Public Works and Transportation:									
Compensation	\$ -	-	-	-	18,134,900	17,465,738	-	17,465,738	669,162
Other current expenses	328,171	140,626	187,545	-	41,246,200	36,934,777	730,580	37,665,357	3,580,843
Capital outlay	76,653	-	76,653	-	450,000	-	-	-	450,000
Fringe benefits	-	-	-	-	6,462,000	5,612,882	-	5,612,882	849,118
Project charges	-	-	-	-	(53,926,200)	(48,406,236)	-	(48,406,236)	(5,519,964)
Total public works	<u>404,824</u>	<u>140,626</u>	<u>264,198</u>	<u>-</u>	<u>12,366,900</u>	<u>11,607,161</u>	<u>730,580</u>	<u>12,337,741</u>	<u>29,159</u>
Health - Health Department:									
Compensation	-	-	-	-	13,923,804	13,786,448	-	13,786,448	137,356
Other current expenses	2,319,717	1,013,738	1,094,134	211,845	5,053,931	5,270,343	808,384	6,078,727	(1,024,796)
Capital outlay	79,512	41,715	-	37,797	-	512	-	512	(512)
Fringe benefits	-	-	-	-	4,863,765	4,161,863	-	4,161,863	701,902
Project charges	-	-	-	-	(2,060,500)	(2,543,363)	-	(2,543,363)	482,863
Total health	<u>2,399,229</u>	<u>1,055,453</u>	<u>1,094,134</u>	<u>249,642</u>	<u>21,781,000</u>	<u>20,675,803</u>	<u>808,384</u>	<u>21,484,187</u>	<u>296,813</u>
Public welfare - Department of Social Services:									
Compensation	-	-	-	-	1,193,200	1,194,069	-	1,194,069	(869)
Other current expenses	359,689	349,855	9,834	-	1,334,400	1,276,311	54,360	1,330,671	3,729
Project charges	-	-	-	-	-	-	-	-	-
Fringe benefits	-	-	-	-	314,700	297,145	-	297,145	17,555
Total public welfare	<u>359,689</u>	<u>349,855</u>	<u>9,834</u>	<u>-</u>	<u>2,842,300</u>	<u>2,767,525</u>	<u>54,360</u>	<u>2,821,885</u>	<u>20,415</u>
Payments to Component Units:									
Board of Education	-	-	-	-	633,069,100	633,069,100	-	633,069,100	-
Community College	-	-	-	-	29,545,200	29,545,200	-	29,545,200	-
Memorial Library	-	-	-	-	17,267,200	17,267,200	-	17,267,200	-
Total payments to component units	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>679,881,500</u>	<u>679,881,500</u>	<u>-</u>	<u>679,881,500</u>	<u>-</u>
Total expenditures and encumbrances	\$ <u>12,571,149</u>	<u>4,465,463</u>	<u>7,317,110</u>	<u>788,576</u>	<u>1,505,807,862</u>	<u>1,495,345,092</u>	<u>7,298,849</u>	<u>1,502,643,941</u>	<u>3,163,921</u>

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Schedule of Expenditures, Encumbrances and Other Financing
 Sources (Uses) Compared with Budget (Non-GAAP Budgetary Basis)
 General Fund
 For the year ended June 30, 2013

	Encumbrances outstanding July 1, 2012	Current year expenditures previously encumbered	Prior year encumbrances cancelled	Prior year encumbrances outstanding June 30, 2013	Year ended June 30, 2013				Variance Positive (Negative)
					Budget as revised	Expenditures	Encumbrances	Subtotal	
Other financing uses:									
Transfers out:									
Special revenue funds	-	-	-	-	(2,290,038)	(2,290,038)	-	(2,290,038)	-
Capital projects fund	-	-	-	-	(19,177,100)	(19,177,100)	-	(19,177,100)	-
Internal service funds	-	-	-	-	(4,000,000)	-	-	-	4,000,000
Debt service fund	-	-	-	-	(80,187,600)	(66,505,786)	-	(66,505,786)	13,681,814
Total transfers out	-	-	-	-	(105,654,738)	(87,972,924)	-	(87,972,924)	17,681,814
Total other financing uses	\$ -	-	-	-	(105,654,738)	(87,972,924)	-	(87,972,924)	17,681,814



NONMAJOR GOVERNMENTAL FUNDS

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

Property Management Services Fund - to account for the receipt of funds from the disposition of various surplus real property and the expenditure of these proceeds on the maintenance, repair, marketing, debt service, and other costs related to the disposition of such property.

Collington Center Fund - to account for the receipt of revenue from the disposition of property within the Center area to finance the costs related to the conduct of County projects within the Center.

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.

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2013

<u>Assets</u>	Special Revenue				<u>Total</u>	<u>Debt Service</u>	<u>Total</u>
	<u>Property Management Services</u>	<u>Collington Center</u>	<u>Domestic Violence</u>	<u>Drug Enforcement and Education</u>			
Cash and investments	\$ 2,419,740	1,127,974	166,588	12,437,724	16,152,026	-	16,152,026
Cash with fiscal agents	-	-	-	-	-	8,040,212	8,040,212
Due from other governmental units	-	-	56,985	-	56,985	-	56,985
Restricted cash and investments	-	-	-	-	-	30,899,082	30,899,082
	<u>\$ 2,419,740</u>	<u>1,127,974</u>	<u>223,573</u>	<u>12,437,724</u>	<u>16,209,011</u>	<u>38,939,294</u>	<u>55,148,305</u>
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Accounts payable	\$ 13,314	-	56,799	371,424	441,537	-	441,537
Total liabilities	<u>13,314</u>	<u>-</u>	<u>56,799</u>	<u>371,424</u>	<u>441,537</u>	<u>-</u>	<u>441,537</u>
Fund balances:							
Restricted	-	-	166,774	9,243,124	9,409,898	38,939,294	48,349,192
Assigned	2,406,426	1,127,974	-	2,823,176	6,357,576	-	6,357,576
Total fund balances	<u>2,406,426</u>	<u>1,127,974</u>	<u>166,774</u>	<u>12,066,300</u>	<u>15,767,474</u>	<u>38,939,294</u>	<u>54,706,768</u>
	<u>\$ 2,419,740</u>	<u>1,127,974</u>	<u>223,573</u>	<u>12,437,724</u>	<u>16,209,011</u>	<u>38,939,294</u>	<u>55,148,305</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, 2013

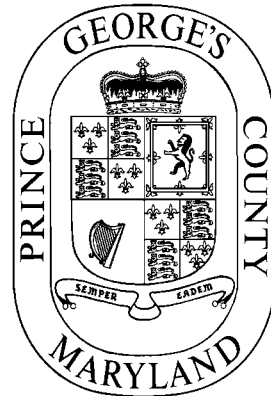
	Special Revenue						Total
	Property Management Services	Collington Center	Domestic Violence	Drug Enforcement and Education	Total	Debt Service	
Revenues:							
Taxes	\$ -	-	-	-	-	2,119,425	2,119,425
Licenses and permits	-	-	280,845	-	280,845	-	280,845
Fines and forfeitures	-	-	-	1,118,257	1,118,257	-	1,118,257
Use of money and property:							
Interest and dividends	-	-	-	67,525	67,525	750	68,275
Charges for services	-	-	-	-	-	22,752,641	22,752,641
Sale of property	(103,500)	-	-	9,896	(93,604)	-	(93,604)
Intergovernmental	-	-	-	-	-	5,746,784	5,746,784
Total revenues	<u>(103,500)</u>	<u>-</u>	<u>280,845</u>	<u>1,195,678</u>	<u>1,373,023</u>	<u>30,619,600</u>	<u>31,992,623</u>
Expenditures:							
General government	242,000	5,000	-	-	247,000	3,850,079	4,097,079
Public safety	-	-	-	1,935,879	1,935,879	-	1,935,879
Public welfare	-	-	408,076	-	408,076	-	408,076
Debt service:							
Principal retirement	-	-	-	-	-	71,870,000	71,870,000
Interest	-	-	-	-	-	42,990,512	42,990,512
Total expenditures	<u>242,000</u>	<u>5,000</u>	<u>408,076</u>	<u>1,935,879</u>	<u>2,590,955</u>	<u>118,710,591</u>	<u>121,301,546</u>
Excess of revenues over (under) expenditures	<u>(345,500)</u>	<u>(5,000)</u>	<u>(127,231)</u>	<u>(740,201)</u>	<u>(1,217,932)</u>	<u>(88,090,991)</u>	<u>(89,308,923)</u>
Other financing sources (uses):							
Bond premium	-	-	-	-	-	28,265,037	28,265,037
Transfers in - other funds	-	-	59,000	-	59,000	67,625,786	67,684,786
Bonds issued - refunding	-	-	-	-	-	191,130,000	191,130,000
Bond premium - refunding	-	-	-	-	-	20,981,662	20,981,662
Payment to refunding escrow agent	-	-	-	-	-	(209,562,879)	(209,562,879)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>59,000</u>	<u>-</u>	<u>59,000</u>	<u>98,439,606</u>	<u>98,498,606</u>
Net change in fund balances	<u>(345,500)</u>	<u>(5,000)</u>	<u>(68,231)</u>	<u>(740,201)</u>	<u>(1,158,932)</u>	<u>10,348,615</u>	<u>9,189,683</u>
Fund balances, beginning of year	<u>2,751,926</u>	<u>1,132,974</u>	<u>235,005</u>	<u>12,806,501</u>	<u>16,926,406</u>	<u>28,590,679</u>	<u>45,517,085</u>
Fund balances, end of year	<u>\$ 2,406,426</u>	<u>1,127,974</u>	<u>166,774</u>	<u>12,066,300</u>	<u>15,767,474</u>	<u>38,939,294</u>	<u>54,706,768</u>

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual
 Nonmajor Governmental Funds - Special Revenue
 For the year ended June 30, 2013

	Property Management Services				Collington Center				Domestic Violence			
	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	\$ -	-	-	-	-	-	-	-	315,400	315,400	280,845	(34,555)
Interest and Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Use of money and property	50,000	50,000	-	(50,000)	-	-	-	-	-	-	-	-
Sale of property	468,500	468,500	(103,500)	(572,000)	-	-	-	-	-	-	-	-
Total revenues	<u>518,500</u>	<u>518,500</u>	<u>(103,500)</u>	<u>(622,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>315,400</u>	<u>315,400</u>	<u>280,845</u>	<u>(34,555)</u>
Expenditures:												
General government	518,300	518,500	242,000	276,500	5,000	5,000	5,000	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-	-	434,400	434,400	408,076	26,324
Total expenditures	<u>518,300</u>	<u>518,500</u>	<u>242,000</u>	<u>276,500</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>434,400</u>	<u>434,400</u>	<u>408,076</u>	<u>26,324</u>
Excess of revenues over (under) expenditures	<u>200</u>	<u>-</u>	<u>(345,500)</u>	<u>(345,500)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>(119,000)</u>	<u>(119,000)</u>	<u>(127,231)</u>	<u>(8,231)</u>
Other financing sources (uses):												
Transfers in - other funds	-	-	-	-	-	-	-	-	119,000	59,000	59,000	-
Appropriated fund balance	<u>100,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>100,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>	<u>119,000</u>	<u>59,000</u>	<u>59,000</u>	<u>-</u>
Net change in fund balances (budgetary basis)	<u>\$ 100,500</u>	<u>-</u>	<u>(345,500)</u>	<u>(345,500)</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>(60,000)</u>	<u>(68,231)</u>	<u>(8,231)</u>
Current year encumbrances outstanding			-	-			-	-			-	-
Fund balances, beginning of year			<u>\$ 2,751,926</u>				<u>1,132,974</u>				<u>235,005</u>	
Fund balances, end of year (GAAP basis)			<u>\$ 2,406,426</u>				<u>1,127,974</u>				<u>166,774</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, 2013

	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)
Revenues:								
Licenses and permits	\$ -	-	-	-	315,400	315,400	280,845	(34,555)
Interest and Dividends	210,000	210,000	67,525	(142,475)	210,000	210,000	67,525	(142,475)
Fines and forfeitures	1,800,000	1,800,000	1,118,257	(681,743)	1,800,000	1,800,000	1,118,257	(681,743)
Use of money and property	-	-	-	-	50,000	50,000	-	(50,000)
Sale of property	-	-	9,896	9,896	468,500	468,500	(93,604)	(562,104)
Total revenues	<u>2,010,000</u>	<u>2,010,000</u>	<u>1,195,678</u>	<u>(814,322)</u>	<u>2,843,900</u>	<u>2,843,900</u>	<u>1,373,023</u>	<u>(1,470,877)</u>
Expenditures:								
General government	-	-	-	-	523,300	523,500	247,000	276,500
Public safety	2,010,000	6,500,000	1,935,879	4,564,121	2,010,000	6,500,000	1,935,879	4,564,121
Public welfare	-	-	-	-	434,400	434,400	408,076	26,324
Total expenditures	<u>2,010,000</u>	<u>6,500,000</u>	<u>1,935,879</u>	<u>4,564,121</u>	<u>2,967,700</u>	<u>7,457,900</u>	<u>2,590,955</u>	<u>4,866,945</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(4,490,000)</u>	<u>(740,201)</u>	<u>3,749,799</u>	<u>(123,800)</u>	<u>(4,614,000)</u>	<u>(1,217,932)</u>	<u>3,396,068</u>
Other financing sources (uses):								
Transfers in - other funds	-	-	-	-	119,000	59,000	59,000	-
Appropriated fund balance	-	-	-	-	105,300	5,000	-	(5,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>224,300</u>	<u>64,000</u>	<u>59,000</u>	<u>(5,000)</u>
Net change in fund balances (budgetary basis)	<u>\$ -</u>	<u>(4,490,000)</u>	<u>(740,201)</u>	<u>3,749,799</u>	<u>100,500</u>	<u>(4,550,000)</u>	<u>(1,158,932)</u>	<u>3,391,068</u>
Current year encumbrances outstanding							-	
Fund balances, beginning of year			<u>12,806,501</u>				<u>16,926,406</u>	
Fund balances, end of year (GAAP basis)			<u>12,066,300</u>				<u>15,767,474</u>	



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

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, 2013

Assets	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 assets:									
Cash and investments	\$ 251,745	398,891	2,698,603	25,633,898	9,616,549	43,714,628	9,374,709	21,042,816	112,731,839
Accounts receivable	-	-	7,302	7,870	-	505,388	8,013	1,946,121	2,474,694
Accrued interest receivable	-	-	727	10,379	3,209	-	-	-	14,315
Due from component units	-	-	-	10,583,722	-	-	-	-	10,583,722
Inventories, at cost	-	-	-	-	-	-	561,281	28,452	589,733
Prepaid costs and deposits	-	-	-	116,000	5,226	81,840	-	-	203,066
Total current assets	251,745	398,891	2,706,632	36,351,869	9,624,984	44,301,856	9,944,003	23,017,389	126,597,369
Noncurrent assets:									
Restricted cash and investments	-	-	-	-	-	-	354,557	-	354,557
Capital assets:									
Land	-	-	-	-	-	-	1,000,000	-	1,000,000
Buildings	-	-	-	-	-	-	2,640,889	-	2,640,889
Accumulated depreciation	-	-	-	-	-	-	(2,468,378)	-	(2,468,378)
Improvements other than buildings	-	-	-	-	-	-	328,014	-	328,014
Accumulated depreciation	-	-	-	-	-	-	(310,847)	-	(310,847)
Equipment	-	-	-	-	-	-	10,485,628	13,988	10,499,616
Accumulated depreciation	-	-	-	-	-	-	(10,076,246)	(12,234)	(10,088,480)
Total noncurrent assets	-	-	-	-	-	-	1,599,060	1,754	1,600,814
Total assets	\$ 251,745	398,891	2,706,632	36,351,869	9,624,984	44,301,856	11,897,620	23,019,143	128,552,740
Deferred outflow of resources									
Deferred charge on refunding	-	-	-	-	-	-	18,196	-	18,196
Total deferred outflow of resources	-	-	-	-	-	-	18,196	-	18,196

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Statement of Net Position
 Internal Service Funds
 June 30, 2013

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	\$ -	-	-	-	-	-	610,241	682,378	1,292,619
Current portion of notes payable	-	-	-	-	-	-	280,000	-	280,000
Accounts payable	98,822	2,008	38,161	350,258	30,944	440,484	624,117	1,767,622	3,352,416
Accrued costs	-	-	-	-	-	-	150,362	240,378	390,740
Unearned revenue	-	-	-	-	14	-	-	-	14
Current portion of estimated liability on pending claims	<u>152,378</u>	<u>194,512</u>	<u>1,047,375</u>	<u>26,665,045</u>	<u>2,090,538</u>	<u>12,093,756</u>	<u>-</u>	<u>-</u>	<u>42,243,604</u>
Total current liabilities	<u>251,200</u>	<u>196,520</u>	<u>1,085,536</u>	<u>27,015,303</u>	<u>2,121,496</u>	<u>12,534,240</u>	<u>1,664,720</u>	<u>2,690,378</u>	<u>47,559,393</u>
Noncurrent liabilities:									
Unamortized premium (discount)	-	-	-	-	-	-	3,216	-	3,216
Compensated absences and termination benefits payable, less current portion	-	-	-	-	-	-	435	218,877	219,312
Estimated liability on pending claims, less current portion	-	202,371	1,621,096	96,499,135	7,503,488	-	-	-	105,826,090
Notes payable, less current portion	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>290,000</u>	<u>-</u>	<u>290,000</u>
Total long-term liabilities	<u>-</u>	<u>202,371</u>	<u>1,621,096</u>	<u>96,499,135</u>	<u>7,503,488</u>	<u>-</u>	<u>293,651</u>	<u>218,877</u>	<u>106,338,618</u>
Total liabilities	<u>251,200</u>	<u>398,891</u>	<u>2,706,632</u>	<u>123,514,438</u>	<u>9,624,984</u>	<u>12,534,240</u>	<u>1,958,371</u>	<u>2,909,255</u>	<u>153,898,011</u>
Net position									
Net investment in capital assets	-	-	-	-	-	-	1,025,844	1,754	1,027,598
Restricted	-	-	-	-	-	-	-	19,476,437	19,476,437
Unrestricted	<u>545</u>	<u>-</u>	<u>-</u>	<u>(87,162,569)</u>	<u>-</u>	<u>31,767,616</u>	<u>8,931,601</u>	<u>631,697</u>	<u>(45,831,110)</u>
Total net position	<u>\$ 545</u>	<u>-</u>	<u>-</u>	<u>(87,162,569)</u>	<u>-</u>	<u>31,767,616</u>	<u>9,957,445</u>	<u>20,109,888</u>	<u>(25,327,075)</u>

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, 2013

	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	478,000	1,762,212	1,143,076	51,706,191	8,502,401	56,709,165	-	-	120,301,045
Sales									
Fuel sales	-	-	-	-	-	-	16,560	-	16,560
Office automation sales	-	-	-	-	-	-	-	27,933,632	27,933,632
Charges for services:									
Maintenance and repair charges	-	-	-	-	-	-	12,520,479	-	12,520,479
Use of money and property - rentals	-	-	-	-	-	-	173,211	-	173,211
Miscellaneous - subrogations and other	-	(81,512)	375,539	391,524	192	343,898	27,761	-	1,057,402
Total operating revenues	<u>478,000</u>	<u>1,680,700</u>	<u>1,518,615</u>	<u>52,097,715</u>	<u>8,502,593</u>	<u>57,053,063</u>	<u>12,738,011</u>	<u>27,933,632</u>	<u>162,002,329</u>
Operating expenses:									
Salaries	-	-	-	-	-	-	3,851,443	6,324,929	10,176,372
Fringe benefits	-	-	-	-	-	-	1,846,591	2,846,690	4,693,281
Contractual services	-	-	-	-	-	-	18,867	8,213,118	8,231,985
Materials	-	-	-	-	-	-	169,350	14,817,767	14,987,117
Facility and equipment rental	-	-	-	-	-	-	281,608	81,192	362,800
General and administrative:									
Administrative expenses	16,341	154,268	1,056,223	2,711,501	1,346,986	2,501,383	4,718,572	367,789	12,873,063
State worker's compensation tax	-	-	-	320,584	-	-	-	-	320,584
Depreciation	-	-	-	-	-	-	292,216	2,447	294,663
Insurance claims	461,545	154,518	1,297,688	56,652,699	4,769,079	50,351,776	-	-	113,687,305
Insurance premiums	-	1,379,918	-	3,563,136	39,263	14,646,145	-	-	19,628,462
Other:									
Repair and maintenance	-	-	-	-	-	-	4,316,322	38,810	4,355,132
Total operating expenses	<u>477,886</u>	<u>1,688,704</u>	<u>2,353,911</u>	<u>63,247,920</u>	<u>6,155,328</u>	<u>67,499,304</u>	<u>15,494,969</u>	<u>32,692,742</u>	<u>189,610,764</u>
Operating income (loss)	<u>114</u>	<u>(8,004)</u>	<u>(835,296)</u>	<u>(11,150,205)</u>	<u>2,347,265</u>	<u>(10,446,241)</u>	<u>(2,756,958)</u>	<u>(4,759,110)</u>	<u>(27,608,435)</u>
Nonoperating revenue (expenses):									
Interest income	-	1,412	9,210	41,674	52,715	-	-	-	105,011
Interest expense	-	-	-	-	-	-	(32,923)	-	(32,923)
Total nonoperating revenue (expenses)	-	1,412	9,210	41,674	52,715	-	(32,923)	-	72,088
Income (loss) before transfers	114	(6,592)	(826,086)	(11,108,531)	2,399,980	(10,446,241)	(2,789,881)	(4,759,110)	(27,536,347)
Intrafund transfers in (out)	-	6,592	826,086	1,567,302	(2,399,980)	-	-	-	-
Change in net position	114	-	-	(9,541,229)	-	(10,446,241)	(2,789,881)	(4,759,110)	(27,536,347)
Total net position - beginning	431	-	-	(77,621,340)	-	42,213,857	12,757,518	24,868,998	2,219,464
Prior period adjustment	-	-	-	-	-	-	(10,192)	-	(10,192)
Total net position - end	<u>545</u>	<u>-</u>	<u>-</u>	<u>(87,162,569)</u>	<u>-</u>	<u>31,767,616</u>	<u>9,957,445</u>	<u>20,109,888</u>	<u>(25,327,075)</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2013

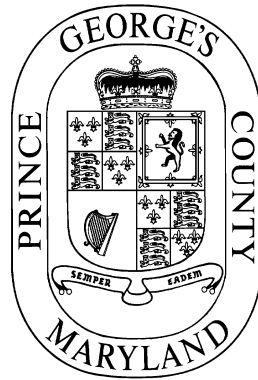
	Self-Insurance Funds						Vehicle Maintenance Fund	Computer Services Fund	Total
	Unemployment Compensation	Property Loss	Automobile Liability	Worker's Compensation	General Liability	Life and Health Benefits			
Cash flows from operating activities:									
Cash received from customers	478,000	1,765,728	1,561,314	53,529,346	9,213,099	58,863,598	12,711,116	27,817,813	165,940,014
Cash payments to suppliers for goods and services	(494,823)	(864,774)	(1,056,223)	(3,362,520)	(1,464,188)	(65,863,078)	(9,626,115)	(24,560,452)	(107,292,173)
Cash payments to employees for services	-	-	-	-	-	-	(5,752,336)	(9,159,864)	(14,912,200)
Premium and claim payments	-	(1,759,931)	(1,839,951)	(45,588,464)	(5,786,340)	-	-	-	(54,974,686)
Other cash receipts	-	-	-	-	-	343,898	27,761	-	371,659
Net cash and cash equivalents provided (used) by operating activities	(16,823)	(858,977)	(1,334,860)	4,578,362	1,962,571	(6,655,582)	(2,639,574)	(5,902,503)	(10,867,386)
Cash flows from noncapital financing activities:									
Intrafund transfers in (out)	-	6,592	826,086	1,567,302	(2,399,980)	-	-	-	-
Net cash and cash equivalents provided (used) by noncapital financing activities	-	6,592	826,086	1,567,302	(2,399,980)	-	-	-	-
Cash flows from capital and related financing activities:									
Acquisition and construction of capital assets	-	-	-	-	-	-	(29,593)	-	(29,593)
Principal payments on notes payable	-	-	-	-	-	-	(270,000)	-	(270,000)
Interest payments	-	-	-	-	-	-	(22,983)	-	(22,983)
Net cash and cash equivalents used in capital and related financing activities	-	-	-	-	-	-	(322,576)	-	(322,576)
Cash flows from investing activities:									
Interest on investments	-	1,412	8,513	40,303	67,699	-	-	-	117,927
Net cash and cash equivalents provided by investing activities	-	1,412	8,513	40,303	67,699	-	-	-	117,927
Net increase (decrease) in cash and cash equivalents	(16,823)	(850,973)	(500,261)	6,185,967	(369,710)	(6,655,582)	(2,962,150)	(5,902,503)	(11,072,035)
Cash and cash equivalents, beginning of year	268,568	1,249,864	3,198,864	19,447,931	9,986,259	50,370,210	12,691,416	26,945,319	124,158,431
Cash and cash equivalents, end of year	251,745	398,891	2,698,603	25,633,898	9,616,549	43,714,628	9,729,266	21,042,816	113,086,396

(Continued)

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2013

	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)	114	(8,004)	(835,296)	(11,150,205)	2,347,265	(10,446,241)	(2,756,958)	(4,759,110)	(27,608,435)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities									
Depreciation - equipment	-	-	-	-	-	-	292,216	2,447	294,663
Changes in assets and liabilities:									
Decrease (increase) in:									
Accounts receivable	-	83,020	4,538	187	-	2,169,773	866	(115,819)	2,142,565
Inventories	-	-	-	-	-	-	(81,086)	11,870	(69,216)
Prepaid costs	-	-	-	(116,000)	(525)	5,544	-	-	(110,981)
Increase (decrease) in:									
Compensated absences and termination benefits payable	-	-	-	-	-	-	(9,966)	9,170	(796)
Accounts payable	(22,653)	2,008	38,161	(330,435)	(116,669)	(346,067)	(40,310)	(1,053,646)	(1,869,611)
Accrued costs	-	-	-	-	(8)	-	(44,336)	2,585	(41,759)
Due to other funds	-	(710,506)	-	-	710,506	-	-	-	-
Unearned revenue	-	-	-	(198,293)	-	(15,340)	-	-	(213,633)
Due from component units	-	-	-	1,745,737	-	-	-	-	1,745,737
Estimated liability on pending claims	5,716	(225,495)	(542,263)	14,627,371	(977,998)	1,976,749	-	-	14,864,080
Total adjustments	(16,937)	(850,973)	(499,564)	15,728,567	(384,694)	3,790,659	117,384	(1,143,393)	16,741,049
Net cash and cash equivalents provided (used) by operating activities	(16,823)	(858,977)	(1,334,860)	4,578,362	1,962,571	(6,655,582)	(2,639,574)	(5,902,503)	(10,867,386)
Non-cash investing, capital and related financing activities:									
Decrease (increase) in accrued interest receivable	-	-	(698)	(1,371)	14,985	-	-	-	12,916
	-	-	(698)	(1,371)	14,985	-	-	-	12,916

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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 Plan Net Position
Pension and Other Postemployment Benefit Trust Funds
June 30, 2013

	Pension Trust Funds	Other Post- Employment Benefit Trust Fund	Total
Assets:			
Equity in pooled cash and investments	\$ 4,620,939	11,902,277	16,523,216
Collateral for loaned securities	5,331,286	-	5,331,286
Investments:			
Pooled separate accounts	461,808,929	-	461,808,929
U. S. Government & agency securities	23,494,502	8,218,499	31,713,001
Corporate bonds	74,852,015	18,638,826	93,490,841
Common stock	199,191,047	-	199,191,047
Real estate investment trust	36,324,106	-	36,324,106
International Government securities	313,726	103,968	417,694
Preferred stock	1,500,298	-	1,500,298
Asset-backed securities	17,070,721	4,818,529	21,889,250
Money market funds	419,264,148	-	419,264,148
Short-term investments	12,167,301	14,173,344	26,340,645
Alternative investments	164,967,889	-	164,967,889
Accounts receivable	2,538	173,828	176,366
Accrued interest receivable	1,586,864	325,313	1,912,177
Prepaid expenses	32,953	-	32,953
	<u>1,422,529,262</u>	<u>58,354,584</u>	<u>1,480,883,846</u>
Liabilities:			
Collateral for loaned securities payable	5,331,286	-	5,331,286
Accounts payable	959,340	148,841	1,108,181
Accrued costs	17,132	9,078,598	9,095,730
Due to other funds	1,050,000	-	1,050,000
	<u>7,357,758</u>	<u>9,227,439</u>	<u>16,585,197</u>
Net assets held in trust for benefit payments	<u>\$ 1,415,171,504</u>	<u>49,127,145</u>	<u>1,464,298,649</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Changes in Plan Net Position
Pension and Other Postemployment Benefit Trust Funds
For the year ended June 30, 2013

	<u>Pension Trust Funds</u>	<u>Other Post- Employment Benefit Trust Funds</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 110,618,224	30,889,440	141,507,664
Member	18,926,345	10,726,766	29,653,111
Other	-	370,897	370,897
Total contributions	129,544,569	41,987,103	171,531,672
Investment income:			
Net appreciation (depreciation) in fair value of investments	123,068,376	(1,020,065)	122,048,311
Interest and dividends	32,235,557	1,392,692	33,628,249
Total investment income	155,303,933	372,627	155,676,560
Less investment expense	5,503,739	63,162	5,566,901
Net investment income	149,800,194	309,465	150,109,659
Total additions	279,344,763	42,296,568	321,641,331
Deductions:			
Benefits	140,405,836	40,157,249	180,563,085
Refunds of contributions	3,434,466	-	3,434,466
General and administrative expenses	1,969,881	949,767	2,919,648
Total deductions	145,810,183	41,107,016	186,917,199
Net increase (decrease)	133,534,580	1,189,552	134,724,132
Net position restricted for benefit payments, beginning of year	1,281,636,924	47,937,593	1,329,574,517
Net position restricted for benefit payments, end of year	\$ 1,415,171,504	49,127,145	1,464,298,649

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Statement of Plan Net Position
 Pension Trust Funds
 June 30, 2013

	Comprehensive Pension Plans				Supplemental Pension Plans							Total
	Police	Fire Service	Deputy Sheriffs	Correctional Officers'	Deputy Sheriff	Correctional Officers'	Crossing Guards	AFSCME	General Schedule	Fire Civilian	Police Civilian	
Assets:												
Equity in pooled cash and investments	\$ 2,391,829	20,854	207,408	238,031	307,563	148,056	5,997	263,365	927,492	95,313	15,031	4,620,939
Collateral for loaned securities	1,966,201	1,533,585	264,584	482,373	16,206	32,359	7,095	354,010	552,332	32,300	90,241	5,331,286
Investments:												
Pooled separate accounts	83,979,847	42,142,574	48,494,277	88,411,863	2,969,955	5,930,984	1,300,435	64,884,750	101,234,232	5,920,083	16,539,929	461,808,929
U. S. Government & agency securities	15,765,903	7,728,599	-	-	-	-	-	-	-	-	-	23,494,502
Corporate bonds	50,565,665	24,286,350	-	-	-	-	-	-	-	-	-	74,852,015
Common stock	139,521,088	59,669,959	-	-	-	-	-	-	-	-	-	199,191,047
Real Estate Investment Trust	25,009,814	11,314,292	-	-	-	-	-	-	-	-	-	36,324,106
International Government securities	174,123	139,603	-	-	-	-	-	-	-	-	-	313,726
Preferred Stock	1,028,067	472,231	-	-	-	-	-	-	-	-	-	1,500,298
Asset-backed securities	11,253,741	5,816,980	-	-	-	-	-	-	-	-	-	17,070,721
Money market funds	288,548,258	130,715,890	-	-	-	-	-	-	-	-	-	419,264,148
Short-term investments	8,917,243	3,250,058	-	-	-	-	-	-	-	-	-	12,167,301
Alternative investments	112,256,379	52,711,510	-	-	-	-	-	-	-	-	-	164,967,889
Accounts receivable	-	-	-	2,538	-	-	-	-	-	-	-	2,538
Accrued interest receivable	1,068,730	517,175	67	38	70	94	5	200	410	25	50	1,586,864
Prepaid expenses	16,675	7,585	1,342	2,437	-	-	34	1,644	2,659	156	421	32,953
Total assets	742,463,563	340,327,245	48,967,678	89,137,280	3,293,794	6,111,493	1,313,566	65,503,969	102,717,125	6,047,877	16,645,672	1,422,529,262
Liabilities:												
Collateral for loaned securities payable	1,966,201	1,533,585	264,584	482,373	16,206	32,359	7,095	354,010	552,332	32,300	90,241	5,331,286
Accounts payable	430,980	195,256	52,476	99,779	-	-	1,267	60,334	98,269	5,557	15,422	959,340
Accrued costs	12,438	4,694	-	-	-	-	-	-	-	-	-	17,132
Due to other funds	-	1,050,000	-	-	-	-	-	-	-	-	-	1,050,000
Total liabilities	2,409,619	2,783,535	317,060	582,152	16,206	32,359	8,362	414,344	650,601	37,857	105,663	7,357,758
Net position restricted for pension benefits	\$ 740,053,944	337,543,710	48,650,618	88,555,128	3,277,588	6,079,134	1,305,204	65,089,625	102,066,524	6,010,020	16,540,009	1,415,171,504

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Changes in Plan Net Position
Pension Trust Funds
For the year ended June 30, 2013

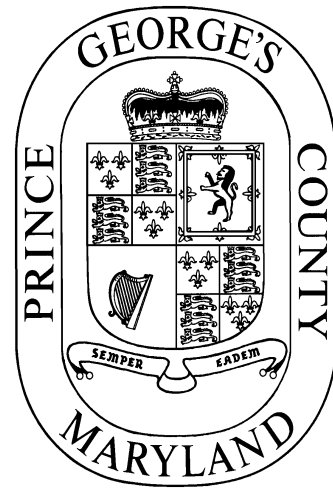
	Comprehensive Pension Plans				Supplemental Pension Plans							Total
	Police	Fire Service	Deputy Sheriff's	Correctional Officers'	Deputy Sheriff's	Correctional Officers'	Crossing Guards	AFSCME	General Schedule	Fire Civilian	Police Civilian	
Additions:												
Contributions:												
Employer	\$ 56,265,491	29,993,835	5,171,709	6,361,469	652,200	528,851	86,874	3,876,642	6,269,930	412,724	998,499	110,618,224
Employee	7,288,690	2,448,441	1,417,176	3,012,222	37,296	89,070	68,558	855,032	2,822,862	160,777	726,221	18,926,345
Total contributions	63,554,181	32,442,276	6,588,885	9,373,691	689,496	617,921	155,432	4,731,674	9,092,792	573,501	1,724,720	129,544,569
Transfers from (to) other funds	(1,135)	-	1,135	-	-	-	-	18,561	(280)	20,488	(38,769)	-
Investment income :												
Net depreciation in fair value of assets	64,849,978	30,046,485	4,058,534	7,404,618	280,330	480,809	109,020	5,355,689	8,608,061	506,471	1,368,381	123,068,376
Interest and dividends	15,480,382	6,998,018	1,406,362	2,564,613	94,024	169,120	37,775	1,865,188	2,969,282	174,661	476,132	32,235,557
Total investment income	80,330,360	37,044,503	5,464,896	9,969,231	374,354	649,929	146,795	7,220,877	11,577,343	681,132	1,844,513	155,303,933
Less investment expense	2,681,147	1,289,380	230,634	420,403	5,248	9,412	5,936	292,802	466,603	27,385	74,789	5,503,739
Net investment income	77,649,213	35,755,123	5,234,262	9,548,828	369,106	640,517	140,859	6,928,075	11,110,740	653,747	1,769,724	149,800,194
Total additions	141,202,259	68,197,399	11,824,282	18,922,519	1,058,602	1,258,438	296,291	11,678,310	20,203,252	1,247,736	3,455,675	279,344,763
Deductions:												
Benefits	72,729,433	39,571,078	5,898,509	7,868,866	754,251	280,922	117,079	2,789,736	8,677,606	531,832	1,186,524	140,405,836
Refunds of contributions	1,250,610	793,726	81,788	638,569	8,694	-	25,109	98,597	365,524	18,789	153,060	3,434,466
General and administrative expenses	597,376	455,572	224,974	254,758	24,420	30,055	20,040	103,777	138,176	57,619	63,114	1,969,881
Total deductions	74,577,419	40,820,376	6,205,271	8,762,193	787,365	310,977	162,228	2,992,110	9,181,306	608,240	1,402,698	145,810,183
Net increase (decrease)	66,624,840	27,377,023	5,619,011	10,160,326	271,237	947,461	134,063	8,686,200	11,021,946	639,496	2,052,977	133,534,580
Net position restricted for pension benefits, beginning of year	673,429,104	310,166,687	43,031,607	78,394,802	3,006,351	5,131,673	1,171,141	56,403,425	91,044,578	5,370,524	14,487,032	1,281,636,924
Net position restricted for pension benefits, end of year	\$ 740,053,944	337,543,710	48,650,618	88,555,128	3,277,588	6,079,134	1,305,204	65,089,625	102,066,524	6,010,020	16,540,009	1,415,171,504

PRINCE GEORGE'S COUNTY, MARYLAND
 Agency Funds - Primary Government
 Combining Statement of Changes in Assets and Liabilities
 For the year ended June 30, 2013

	Balance <u>June 30, 2012</u>	Additions	Deductions	Balance <u>June 30, 2013</u>
State of Maryland property taxes:				
Assets:				
Cash and investments	\$ 426	76,890,952	(76,891,354)	24
Taxes receivable	<u>74,050</u>	<u>85,020,279</u>	<u>(84,462,756)</u>	<u>631,573</u>
Total assets	<u>74,476</u>	<u>161,911,231</u>	<u>(161,354,110)</u>	<u>631,597</u>
Liabilities:				
Due to State of Maryland	<u>74,476</u>	<u>85,353,635</u>	<u>(84,796,514)</u>	<u>631,597</u>
Total Liabilities	<u>\$ 74,476</u>	<u>85,353,635</u>	<u>(84,796,514)</u>	<u>631,597</u>
M-NCPPC property taxes:				
Assets:				
Cash and investments	\$ 219,672	220,934,649	(219,427,189)	1,727,132
Taxes receivable	<u>2,988,800</u>	<u>222,205,968</u>	<u>(221,942,056)</u>	<u>3,252,712</u>
Total assets	<u>\$ 3,208,472</u>	<u>443,140,617</u>	<u>(441,369,245)</u>	<u>4,979,844</u>
Liabilities:				
Due to M-NCPPC	<u>\$ 3,208,472</u>	<u>222,436,985</u>	<u>(220,665,613)</u>	<u>4,979,844</u>
Total liabilities	<u>\$ 3,208,472</u>	<u>222,436,985</u>	<u>(220,665,613)</u>	<u>4,979,844</u>
Washington Suburban Sanitary Commission charges:				
Assets:				
Cash and investments	\$ 28,951	27,226,164	(27,246,602)	8,513
Taxes receivable	<u>244,624</u>	<u>27,158,233</u>	<u>(27,134,445)</u>	<u>268,412</u>
Total assets	<u>\$ 273,575</u>	<u>54,384,397</u>	<u>(54,381,047)</u>	<u>276,925</u>
Liabilities:				
Liability - due to Washington Suburban Sanitary Commission	<u>\$ 273,575</u>	<u>27,249,952</u>	<u>(27,246,602)</u>	<u>276,925</u>
Total liabilities	<u>\$ 273,575</u>	<u>27,249,952</u>	<u>(27,246,602)</u>	<u>276,925</u>
Incorporated towns property taxes:				
Assets:				
Cash and investments	\$ 1,070	107,893,648	(107,894,556)	162
Taxes receivable	<u>-</u>	<u>109,758,164</u>	<u>(109,178,719)</u>	<u>579,445</u>
Total assets	<u>\$ 1,070</u>	<u>217,651,812</u>	<u>(217,073,275)</u>	<u>579,607</u>
Liabilities:				
Due to towns	<u>1,070</u>	<u>112,832,065</u>	<u>(112,253,528)</u>	<u>579,607</u>
Total liabilities	<u>\$ 1,070</u>	<u>112,832,065</u>	<u>(112,253,528)</u>	<u>579,607</u>
Washington Suburban Transit Commission taxes:				
Assets:				
Cash and investments	\$ 8,987,634	25,484,679	(32,590,687)	1,881,626
Taxes receivable	<u>285,005</u>	<u>21,659,546</u>	<u>(21,621,298)</u>	<u>323,253</u>
Total assets	<u>\$ 9,272,639</u>	<u>47,144,225</u>	<u>(54,211,985)</u>	<u>2,204,879</u>
Liabilities:				
Due to Washington Suburban Transit Commission	<u>\$ 9,272,639</u>	<u>32,845,721</u>	<u>(39,913,481)</u>	<u>2,204,879</u>
Total liabilities	<u>\$ 9,272,639</u>	<u>32,845,721</u>	<u>(39,913,481)</u>	<u>2,204,879</u>

PRINCE GEORGE'S COUNTY, MARYLAND
 Agency Funds - Primary Government
 Combining Statement of Changes in Assets and Liabilities, Continued
 For the year ended June 30, 2013

	Balance June 30, 2012	Additions	Deductions	Balance June 30, 2013
Special taxes:				
Assets:				
Cash and investments	\$ 1,327,710	23,856,061	(23,608,537)	1,575,234
Taxes Receivable	<u>1,288,535</u>	<u>25,292,281</u>	<u>(25,250,280)</u>	<u>1,330,536</u>
Total assets	<u>\$ 2,616,245</u>	<u>49,148,342</u>	<u>(48,858,817)</u>	<u>2,905,770</u>
Liabilities:				
Due to other participants	\$ <u>2,616,245</u>	<u>25,292,280</u>	<u>(25,002,755)</u>	<u>2,905,770</u>
Total liabilities	<u>\$ 2,616,245</u>	<u>25,292,280</u>	<u>(25,002,755)</u>	<u>2,905,770</u>
Agricultural transfer taxes:				
Assets:				
Cash and investments	\$ <u>159,611</u>	<u>283,820</u>	<u>(184,147)</u>	<u>259,284</u>
Total assets	<u>\$ 159,611</u>	<u>283,820</u>	<u>(184,147)</u>	<u>259,284</u>
Liabilities:				
Due to other governmental units	\$ <u>159,611</u>	<u>283,820</u>	<u>(184,147)</u>	<u>259,284</u>
Total liabilities	<u>\$ 159,611</u>	<u>283,820</u>	<u>(184,147)</u>	<u>259,284</u>
Inmate Holding Account				
Assets:				
Cash and investments	\$ 158,032	904,899	(906,634)	156,297
Accounts receivable	<u>112</u>	<u>624</u>	<u>(112)</u>	<u>624</u>
Total assets	<u>\$ 158,144</u>	<u>905,523</u>	<u>(906,746)</u>	<u>156,921</u>
Liabilities:				
Accounts payable	\$ 107,404	935,070	(924,270)	118,204
Due to participants	<u>50,740</u>	<u>905,411</u>	<u>(917,434)</u>	<u>38,717</u>
Total liabilities	<u>\$ 158,144</u>	<u>1,840,481</u>	<u>(1,841,704)</u>	<u>156,921</u>
Totals				
Assets:				
Cash and investments	\$ 10,883,106	483,474,872	(488,749,706)	5,608,272
Taxes receivable	4,881,014	491,094,471	(489,589,554)	6,385,931
Accounts receivable	<u>112</u>	<u>624</u>	<u>(112)</u>	<u>624</u>
Total assets	<u>\$ 15,764,232</u>	<u>974,569,967</u>	<u>(978,339,372)</u>	<u>11,994,827</u>
Liabilities:				
Accounts payable	\$ 107,404	935,070	(924,270)	118,204
Due to other governmental units	12,989,843	481,002,178	(485,059,885)	8,932,136
Due to participants	<u>2,666,985</u>	<u>26,197,691</u>	<u>(25,920,189)</u>	<u>2,944,487</u>
Total liabilities	<u>\$ 15,764,232</u>	<u>508,134,939</u>	<u>(511,904,344)</u>	<u>11,994,827</u>



NONMAJOR COMPONENT UNITS

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Net Position
Nonmajor Component Units
June 30, 2013

	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	
ASSETS								
Current assets:								
Cash and investments	\$ 1,099,304	18,159,183	3,273,268	5,217,594	43,371,454	3,772,647	4,510,651	79,404,101
Receivables (net of allowances for uncollectibles)								
Accounts	105,000	7,115,956	-	396,668	14,597,460	626,755	-	22,841,839
Accrued interest receivable	-	-	18	-	33,366	-	-	33,384
Due from primary government	-	-	-	193,286	259,851	-	-	453,137
Due from other governmental units	-	-	2,116,697	69,133	1,257,710	941,914	-	4,385,454
Inventories	-	-	-	-	132,080	-	-	132,080
Prepaid costs and deposits	-	197,995	-	348,386	2,195,703	2,570	45,512	2,790,166
Total current assets	<u>1,204,304</u>	<u>25,473,134</u>	<u>5,389,983</u>	<u>6,225,067</u>	<u>61,847,624</u>	<u>5,343,886</u>	<u>4,556,163</u>	<u>110,040,161</u>
Restricted assets:								
Cash and investments	-	-	4,818,424	-	6,112,532	544,206	937,204	12,412,366
Land held for transfer and other	-	-	-	-	-	2,950,032	947,164	3,897,196
Total restricted assets	<u>-</u>	<u>-</u>	<u>4,818,424</u>	<u>-</u>	<u>6,112,532</u>	<u>3,494,238</u>	<u>1,884,368</u>	<u>16,309,562</u>
Noncurrent assets:								
Land	-	5,307,744	-	-	2,772,440	1,752,591	52,191,436	62,024,211
Construction in progress	-	-	-	-	-	-	1,368,152	1,368,152
Buildings and improvements	-	5,181,165	73,043,523	-	147,168,178	30,036,591	320,222	255,749,679
Accumulated depreciation	-	(1,030,069)	(25,299,620)	-	(37,140,826)	(16,103,165)	(52,036)	(79,625,716)
Improvements other than buildings	241,661	13,244,968	-	-	-	-	-	13,486,629
Accumulated depreciation	(241,661)	(10,365,900)	-	-	-	-	-	(10,607,561)
Equipment	216,464	1,627,250	-	15,235,265	36,447,835	1,370,041	29,037	54,925,892
Accumulated depreciation	(166,256)	(1,325,280)	-	(10,786,889)	(20,462,056)	(1,140,356)	(13,828)	(33,894,665)
Other noncurrent Assets	-	-	-	-	-	166,034	-	166,034
Total noncurrent assets	<u>50,208</u>	<u>12,639,878</u>	<u>47,743,903</u>	<u>4,448,376</u>	<u>128,785,571</u>	<u>16,081,736</u>	<u>53,842,983</u>	<u>263,592,655</u>
Total assets	\$ <u>1,254,512</u>	<u>38,113,012</u>	<u>57,952,310</u>	<u>10,673,443</u>	<u>196,745,727</u>	<u>24,919,860</u>	<u>60,283,514</u>	<u>389,942,378</u>
DEFERRED OUTFLOW OF RESOURCES								
Deferred charge on refunding	-	-	1,878,953	-	-	-	-	1,878,953
Total deferred outflow of resources	<u>-</u>	<u>-</u>	<u>1,878,953</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,878,953</u>

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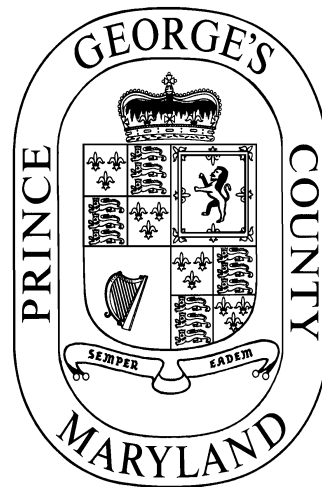
PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Net Position
Nonmajor Component Units
June 30, 2013

	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	\$ 4,794	421,199	-	540,794	10,738,798	2,070,552	256,777	14,032,914
Accrued liabilities	84,287	-	250,194	920,868	-	-	-	1,255,349
Due to primary government	450,000	6,034,193	-	125,516	119,753	3,556,000	-	10,285,462
Due to other governmental units	-	407,585	-	-	-	76,538	-	484,123
Unearned revenue	-	44,369	-	202,516	1,796,629	9,414	-	2,052,928
Matured bonds and interest payable	-	-	4,814,606	-	-	-	-	4,814,606
Deposits	-	98,589	-	-	-	140,188	128,500	367,277
Current portion of bonded debt	-	-	4,805,000	-	-	70,000	-	4,875,000
Current portion of capital lease obligations	-	77,085	-	-	1,458,990	-	5,620	1,541,695
Current portion of compensated absences and termination benefits payable	-	-	-	83,512	188,890	34,853	-	307,255
Total current liabilities	539,081	7,083,020	9,869,800	1,873,206	14,303,060	5,957,545	390,897	40,016,609
Noncurrent liabilities:								
Bonded debt, less current portion	-	-	55,845,000	-	-	846,418	-	56,691,418
Unamortized premium (discount)	-	-	253,304	-	-	-	-	253,304
Capital lease obligations, less current portion	-	66,120	-	-	3,217,182	-	10,535	3,293,837
Compensated absences and termination benefits payable, less current portion	-	-	-	2,219,739	2,314,948	636,543	-	5,171,230
Notes payable, less current portion	-	-	-	-	-	-	1,147,605	1,147,605
Net OPEB obligation	-	-	-	-	1,539,351	-	-	1,539,351
Total noncurrent liabilities	-	66,120	56,098,304	2,219,739	7,071,481	1,482,961	1,158,140	68,096,745
Total liabilities	539,081	7,149,140	65,968,104	4,092,945	21,374,541	7,440,506	1,549,037	108,113,354
NET POSITION								
Net investment in capital assets	50,208	13,146,615	9,418,405	4,448,376	124,851,699	14,362,971	52,676,060	218,954,334
Restricted	2,853	147,687	-	-	3,858,300	5,024,012	937,204	9,970,056
Unrestricted (deficit)	662,370	17,669,570	(15,555,246)	2,132,122	46,661,187	(1,907,629)	5,121,213	54,783,587
Total net assets (deficit)	\$ 715,431	30,963,872	(6,136,841)	6,580,498	175,371,186	17,479,354	58,734,477	283,707,977

PRINCE GEORGE'S COUNTY, MARYLAND
 Combining Statement of Activities
 Nonmajor Component Units
 For the year ended June 30, 2013

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 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	\$ 1,553,920	431,885	-	-	(1,122,035)	-	-	-	-	-	-	(1,122,035)	
Revenue Authority	24,723,819	13,343,379	660,000	126,359	-	(10,594,081)	-	-	-	-	-	(10,594,081)	
IDA	4,963,651	7,878,061	-	-	-	-	2,914,410	-	-	-	-	2,914,410	
Education													
Library	28,896,699	1,188,766	10,119	2,403,628	-	-	-	(25,294,186)	-	-	-	(25,294,186)	
PGCC	119,775,557	27,700,702	32,401,440	-	-	-	-	-	(59,673,415)	-	-	(59,673,415)	
Community Development													
Housing Authority	90,250,874	3,399,350	78,802,249	173,677	-	-	-	-	-	(7,875,598)	-	(7,875,598)	
Redevelopment Authority	3,344,479	14,400	2,627,518	3,000,000	-	-	-	-	-	-	2,297,439	2,297,439	
Total component units \$	<u>273,508,999</u>	<u>53,956,543</u>	<u>114,501,326</u>	<u>5,703,664</u>	<u>(1,122,035)</u>	<u>(10,594,081)</u>	<u>2,914,410</u>	<u>(25,294,186)</u>	<u>(59,673,415)</u>	<u>(7,875,598)</u>	<u>2,297,439</u>	<u>(99,347,466)</u>	
General revenues:													
Other grants and contributions					1,148,468	-	-	25,178,603	58,088,508	-	-	84,415,579	
Investment income					535	11,061	26	9,931	494,681	19,647	-	535,881	
Miscellaneous						22,702	-	25,546	415,062	1,190,044	-	1,653,354	
Total general revenues					<u>1,149,003</u>	<u>33,763</u>	<u>26</u>	<u>25,214,080</u>	<u>58,998,251</u>	<u>1,209,691</u>	<u>-</u>	<u>86,604,814</u>	
Change in net assets					26,968	(10,560,318)	2,914,436	(80,106)	(675,164)	(6,665,907)	2,297,439	(12,742,652)	
Net position - beginning of year					688,463	41,524,190	(7,963,221)	6,660,604	172,207,957	24,145,261	56,437,038	293,700,292	
Prior period adjustment					-	-	(1,088,056)	-	3,838,393	-	-	2,750,337	
Net position - end of year	\$				<u>715,431</u>	<u>30,963,872</u>	<u>(6,136,841)</u>	<u>6,580,498</u>	<u>175,371,186</u>	<u>17,479,354</u>	<u>58,734,477</u>	<u>283,707,977</u>	

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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, 2013

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	238,571,171	20,835,114	217,377,420	-	27,435	331,202
Staff agencies:						
Finance	40,641	-	-	-	29,550	11,091
Budget	-	-	-	-	-	-
Personnel	52,140	-	-	-	52,140	-
Central services	1,283,585	-	-	-	515,084	768,501
General government buildings	73,412,332	12,667,199	60,745,133	-	-	-
Other	55,145,421	-	-	-	11,990	55,133,431
Total staff agencies	<u>129,934,119</u>	<u>12,667,199</u>	<u>60,745,133</u>	<u>-</u>	<u>608,764</u>	<u>55,913,023</u>
Total general government	<u>368,505,290</u>	<u>33,502,313</u>	<u>278,122,553</u>	<u>-</u>	<u>636,199</u>	<u>56,244,225</u>
Public safety:						
Police services	33,710,891	2,100,195	17,897,862	-	4,933,314	8,779,520
Fire services	67,044,228	3,810,399	47,442,380	-	1,762,127	14,029,322
Environmental resources	14,735,416	-	14,256,907	-	28,884	449,625
Sheriff services	1,032,528	-	32,684	-	492,936	506,908
Corrections	95,418,047	1,953,617	92,729,685	-	383,413	351,332
Homeland Security	55,275,957	-	-	48,952,026	3,040,959	3,282,972
Total public safety	<u>267,217,067</u>	<u>7,864,211</u>	<u>172,359,518</u>	<u>48,952,026</u>	<u>10,641,633</u>	<u>27,399,679</u>
Public works	2,793,039,853	44,388,588	19,901,091	2,669,964,667	215,709	58,569,798
Health and welfare	16,579,852	165,800	15,176,754	-	410,398	826,900
Federal programs	13,480,419	2,856,589	2,540,519	-	5,663,812	2,419,499
Social Services	250,699	-	-	-	45,320	205,379
Total governmental fund capital assets allocated	<u>3,459,073,180</u>	<u>88,777,501</u>	<u>488,100,435</u>	<u>2,718,916,693</u>	<u>17,613,071</u>	<u>145,665,480</u>
Construction-in-progress	42,304,878					
Total primary government	<u><u>3,501,378,058</u></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, 2013

	Balance June 30, 2012	Additions	Deductions and adjustments	Net Inter-agency transfers	Balance June 30, 2013
Primary government:					
General government:					
Control, legislative, executive and judicial	\$ 206,541,457	32,183,290	(153,576)	-	238,571,171
Staff agencies:					
Finance	40,641	-	-	-	40,641
Management and budget	14,410	-	(14,410)	-	-
Personnel	52,140	-	-	-	52,140
Central services	1,336,269	44,757	(152,908)	55,467	1,283,585
General government buildings	73,412,332	-	-	-	73,412,332
Other	43,267,005	13,753,693	(1,596,936)	(278,341)	55,145,421
Total staff agencies	<u>118,122,797</u>	<u>13,798,450</u>	<u>(1,764,254)</u>	<u>(222,874)</u>	<u>129,934,119</u>
Total general government	<u>324,664,254</u>	<u>45,981,740</u>	<u>(1,917,830)</u>	<u>(222,874)</u>	<u>368,505,290</u>
Public safety:					
Police services	32,933,449	2,144,621	(1,355,690)	(11,489)	33,710,891
Fire services	66,582,708	492,580	(42,549)	11,489	67,044,228
Environmental resources	14,863,613	-	(128,197)	-	14,735,416
Sheriff services	876,264	139,981	(326,364)	342,647	1,032,528
Corrections	76,848,457	18,807,804	(238,214)	-	95,418,047
Homeland Security	56,371,427	1,108,427	(2,198,824)	(5,073)	55,275,957
Total public safety	<u>248,475,918</u>	<u>22,693,413</u>	<u>(4,289,838)</u>	<u>337,574</u>	<u>267,217,067</u>
Public works	2,755,830,603	42,584,619	(5,375,369)	-	2,793,039,853
Health and welfare	16,572,729	146,663	(24,840)	(114,700)	16,579,852
Federal programs	17,769,584	48,962	(4,338,127)	-	13,480,419
Social services	265,228	-	(14,529)	-	250,699
Construction-in-progress	59,205,505	52,380,882	(69,281,509)	-	42,304,878
Total governmental fund capital assets	<u>\$ 3,422,783,821</u>	<u>163,836,279</u>	<u>(85,242,042)</u>	<u>-</u>	<u>3,501,378,058</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, 2013

	Primary Government
Governmental fund capital assets	
Land	\$ 88,777,501
Buildings	488,100,435
Infrastructure	2,718,916,693
Equipment	163,278,551
Construction in progress	42,304,878
Total governmental fund capital assets	<u>\$ 3,501,378,058</u>
Investment in governmental fund capital assets from:	
Capital projects funds:	
General obligation bonds	\$ 34,396,663
Intergovernmental	6,837,292
General fund revenue	3,427,250,834
Special revenue fund revenue	18,341,928
Federal programs	13,480,418
Other	1,070,923
	<u>\$ 3,501,378,058</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									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Restated (2)</u> <u>2012</u>	<u>2013</u>
Governmental activities										
Net investment in capital assets	\$ 1,279,249,232	\$ 1,361,493,750	\$ 1,370,963,205	\$ 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
Restricted	218,256,131	237,414,675	327,801,840	502,518,691	475,649,709	422,228,258	351,254,119	361,876,157	349,076,708	341,015,595
Unrestricted (deficit) (2)	(370,395,006)	(334,199,167)	(354,886,633)	(459,623,656)	(567,350,879)	(663,421,910)	(558,755,424)	(562,309,599)	(624,691,441)	(705,176,214)
Total governmental activities net position	<u>1,127,110,357</u>	<u>1,264,709,258</u>	<u>1,343,878,412</u>	<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>
Business-type activities										
Net investment in capital assets	93,119,769	98,064,648	114,802,351	118,553,646	131,283,415	143,085,674	156,560,233	148,934,828	143,858,665	107,572,137
Restricted	19,378,897	19,000,524	22,429,322	19,906,051	19,900,630	18,389,718	20,916,015	19,500,275	18,481,818	19,212,114
Unrestricted (deficit)	42,535,324	42,909,888	49,010,063	53,899,957	46,861,226	40,119,901	40,427,579	56,189,966	59,916,152	94,141,653
Total business-type activities net position	<u>155,033,990</u>	<u>159,975,060</u>	<u>186,241,736</u>	<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>
Primary government										
Net investment in capital assets	1,372,369,001	1,459,558,398	1,485,765,556	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
Restricted	237,635,028	256,415,199	350,231,162	522,424,742	495,550,339	440,617,976	372,170,134	381,376,432	367,558,526	360,227,709
Unrestricted (deficit) (1)	(327,859,682)	(291,289,279)	(305,876,570)	(405,723,699)	(520,489,653)	(623,302,009)	(518,327,845)	(506,119,633)	(564,775,289)	(611,034,561)
Total primary government net position	<u>\$ 1,282,144,347</u>	<u>\$ 1,424,684,318</u>	<u>\$ 1,530,120,148</u>	<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>

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	\$ (327,859,682)	\$ (291,289,279)	\$ (305,876,570)	\$ (405,723,699)	\$ (520,489,653)	(623,302,009)	(518,327,845)	(506,119,633)	(564,775,289)	(611,034,561)
Debt issued for capital on behalf of others	384,948,599	334,947,973	412,915,242	481,347,768	481,969,501	470,259,263	435,418,383	399,196,957	445,921,535	483,621,901
County net assets absent effect of this relationship	<u>\$ 57,088,917</u>	<u>\$ 43,658,694</u>	<u>\$ 107,038,672</u>	<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>

(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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012 (restated)	2013
Expenses										
Governmental activities:										
General government	\$ 157,603,722	\$ 182,388,220	\$ 246,279,862	\$ 234,249,287	\$ 276,079,032	\$ 264,000,847	\$ 293,993,880	\$ 278,735,961	\$ 335,347,065	\$ 402,876,040
Public safety	360,239,001	388,603,533	424,904,065	501,713,673	523,937,600	535,747,925	510,354,496	543,688,542	551,296,748	600,225,256
Public works and transportation	71,067,605	67,027,076	83,590,609	82,853,168	82,256,246	76,563,498	73,726,841	86,362,933	55,761,006	91,413,306
Health	58,284,732	55,967,064	63,442,632	68,872,373	74,844,743	72,693,381	63,570,608	70,689,145	67,424,572	69,428,580
Public welfare	25,697,781	23,963,838	22,385,664	24,061,357	25,757,726	30,774,715	41,274,315	27,802,206	28,326,111	28,160,840
Board of Education	584,304,396	612,603,456	660,804,233	657,734,909	665,957,080	652,303,197	684,470,305	656,525,606	649,326,640	715,792,239
Community College	15,675,323	17,183,604	19,441,705	35,272,367	28,438,902	38,415,219	33,644,625	40,125,724	31,862,246	31,383,689
Memorial Library	14,648,659	14,728,625	16,875,719	18,430,402	19,568,825	19,397,277	19,802,615	19,494,605	27,027,089	23,313,523
Interest on long-term debt	40,176,745	41,386,613	48,773,181	46,949,253	59,042,614	54,873,156	49,295,577	51,136,299	47,505,779	46,733,055
Total governmental activities expenses	1,327,697,964	1,403,852,029	1,586,497,670	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
Business-type activities:										
Solid Waste	83,352,020	81,849,710	73,753,196	95,820,024	97,039,320	99,930,368	87,486,790	95,955,265	98,663,436	95,739,816
Stormwater	24,800,758	26,415,945	27,533,408	29,913,750	33,743,601	35,724,787	48,297,374	42,103,279	42,169,443	43,080,734
Total business-type activities expenses	108,152,778	108,265,655	101,286,604	125,733,774	130,782,921	135,655,155	135,784,164	138,058,544	140,832,879	138,820,550
Total primary government expenses	\$ 1,435,850,742	\$ 1,512,117,684	\$ 1,687,784,274	\$ 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
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 45,248,866	\$ 72,211,781	\$ 91,686,725	\$ 87,079,431	\$ 63,137,800	\$ 47,130,404	\$ 60,275,045	\$ 55,529,493	\$ 87,727,105	\$ 94,431,227
Public safety	30,404,613	36,334,163	38,743,839	35,696,477	33,963,072	34,964,503	38,398,284	41,420,265	52,677,652	56,363,172
Public works and transportation	87,856,093	97,100,881	60,861,954	69,809,011	25,581,816	43,153,508	57,097,256	29,476,879	130,701,054	33,769,227
Health	12,181,791	9,552,619	15,671,981	10,275,707	12,750,430	11,377,788	8,140,830	9,636,570	11,675,450	9,571,210
Public welfare	842,728	545,858	873,099	555,026	789,608	1,265,049	1,138,098	793,575	694,171	728,081
Operating grants and contributions										
General government	20,171,814	20,831,525	17,522,852	19,955,319	59,178,382	39,248,215	56,606,758	57,182,264	26,281,362	25,222,907
Public safety	22,631,808	20,909,590	21,087,793	25,723,138	18,475,021	17,538,135	29,537,332	28,884,685	32,508,021	26,524,768
Public works and transportation	1,147,986	270,838	177,988	239,159	386,975	1,868,144	2,233,204	4,513,987	8,581,718	2,917,851
Health	35,614,493	33,211,432	35,371,200	39,844,187	39,453,888	38,917,256	41,360,531	48,013,111	43,953,670	43,209,964
Public welfare	22,112,853	21,146,751	19,448,587	20,988,260	22,530,154	26,532,340	23,817,917	23,873,172	24,576,611	24,419,081
Capital grants and contributions										
General government	-	-	12,115,657	6,221,385	5,767,776	5,756,794	36,514,825	7,466,894	2,949,658	198,425
Public safety	1,105,491	1,202,950	3,415,264	1,114,478	3,462,729	3,847,755	4,881,000	8,519,103	3,696,298	4,896,876
Public works and transportation	9,447,337	10,299,825	3,204,632	6,428,142	4,414,109	4,138,715	7,887,841	18,914,344	7,186,862	10,076,015
Health	-	5,500,000	2,096,963	-	-	-	117,954	351,545	-	156,154
Public welfare	-	-	14,368	-	-	-	-	-	-	12,922
Total governmental activities program revenues	288,765,873	329,118,213	322,292,902	323,929,720	289,891,760	275,738,606	368,006,875	334,575,887	433,209,632	332,497,880

continued

Table 2, continued

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

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012 (restated)	2013
Program Revenues, continued										
Business-type activities:										
Charges for services:										
Solid waste	76,026,670	77,182,008	79,655,114	82,202,081	84,240,272	86,550,100	90,575,778	90,451,449	89,987,217	91,459,801
Stormwater	4,278,248	6,166,326	5,264,325	5,156,895	3,729,657	3,057,990	3,369,309	2,150,063	1,829,457	2,811,579
Capital grants and contributions										
Stormwater	2,017,622	838,387	434,113	1,280,775	2,356,379	210,096	1,432,137	1,627,916	1,064,605	2,005,401
Total business-type activities program revenues	82,322,540	84,186,721	85,353,552	88,639,751	90,326,308	89,818,186	95,377,224	94,229,428	92,881,279	96,276,781
Total primary government program revenues	\$ 371,088,413	\$ 413,304,934	\$ 407,646,454	\$ 412,569,471	\$ 380,218,068	\$ 365,556,792	\$ 463,384,099	\$ 428,805,315	\$ 526,090,911	\$ 428,774,661
Net (Expense)/Revenue										
Governmental activities	(1,038,932,091)	(1,074,733,816)	(1,264,204,768)	(1,346,207,069)	(1,465,991,008)	(1,469,030,609)	(1,402,126,387)	(1,439,985,134)	(1,360,667,624)	(1,676,828,648)
Business-type activities	(25,830,238)	(24,078,934)	(15,933,052)	(37,094,023)	(40,456,613)	(45,836,969)	(40,406,940)	(43,829,116)	(47,951,600)	(42,543,769)
Total primary government net expense	\$ (1,064,762,329)	\$ (1,098,812,750)	\$ (1,280,137,820)	\$ (1,383,301,092)	\$ (1,506,447,621)	\$ (1,514,867,578)	\$ (1,442,533,327)	\$ (1,483,814,250)	\$ (1,408,619,224)	\$ (1,719,372,417)
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	\$ 451,849,321	\$ 476,947,818	\$ 501,372,153	\$ 549,681,586	\$ 610,202,347	\$ 659,038,907	\$ 732,832,234	\$ 733,197,993	\$ 722,138,728	\$ 707,228,408
Income taxes	379,437,793	409,881,339	409,188,499	404,809,214	423,422,141	435,714,262	440,257,032	480,489,026	504,817,831	529,764,061
Transfer and recordation taxes	127,437,394	174,309,024	238,085,835	221,761,305	136,725,597	92,709,263	95,796,346	90,645,343	85,069,002	100,116,901
Energy taxes	44,876,654	43,203,312	48,281,237	54,373,964	62,747,183	66,805,287	71,280,769	63,880,450	59,651,917	56,588,560
Telecommunications tax	45,422,887	48,283,868	48,259,958	55,321,521	52,611,249	49,513,889	44,357,561	41,982,171	37,822,500	36,926,752
Unrestricted State shared tax	18,671,992	23,147,769	28,395,891	29,835,059	28,739,189	25,080,807	1,334,216	1,334,399	2,064,874	2,613,510
Other taxes	18,166,999	18,243,743	22,740,505	19,650,191	22,023,675	19,803,811	21,402,102	20,494,339	19,664,177	21,988,466
Investment earnings	5,854,600	13,506,949	27,856,149	42,680,195	38,333,826	29,435,697	9,101,595	3,122,028	3,698,357	(2,115,280)
Grants and contributions	9,250,891	9,789,432	10,654,521	9,246,405	9,875,131	1,371,225	1,970,627	1,865,679	3,212,453	11,822,540
Miscellaneous	680,963	856,117	1,071,976	1,817,209	7,811,548	543,727	1,492,071	840,412	5,197,518	1,426,216
Total governmental activities	1,101,649,494	1,218,169,371	1,335,906,724	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
Business-type activities:										
Property taxes	24,018,982	25,224,274	27,556,955	31,851,155	37,941,543	44,151,124	49,419,329	47,579,296	43,625,750	39,629,544
Investment earnings	2,776,216	3,795,730	6,205,935	8,442,987	8,200,687	5,235,867	3,953,359	2,971,062	2,333,788	1,583,464
Total business-type activities	26,795,198	29,020,004	33,762,890	40,294,142	46,142,230	49,386,991	53,372,688	50,550,358	45,959,538	41,213,008
Total primary government	\$ 1,128,444,692	\$ 1,247,189,375	\$ 1,369,669,614	\$ 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
Governmental activities										
Extraordinary items										
Asset impairment / insurance recovery (1)	-	(5,836,654)	7,467,198	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 estimate	-	-	8,436,838	-	-	-	3,342,786	-	-	-
Change in Net Position										
Governmental activities	62,717,403	137,598,901	79,169,154	50,743,466	(64,845,474)	(89,013,734)	28,398,166	(2,133,294)	82,674,233	(210,468,514)
Business-type activities	964,960	4,941,070	26,266,676	3,200,119	5,685,617	3,550,022	16,308,534	6,721,242	(1,992,062)	(1,330,761)
Total primary government	\$ 63,682,363	\$ 142,539,971	\$ 105,435,830	\$ 53,943,585	\$ (59,159,857)	\$ (85,463,712)	\$ 44,706,700	\$ 4,587,948	\$ 80,682,171	\$ (211,799,275)

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									
	2004	2005	2006	2007	2008	2009	2010	2011(3)	2012	2013
General Fund										
Reserved	\$ 100,234,706	\$ 111,998,051	\$ 124,132,311	\$ 134,748,047	\$ 148,641,724	\$ 146,494,025	\$ 144,338,502			
Unreserved	122,066,432	222,018,213	244,843,858	209,847,753	153,501,293	131,730,338	186,520,591			
Nonspendable	-	-	-	-	-	-	-	1,593,534.00	1,619,282	\$ 1,532,552
Restricted	-	-	-	-	-	-	-	144,187,959.00	164,668,289	156,735,799
Committed	-	-	-	-	-	-	-	52,389,072.00	53,570,342	54,968,228
Assigned	-	-	-	-	-	-	-	85,733,302.00	87,170,249	63,342,963
Unassigned	-	-	-	-	-	-	-	94,256,531.00	76,659,622	82,782,432
Sub-total General Fund	<u>175,109,548</u>	<u>222,301,138</u>	<u>334,016,264</u>	<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>
All Other Governmental Funds										
Reserved	\$ 87,486,588	\$ 96,941,880	\$ 133,640,179	\$ 234,004,815	\$ 208,115,317	\$ 200,562,222	\$ 147,214,598			
Unreserved										
Special revenue funds	7,217,274	12,148,269	8,420,864	9,879,522	10,253,895	12,254,369	14,585,859			
Capital projects funds	66,826,238	(18,118,439)	132,311,898	119,329,618	120,072,592	(10,280,606)	6,600,247			
Restricted	-	-	-	-	-	-	-	145,408,266.00	140,131,186	\$ 315,273,781
Committed	-	-	-	-	-	-	-	-	10,301,182	6,498,711
Assigned	-	-	-	-	-	-	-	5,481,651	6,525,555	6,357,576
Sub-total all other Governmental Funds	<u>\$ 62,440,754</u>	<u>\$ 161,530,100</u>	<u>\$ 90,971,710</u>	<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>
Total all Governmental Funds	<u>\$ 237,550,302</u>	<u>\$ 383,831,238</u>	<u>\$ 424,987,974</u>	<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>

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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenues										
Taxes	\$ 1,072,194,498	\$ 1,186,496,069	\$ 1,306,817,992	\$ 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
Licenses and permits	17,822,954	22,748,523	29,249,555	27,722,783	20,960,406	17,751,849	17,471,856	18,577,036	18,127,287	22,710,061
Fines and forfeitures	3,360,746	3,737,746	3,864,070	3,637,603	3,506,178	4,444,315	4,351,788	5,877,508	13,459,810	19,684,818
Use and money and property	7,128,276	15,696,528	29,649,294	43,789,806	46,107,420	31,177,059	11,966,421	5,821,464	7,871,454	1,705,533
Charges for services	41,773,958	56,285,925	71,311,402	77,527,480	55,874,984	47,463,048	52,725,012	53,795,309	67,300,432	76,580,819
Intergovernmental (1)	129,630,243	127,824,934	135,645,708	134,926,985	128,630,290	132,186,494	212,201,660	207,706,513	161,533,603	155,741,974
Miscellaneous	5,612,509	10,650,794	6,757,912	3,102,382	2,493,716	6,066,125	6,810,373	5,184,078	7,752,696	6,119,301
Total revenues	<u>1,214,088,060</u>	<u>1,277,523,184</u>	<u>1,423,440,519</u>	<u>1,583,295,933</u>	<u>1,625,083,516</u>	<u>1,593,508,908</u>	<u>1,587,551,380</u>	<u>1,717,711,876</u>	<u>1,720,578,367</u>	<u>1,731,710,550</u>
Expenditures										
General Government	156,922,343	209,765,708	208,772,025	209,100,631	209,100,631	187,025,859	195,276,748	214,101,638	229,901,474	257,996,163
Public safety	367,881,878	419,969,267	482,844,406	515,162,619	515,162,619	512,181,110	509,526,761	535,858,802	543,037,453	573,237,186
Public works and transportation	11,943,852	19,261,252	22,581,172	16,821,432	16,821,432	16,986,921	15,855,250	26,947,228	20,670,130	14,388,106
Health	55,474,055	62,801,859	66,657,107	67,390,495	67,390,495	66,145,572	62,534,567	70,336,717	66,857,515	67,596,303
Public Welfare	23,932,372	22,403,113	24,124,657	25,799,663	25,799,663	30,772,563	41,306,745	27,853,947	28,391,524	28,089,716
Capital projects	57,078,754	54,015,564	68,393,656	109,892,836	109,892,836	103,289,706	82,735,106	82,297,319	74,151,921	90,316,298
Education										
Board of Education	612,603,456	660,804,233	657,734,909	665,957,080	665,957,080	652,303,197	684,470,305	656,525,606	649,326,640	715,792,239
Community College	17,183,604	19,441,705	35,272,367	28,438,902	28,438,902	38,415,219	33,644,625	40,125,724	31,862,246	31,383,689
Memorial Library	14,728,625	16,875,719	18,430,402	19,568,825	19,568,825	19,397,277	19,802,615	19,494,605	27,027,089	23,313,523
Debt service										
Interest	41,913,231	47,020,175	68,561,620	69,302,123	69,302,123	74,766,318	78,850,997	86,457,546	86,523,482	83,252,080
Principal	55,422,065	55,774,273	46,804,798	51,231,609	51,231,609	54,073,418	53,598,362	49,896,532	47,537,190	47,206,911
Total expenditures	<u>1,351,300,232</u>	<u>1,415,084,235</u>	<u>1,588,132,868</u>	<u>1,700,177,119</u>	<u>1,778,666,215</u>	<u>1,778,666,215</u>	<u>1,755,357,160</u>	<u>1,777,602,081</u>	<u>1,809,895,664</u>	<u>1,932,572,214</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(137,561,051)</u>	<u>(164,692,349)</u>	<u>(116,881,186)</u>	<u>(153,582,699)</u>	<u>(185,157,307)</u>	<u>(167,805,780)</u>	<u>(59,890,205)</u>	<u>(89,317,297)</u>	<u>(101,699,546)</u>	<u>(200,861,664)</u>

Continued

Table 4, continued

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

	FISCAL YEARS									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Other Financing Sources (Uses)										
General obligation bonds issued	195,455,000	-	224,750,000	130,515,000	141,475,827	13,494,208	83,110,000	91,480,000	74,315,000	285,748,000
Bond and note premium	14,843,680	1,288,223	7,211,969	7,758,539	1,662,626	-	2,599,354	6,959,315	21,373,503	43,355,574
Other financing notes payable	15,809,964	29,552,000	-	18,665,000	-	-	-	-	-	-
Capital lease financing	-	-	-	-	-	2,764,699	-	27,781,000	33,825,000	16,055,642
Reallocation of notes payable	-	274,687	(56,096)	131,013	-	-	-	-	-	-
Transfers in - other funds	67,517,107	78,502,976	116,427,957	88,185,312	78,314,642	100,694,719	94,629,227	98,837,759	101,999,940	89,092,924
Debt Issued:										
Bond proceeds - refunding	83,055,000	132,765,000	-	68,615,000	-	-	-	-	175,530,000	191,130,000
Bond premium - refunding	11,485,976	11,350,044	-	4,469,091	-	-	-	-	36,132,555	20,981,662
Payment to bond refunding escrow agent	(93,859,544)	(143,467,041)	-	(72,998,809)	-	-	-	-	(221,094,720)	(209,562,879)
Transfers out - other funds	(74,249,199)	(86,402,976)	(132,602,957)	(137,975,312)	(87,758,842)	(108,972,319)	(101,948,927)	(105,950,259)	(108,786,340)	(89,092,924)
Total other financing sources (uses)	<u>220,057,984</u>	<u>23,862,913</u>	<u>215,730,873</u>	<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>
Extraordinary items										
Insurance recoveries (2)	-	8,937,539	7,467,198	7,773,886	8,653,648	-	-	-	-	-
Net change in fund balances	<u>\$ 55,365,635</u>	<u>\$ (93,018,273)</u>	<u>\$ 69,615,372</u>	<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>
Debt service as a percentage of noncapital expenditures (3)	6.7%	7.0%	6.9%	7.0%	7.7%	7.8%	7.7%	7.8%	7.8%	7.0%

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				
2004	43,066,687,540	45,195,232,850	0.9804	85,226,880	1,215,476,410	1,655,407,832	\$ 2,956,111,122	2.4503	\$ 48,151,343,972	95.58%
2005	46,612,628,987	49,379,361,080	0.9777	48,164,540	1,175,337,090	1,604,883,723	2,828,385,353	2.4521	52,207,746,433	94.71
2006	52,277,304,579	58,874,923,900	0.9801	37,066,180	1,177,751,940	1,608,550,492	2,823,368,612	2.4440	61,698,292,512	89.31
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	2.4487	72,327,749,877	87.86
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	2.3116	85,062,472,172	89.02
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	2.3269	102,640,529,366	85.55
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	2.2940	105,294,935,908	93.87
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	2.2856	98,948,357,830	98.92
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	2.2724	86,117,606,750	99.49
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	99.20

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
2004	\$ 0.9264	\$ -	\$ 0.0540	\$ 0.9804	\$ 0.0840	\$ 0.2440	\$ 0.0260
2005	0.9237	-	0.0540	0.9777	0.1320	0.2790	0.0260
2006	0.9261	-	0.0540	0.9801	0.1320	0.2790	0.0260
2007	0.9245	-	0.0540	0.9785	0.1320	0.2790	0.0260
2008	0.9149	-	0.0540	0.9689	0.1120	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

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
2004	\$ 2.3171	-	\$ 0.1350	\$ 2.4521	\$ 0.3300	\$ 0.6975	\$ 0.0650
2005	2.3090	-	0.1350	2.4440	0.3300	0.6975	0.0650
2006	2.3137	-	0.1350	2.4487	0.3300	0.6975	0.0650
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

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	
2004	0.292	0.268	0.554	0.696	0.580	0.730	0.790	0.450	0.500	
2005	0.322	0.268	0.620	0.716	0.580	0.730	0.790	0.450	0.500	
2006	0.322	0.285	0.547	0.766	0.630	0.720	0.790	0.450	0.580	
2007	0.352	0.299	0.650	0.766	0.630	0.720	0.790	0.450	0.580	
2008	0.352	0.299	0.730	0.786	0.630	0.720	0.790	0.450	0.580	
2009	0.380	0.322	0.730	0.786	0.630	0.710	0.790	0.500	0.580	
2010	0.380	0.322	0.730	0.786	0.630	0.710	0.790	0.500	0.580	
2011	0.400	0.322	0.730	0.790	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	1.000	0.790	0.630	0.710	0.790	0.7136	0.580	

Towns										
Fiscal Year	Berwyn Heights	Bladensburg	Brentwood	Capitol Heights	Cheverly	Colmar Manor	Cottage City	Eagle Harbor	Edmonston	Fairmount Heights
2004	0.474	0.579	0.248	0.440	0.400	0.490	0.490	0.292	0.400	0.420
2005	0.486	0.676	0.248	0.428	0.400	0.490	0.690	0.292	0.400	0.420
2006	0.486	0.676	0.248	0.412	0.400	0.490	0.690	0.292	0.450	0.420
2007	0.486	0.676	0.248	0.412	0.450	0.490	0.670	0.292	0.500	0.420
2008	0.486	0.740	0.476	0.412	0.480	0.880	0.640	0.292	0.500	0.420
2009	0.486	0.740	0.443	0.412	0.480	1.000	0.600	0.292	0.600	0.388
2010	0.486	0.740	0.382	0.401	0.480	1.038	0.560	0.292	0.600	0.420
2011	0.486	0.740	0.382	0.392	0.480	1.038	0.520	0.292	0.600	0.420
2012	0.516	0.740	0.382	0.392	0.480	1.028	0.488	0.292	0.600	0.420
2013	0.516	0.740	0.3864	0.4619	0.580	1.490	0.650	0.480	0.600	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)
2004	0.260	0.246	0.480	0.650	0.288	0.730	0.600	-
2005	0.470	0.296	0.480	0.650	0.288	0.730	0.600	0.240
2006	0.470	0.296	0.480	0.800	0.288	0.677	0.600	0.240
2007	0.470	0.296	0.480	0.800	0.288	0.641	0.600	0.240
2008	0.510	0.275	0.480	0.800	0.288	0.641	0.600	0.240
2009	0.530	0.296	0.480	0.800	0.347	0.641	0.600	0.240
2010	0.530	0.296	0.480	0.780	0.347	0.641	0.541	0.240
2011	0.567	0.336	0.480	0.780	0.347	0.677	0.584	0.240
2012	0.567	0.336	0.480	0.740	0.347	0.654	0.579	0.240
2013	0.6248	0.336	0.480	0.740	0.347	0.654	0.5818	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

<u>Taxpayer</u>	<u>2013</u>			<u>2004</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>
Gaylord National, LLC	\$ 550,000,000	1	1.94%	\$		%
Potomac Electric Power Co.	469,845,938	2	1.66%	437,932,470	2	0.95
Verizon Maryland	342,892,040	3	1.21%	426,660,950	3	0.93
Washington Gas Light Company	245,668,650	4	0.87%	179,269,812	5	0.39
Greenbelt Homes, Incorporated	226,145,362	5	0.80%	80,194,020	9	0.17
JKC Stadium (FedEx Field)	220,582,533	6	0.78%	187,999,100	4	0.41
Empirian Village of Maryland, LLC	205,441,150	7	0.73%			
Baltimore Gas and Electric Co.	156,648,140	8	0.55%	104,631,660	6	0.23
Genon Chalk Point LLC	155,574,600	9	0.55%			
Petrie ELG Inglewood LLC	135,470,099	10	0.48%			
Secretary of HUD				73,387,440	10	0.16
Mirant Chalk Point LLC (1)				441,694,116	1	0.96
Safeway Stores, Inc.				89,986,998	7	0.20
Summerfield Housing LTD Partnership				99,274,000	8	0.22

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
2004	493,925,578	477,318,393	96.64%	\$ 15,492,477	\$ 492,810,870	99.77%
2005	524,436,177	521,001,206	99.34	2,746,177	523,747,383	99.87
2006	578,213,071	574,355,664	99.33	3,259,470	577,615,134	99.89
2007	660,947,420	656,628,114	99.35	3,606,532	660,234,646	99.89
2008	777,425,089	770,467,248	99.35	6,094,393	776,561,641	99.88
2009	903,375,110	897,803,030	99.38	4,458,618	902,261,648	99.87
2010	1,001,271,795	995,260,491	99.40	4,700,668	999,961,159	99.86
2011	987,400,083	981,984,336	99.45	3,936,803	985,921,139	99.85
2012	869,334,583	866,278,838	99.64	1,285,693	867,564,531	99.79
2013	803,094,590	798,920,671	99.48	-	798,920,671	99.48

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, 2012

		General Fund					Enterprise Funds		
		Unincorporated							
Delinquent taxes by year		Real Property	Business Personal Property	Railroads and Public Utilities	Corporate Personal Property	Total General Fund			
	Year ended June 30:								
2013	\$	2,334,107	63,093	45,360	1,546,996	3,989,556			
2012		946,921	30,426	5,252	715,875	1,698,474			
2011		828,127	26,106	8	570,332	1,424,573			
2010		702,113	26,754	41	534,533	1,263,441			
2009		645,211	28,278	1	405,720	1,079,210			
2008		480,512	18,462	-	333,579	832,553			
2007		451,716	19,420	-	223,870	695,006			
2006		406,613	31,286	-	149,169	587,068			
2005		381,548	180,273	-	104,809	666,630			
2004 and prior		1,546,972	2,097,488	206	585,994	4,230,660			
Totals	\$	8,723,840	2,521,586	50,868	5,170,877	16,467,171			

		Agency Funds					Enterprise Funds		
		Maryland-National Capital Park and Planning State	Washington Suburban Sanitary Commission	Incorporated Towns	Washington Suburban Transit Commission	Total Agency Funds	Stormwater Management Fund	Total All Funds	
Delinquent taxes by year	Year ended June 30:								
	2013	\$	199,127	958,148	67,795	271,489	93,840	1,590,399	184,362
2012		67,609	371,890	51,364	68,833	36,040	595,736	71,578	2,365,788
2011		50,836	296,860	35,243	56,372	28,594	467,905	54,371	1,946,849
2010		35,257	257,279	28,595	46,039	24,754	391,924	47,195	1,702,560
2009		187,031	180,869	17,714	26,596	17,697	429,907	34,252	1,543,369
2008		25,383	159,818	14,324	40,888	15,727	256,140	30,895	1,119,588
2007		8,305	95,058	12,982	5,097	9,102	130,544	17,768	843,318
2006		17,118	61,035	8,366	3,056	5,776	95,351	10,868	693,287
2005		16,470	117,163	8,084	28,380	11,070	181,167	22,164	869,961
2004 and prior		24,437	754,592	23,945	32,695	80,653	916,322	161,806	5,308,788
Totals	\$	631,573	3,252,712	268,412	579,445	323,253	5,055,395	635,259	22,157,825

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	State Participation Bonds - Schools	State Participation Bonds - Roads	Maryland CDA Infrastructure Bonds	Certificates of Participation	HUD Section 108 Notes	Maryland Industrial Land Act Loans	MDOT Loans	Capital Leases
2004	810,982,636	10,790,000	-	-	1,001,900	42,774,242	10,522,000	345,851	7,698,779	-
2005	764,758,568	9,845,000	-	-	953,400	63,811,800	11,945,000	327,139	6,773,207	-
2006	949,798,348	8,850,000	-	-	903,600	55,886,421	11,455,000	307,109	5,821,916	-
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

Fiscal Year	Business-Type Activities						Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds (1)	Revenue Bonds	State Participation Bonds	Certificates of Participation	WSSC Loans	Capital Leases			
2004	79,042,957	33,761,193	-	653,667	4,540,000	196,481	1,002,309,706	3.56%	1,198.79
2005	75,467,614	29,722,552	-	1,248,654	3,245,000	84,525	968,182,459	3.29%	1,151.89
2006	78,534,005	25,584,333	-	1,217,767	2,655,000	-	1,141,013,499	3.76%	1,363.80
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	n.a.	1,451.38
2013	192,949,424	758,943	-	-	-	10,090	1,626,920,294	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)			
2004	810,982,636	10,790,000	79,042,957	900,815,593	1.87%	1,077.40
2005	764,758,568	9,845,000	75,467,614	850,071,182	1.63%	1,011.37
2006	949,798,348	8,850,000	78,534,005	1,037,182,353	1.68%	1,239.69
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%	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, 2013

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	\$ 1,433,201,837 (1)	100.00%	\$ 1,433,201,837
Overlapping areas:			
Maryland-National Capital Park and Planning Commission	47,503,123	0%	-
Washington Suburban Sanitary Commission	620,776,914	0%	-
Underlying towns and cities within the County	48,512,311	0%	-
Component Unit:			
IDA of PG County lease revenue bonds	60,650,000	100.00%	60,650,000
Total Direct and Overlapping Debt	<u>\$ 2,210,644,185</u>		<u>\$ 1,493,851,837</u>

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

PRINCE GEORGE'S COUNTY, MARYLAND
Computation of Direct and Overlapping Debt
June 30, 2013

	Gross debt	Self-supporting	Net debt
	<u>principal amount</u> ⁽¹¹⁾	<u>debt</u>	<u>principal amount</u>
Direct debt:			
Primary government:			
General obligation bonds:			
General purpose	\$ 899,514,499	-	899,514,499
Stormwater management	140,945,000	140,945,000 ⁽¹⁾	-
Solid waste management system	40,367,000	40,367,000 ⁽²⁾	-
School facilities surcharge - supported	294,206,241	294,206,241 ⁽³⁾	-
Telecommunications - supported	25,725,000	25,725,000 ⁽⁴⁾	-
Mass transit	12,537,260	12,537,260 ⁽⁵⁾	-
Maryland Industrial Land Act Loans	121,336	121,336 ⁽⁶⁾	-
Maryland Community Development Administration Infrastructure Debt	484,300	484,300 ⁽⁷⁾	-
Revenue bonds:			
Solid waste management system	758,943	758,943 ⁽²⁾	-
Total direct debt	<u>1,414,659,579</u>	<u>515,145,080</u>	<u>899,514,499</u>
Overlapping debt:			
Other governmental units:			
Maryland-National Capital Park and Planning Commission general obligation bonds	47,503,123	47,503,123 ⁽⁸⁾	-
Washington Suburban Sanitary Commission	620,776,914	620,776,914	-
Underlying towns and cities within the County	48,512,311	48,512,311 ⁽⁹⁾	-
Component unit:			
Industrial Development Authority of Prince George's County lease revenue bonds	60,650,000	- ⁽¹⁰⁾	60,650,000
Total overlapping debt	<u>777,442,348</u>	<u>716,792,348</u>	<u>60,650,000</u>
Total direct and overlapping debt	<u>\$ 2,192,101,927</u>	<u>1,231,937,428</u>	<u>960,164,499</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.

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

Legal Debt Margin Calculation for Fiscal Year 2012:

Assessable base of Real Property	\$ 76,633,200,500
Assessable base of Personal Property	3,204,672,974
Debt limit (a total of 6% Real property & 15% of Personal property)	5,078,692,976
Debt applicable to limit:	
General obligation bonds	899,514,499
Total net debt applicable to limit	899,514,499
Legal debt margin	4,179,178,477

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assessable Base - Real property	\$ 45,195,232,850	\$ 49,379,361,080	\$ 58,874,923,900	\$ 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
Assessable Base - Personal property and operating real property	2,956,111,122	2,828,385,353	2,823,368,612	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
Debt limit - Percentage of Assessable Base: Debt limit (a total of 6% of Real Property Assessable base and 15% of Personal Property Assessable base).	3,177,988,702	3,387,019,468	3,956,000,726	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
Total net debt applicable to limit	<u>800,829,610</u>	<u>754,145,898</u>	<u>898,817,376</u>	<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>
Legal debt margin	<u>\$ 2,377,159,092</u>	<u>\$ 2,632,873,570</u>	<u>\$ 3,057,183,350</u>	<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>
Total net debt applicable to the limit as a percentage of debt limit	21.76%	25.20%	22.27%	22.72%	21.25%	19.04%	15.05%	10.67%	13.18%	17.71%

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)	
2004	78,442,407	61,606,638	16,835,769	3,789,388	1,896,825	2.96	13,228,504	4,732,321	8,496,183	3,874,153	4,524,200	1.01
2005	80,328,572	65,273,312	15,055,260	4,038,641	1,136,613	2.91	13,732,074	4,481,564	9,250,510	3,860,157	4,506,111	1.11
2006	84,557,528	67,134,060	17,423,468	4,098,219	1,065,552	3.37	7,290,715	9,754	7,280,961	2,648,105	4,471,937	1.02
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

(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 Revenue Authority (formerly the Parking Authority) and the Industrial Development Authority of Prince Georges's County. The first bond issues of these entities were on December 1, 1990, May 15, 1986 and September 1, 1987, respectively. The Revenue Authority bonds were paid in full May 2006.

(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)
2004	76,026,670	47,734,034	28,292,636	117,565,728	3,789,388	1,896,825	5,686,213	13.37	4.98	20.68
2005	77,182,008	52,523,127	24,658,881	115,784,103	4,038,641	1,136,613	5,175,254	14.91	4.76	22.37
2006	79,655,114	53,308,233	26,346,881	120,762,728	4,098,219	1,065,552	5,163,771	15.43	5.10	23.39
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

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>
2004	836,103	28,115,765	33,236	440,424	4.5	137,285
2005	840,513	29,434,782	34,496	445,124	4.5	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	n.a.	n.a.	469,150	6.8	123,833
2013	n.a.	n.a.	n.a.	467,318	6.9	123,737

Notes:

(1) Population estimates for 2010 - 2012 are from the U.S. Bureau of the Census, updated May 2013. Estimates for 2013 are not available.

(2) Bureau of Economic Analysis, U.S. Department of Commerce. (Income data for 2012 and 2013 is not currently available) Calendar year per capita income figures are shown in the above table, updated November 26,

(3) Maryland Department of Labor, Career and Workforce Information for 2011 - 2013, updated August 23, 2013

(4) www.mdreportcard.org, updated May 15, 2013

(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

	2012			2003		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
			469,150			475,007
<u>Private Sector Employer</u>						
United Parcel Service (UPS)	4,220	1	0.90%	2,300	6	0.48%
Giant Food	3,000	2	0.64%	6,011	1	1.27%
Verizon	2,738	3	0.58%			
Dimensions Healthcare System	2,500	4	0.53%	3,000	3	0.63%
Shoppers Food Warehouse	1,975	5	0.42%	3,700	2	0.78%
Gaylord National Resort and Convention Center	1,800	6	0.38%			
Safeway	1,605	7	0.34%	2,400	5	0.51%
Capital One	1,456	8	0.31%			
Target	1,400	9	0.30%			
Doctor's Community Hosp.	1,300	10	0.28%			
Honeywell Technology Solutions				900	9	0.19%
Digex, Inc.				700	10	0.15%
Computer Science Corp.				1,200	8	0.25%
Raytheon Systems Company				1,300	7	0.27%
Bell Atlantic Corp./Verizon				2,700	4	0.57%
<u>Public Sector Employers</u>						
University System of Maryland 1/	17,334	1				
Joint Base Andrews Naval Air Facility Washington*	13,500	2				
Prince George's County Government	5,834	3				
U.S. Internal Revenue Service*	5,539	4				
United States Census Bureau*	4,414	5				
NASA/Goddard Space Flight Center*	3,171	6				
Prince George's Community College	2,631	7				
U.S. Department of Agriculture	1,850	8				
National Maritime Intelligence-Integration Office*	1,724	9				
National Oceanic and Atmospheric Administration*	1,350	10				

Notes:

Excludes post offices, state 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 November 2012

2003 Public Sector Employer information is not available.

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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Government										
County Executive	48	48	48	48	48	48	46	45	45	45
County Council	89	97	99	100	111	113	103	101	108	112
Human Relations Commission	10	11	12	12	12	15	13	13	11	11
Personnel Board	2	2	2	2	2	2	2	2	2	2
Circuit Court	149	151	115	120	124	130	130	130	130	130
Orphans' Court	5	6	6	6	6	6	6	6	6	6
Office of the State's Attorney	136	138	142	148	151	154	152	149	151	167
Citizen Complaint Oversight Panel	2	2	2	2	2	2	1	1	1	1
Office of Finance	72	71	73	75	75	76	74	73	67	67
Office of Business & Regulatory Affairs	-	-	-	-	-	-	-	-	-	-
Office of Community Relations	15	17	19	24	26	26	26	38	35	50
Office of Management and Budget	24	24	25	26	27	27	27	26	25	25
Board of License Commissioners	7	7	7	7	7	7	7	7	7	7
Office of Law	54	57	57	57	60	61	60	60	54	54
Office of Human Resources Management	55	61	62	68	69	70	70	70	66	65
Office of Info. Tech. & Communications	48	49	0	0	0	0	0	0	0	0
Board of Elections	13	13	13	16	18	19	19	19	18	18
Soil Conservation District	9	9	10	13	13	13	13	13	13	13
Office of Central Services	239	240	172	180	182	182	178	170	151	154
Department of Family Services	48	52	17	28	28	28	28	31	28	27
Housing & Community Development	112	121	20	22	22	22	22	21	18	22
Subtotal	1,137	1,176	901	954	983	1,001	977	975	936	976
Public Safety										
Department of Environmental Resources	431	452	233	238	264	263	250	251	236	156
Police Department	1,675	1,675	1,763	1904	2056	2132	2123	2122	2097	2097
Fire/EMS Department	778	780	804	821	833	849	837	846	848	887
Office of the Sheriff	246	281	274	324	338	347	342	335	333	340
Department of Corrections	529	538	565	602	630	646	637	644	639	640
Office of Homeland Security	167	187	187	190	204	214	214	211	210	211
Subtotal	3,826	3,913	3,826	4,079	4,325	4,451	4,403	4,409	4,363	4,331
Public Works										
Department of Public Works & Transportation	377	379	285	287	288	333	329	319	294	294
Subtotal	377	379	285	287	288	333	329	319	294	294
Health Department										
Health Department	531	527	276	294	291	302	289	261	238	242
Subtotal	531	527	276	294	291	302	289	261	238	242
Public Welfare - Department of										
Department of Social Services	32	36	13	13	14	15	15	14	14	15
Child Support Enforcement	-	-	-	-	-	-	-	-	-	-
Subtotal	32	36	13	13	14	15	15	14	14	15
Grand Total	5,903	6,031	5,301	5,627	5,901	6,102	6,013	5,978	5,845	5,858

Source: Office of Management and Budget Current Expense Budget

Table 21

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

<u>Agency/Program</u>	<u>2002</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>estimated</u> <u>2012</u>	<u>projected</u> <u>2013</u>
Circuit Court											
Criminal cases filed	9,460	8,080	9,167	9,134	8,765	7,823	7,907	8,783	8,684	8,597	8,511
Juvenile cases filed or reopened	6,850	5,581	1,933	2,189	2,353	2,301	2,633	2,242	2,079	1,900	1,710
Office of the Sheriff											
Number of warrants on file	n/a	29,908	30,808	33,171	36,848	42,063	48,307	53,703	48,433	46,000	45,000
Number of domestic related documents served	n/a	8,961	8,502	8,882	9,230	9,514	7,496	6,410	7,673	10,093	13,276
Department of Corrections											
Average daily Correctional Center population	1,022	1,134	1,214	1,266	1,482	1,462	1,461	1,229	1,175	1,200	n/a
Number of inmate court appearances	19,348	18,436	15,583	21,276	21,276	n/a	n/a	n/a	n/a	n/a	n/a
Police Department											
Number of calls for service	n/a	528,182	560,327	604,189	655,994	700,000	676,662	807,592	746,486	735,000	725,000
Number of documented property crimes	n/a	44,275	42,869	37,505	37,420	36,457	30,714	31,011	27,757	27,000	26,400
Fire/EMS Department											
Number of fire calls for service	n/a	29,345	26,463	26,242	25,988	25,252	24,625	21,737	22,593	24,196	25,500
Office of Homeland Security											
Annual call volume	1,250,493	1,466,408	1,501,270	1,283,628	1,263,349	1,561,500	1,546,600	1,547,600	1,548,493	1,550,000	1,550,000
Public Works & Transportation											
Road miles maintained	1,702	1,749	1,775	1,789	1,804	1,818	1,818	1,834	1,841	1,875	1,900
Street resurfacing (in miles)	33.0	31	33	36	33	30	15	22	22	15	20
Department of Environmental Resources											
Abandoned vehicles impounded	6,108	5,650	4,801	4,800	3,400	n/a	n/a	n/a	n/a	n/a	n/a
Permits issued by Permits and Review Division	n/a	37,509	48,604	45,000	45,000	45,000	29,331	24,682	25,775	25,020	30,030
Soil Conservation District											
Number of new acres covered by completed soil and water quality plans	2,650	742	1,025	383	1,100	1,760	1,320	1,300	n/a	n/a	n/a
Department of Family Services											
Number of people requesting disability information and assistance	2,100	2,473	2,500	2,074	1,216	1,567	2,667	2,500	n/a	n/a	n/a
Health Department											
Total treatment admissions	930	3,158	3,309	3,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Housing & Community Development											
Number of new units created	n/a	1,368	2,186	781	1,345	781	1,192	1,200	1,839	2,092	2,350
Department of Social Services											
Total households receiving energy assistance	3,904	5,001	5,491	6,062	7,110	8,085	9,629	11,483	13,764	13,500	13,500

Source: Office of Management and Budget Current Expense Budget

Table 22

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

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Public Facilities										
District Police Stations	6	6	6	6	6	6	6	6	6	6
Fire and Emergency Rescue Stations	47	49	44	44	44	44	44	44	56	56
Emergency Medical Units	56	56	53	54	57	57	58	58	60	59
Parks/Recreation Facilities (active parks)	522	358	358	358	564	560	582	583	584	590
Multi-Purpose Senior Centers	8	8	8	8	8	8	7	7	7	7
Libraries	20	20	20	20	18	18	18	19	19	19
Public Schools										
Elementary Schools	131	131	146	146	142	132	131	131	130	129
Middle Schools	28	28	21	21	32	31	29	29	29	29
High Schools	23	23	23	23	24	30	30	30	30	30
Special Centers	12	12	12	12	12	12	11	9	9	7
Department of Public Works and Transportation										
Miles of County-maintained Paved Roads	1,747	1,772	1,768	1,784	1,818	1,821	1,834	1,862	1,873	1,873
Signals in Service	228	230	236	232	183	266	266	267	259	260

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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