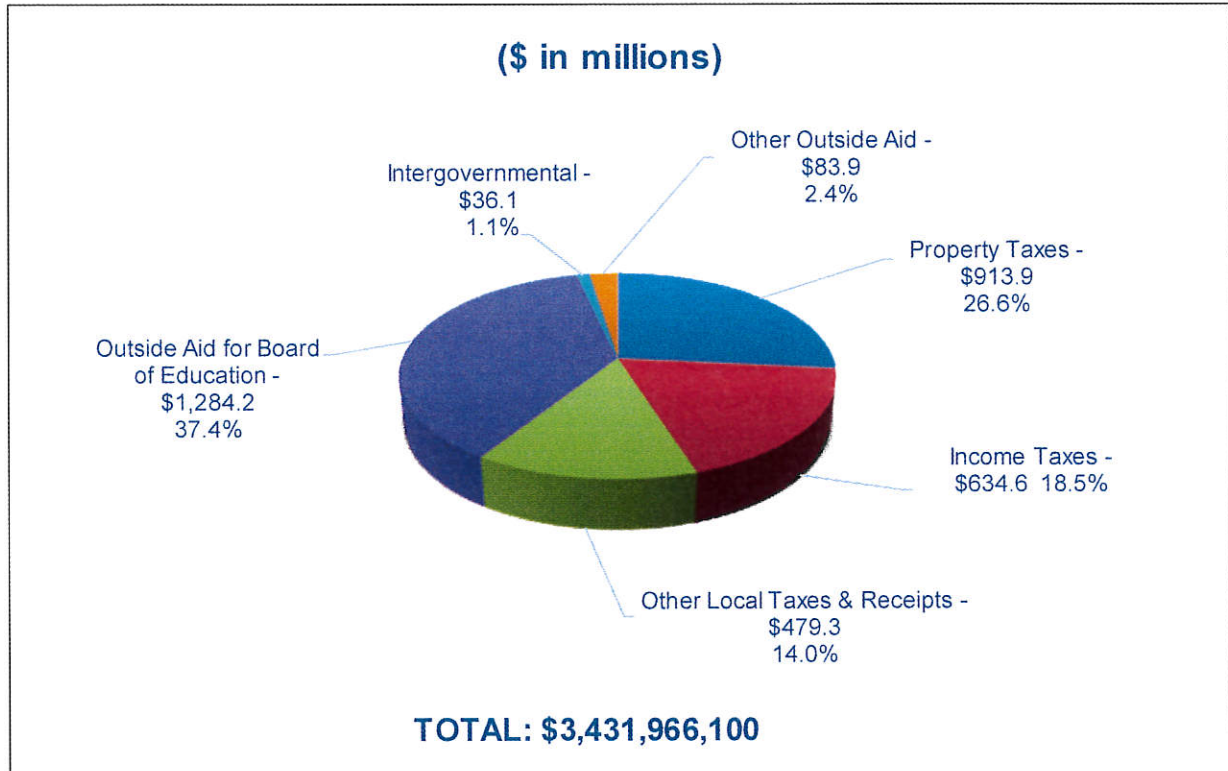


FY 2019 REVENUES AT A GLANCE

GENERAL FUND REVENUE OVERVIEW

- The approved FY 2019 General Fund budget is \$3,431,966,100, an increase of \$180.4 million or 5.5% over the FY 2018 approved budget.
- County source revenues increase by \$132.2 million or 6.8% from the FY 2018 approved budget. Outside aid for the Board of Education, Community College and Memorial Library increases by \$48.2 million, or 3.7%.



INTERNAL SERVICE FUNDS REVENUE OVERVIEW

- The approved FY 2019 Internal Service Funds budget is \$47,189,400, a decrease of \$4.6 million or 8.8% below the FY 2018 approved budget.
- The Fleet Management Fund revenues total \$13.2 million, a decrease of \$1.2 million or 8.2% below the FY 2018 approved budget.
- The Information Technology Fund totals \$34.0 million, a decrease of \$3.4 million or 9.1% primarily due to eliminating the use of I-Net fund balance.

ENTERPRISE FUNDS REVENUE OVERVIEW

- The approved FY 2019 Enterprise Funds budget is \$219,257,200, an increase of \$34.8 million or 18.9% over the FY 2018 approved budget.

- The Stormwater Management Fund revenues total \$72.5 million, an increase of \$1.4 million or 1.9% over the FY 2018 approved budget. This is primarily due to an increase in revenues generated through property taxes.
- The Solid Waste Fund revenues total \$102.6 million, an increase of \$4.1 million or 4.2% over the FY 2018 approved budget due to an increase in refuse charge collections.
- The Local Watershed Protection and Restoration Fund revenues total \$44,158,900, an increase of \$29.4 million from the FY 2018 approved budget. The increase is due to the implementation of Phase II of the Clean Water Partnership.

SPECIAL REVENUE FUNDS OVERVIEW

- The approved FY 2019 Special Revenue Funds budget is \$202,256,900, an increase of \$12.1 million or 6.4% over the FY 2018 approved budget.
- The Debt Service Fund revenues total \$178.1 million, an increase of \$4.8 million or 2.8% above the FY 2018 approved budget. The debt incurred by the County pays for various capital projects throughout the County, such as school construction and renovations, road improvements and repairs, among other projects.
- The Drug Enforcement Fund revenues total \$7.5 million, an increase of \$5.6 million or 295.4% above the FY 2018 approved budget.
- The Property Management Fund revenues total \$0.6 million, an increase of \$191,100 or 46.7% over the FY 2018 approved budget.
- The Domestic Violence Fund revenues total \$390,000 in FY 2019 and will remain unchanged from the FY 2018 approved budget.
- The Collington Center Fund revenues total \$5,000 and will not change from the FY 2018 approved budget.
- The Industrial Development Fund revenues are \$37,700 and continue at the same level from the FY 2018 approved budget.
- The Economic Development Fund revenues total \$9.0 million in FY 2019 and remain flat from the FY 2018 approved budget.
- The Housing Investment Trust Fund revenues total \$6.6 million, a increase of \$1.5 million or 30.0% over the FY 2018 approved budget. This fund supports the Workforce Housing Gap Financing and the Down Payment and Closing Cost Assistance programs.

GRANT PROGRAM FUNDS OVERVIEW

- The approved FY 2019 Grant Program Funds budget is \$201,850,500 in FY 2019, an increase of \$3.2 million or 1.6% over the FY 2018 approved budget.

GENERAL FUND REVENUES

INTRODUCTION

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

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

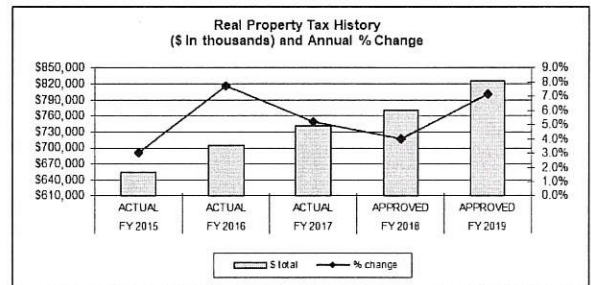
- The State's triennial assessment process
- Assessment growth caps for owner-occupied property (also called Homestead Tax Credit)
- The assessment percentage
- The housing market and the economy in general
- The tax rate - including changes in the Municipal Tax Differential rates
- Delinquencies and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

The County is subject to the Tax Reform Initiative by Marylanders (TRIM). Based on this charter provision, the General Fund County Real Property Tax rate could not exceed \$2.40 per \$100 of assessable value before FY 2002, and cannot exceed \$0.96 per \$100 of assessable value since FY 2002, when the real property assessable value was adjusted from 40% to 100% of market value. In 2012, the Maryland Senate passed Bill 848 that allows for the property tax rate to be set higher than the rate authorized under the County's charter. Any additional revenue generated as a result of the higher property tax rate is for the sole purpose of funding the approved budget of the local school board. The Real Property Tax rate increased from \$0.96 to \$1.00 per \$100 of assessable value in FY 2016. The additional revenues generated from the \$0.04 increase is dedicated to support the local school board.

In FY 2019, the County's Real Property Tax revenues are projected to be \$825.8 million, an

increase of \$55.0 million or 7.1% over the FY 2018 budget. The projection is based on the tax rate, tax base and adjustments made to factor in reductions due to the homestead tax credit, municipal tax differential, delinquent tax payments and incremental tax revenues from Tax Increment Financing (TIF) districts that are designated for debt service. Additionally, the projection factors in an anticipated \$7.4 million of revenues to be generated from the MGM Casino at National Harbor.

REAL PROPERTY TAXES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$740,985	\$770,763	\$790,806	\$825,753
\$ CHG	36,670	29,779	49,821	54,989
% CHG	5.2%	4.0%	6.7%	7.1%



Excluding the additional revenue assigned to the Prince George's County Public Schools (PGCPS) system, the County's real property tax revenues are projected to increase by \$53.0 million or 7.2% in FY 2019 above the FY 2018 budget.

The State Department of Assessments and Taxation (SDAT) projected in February 2018 that the County's real property base will grow by 6.6% in FY 2019 before the homestead tax credit cap and other deductions. Net taxable base including adjustments and credits is projected to increase by 5.5% from the FY 2018 estimated level.

Each year, one third of each County's real property base is reassessed by the SDAT. The reassessment growth is phased in over the next three years; a decrease, however, is realized immediately. The upward reassessment experienced by the County in the previous fiscal year is expected to continue in FY 2019, with Group 3 of the County's real property base's

reassessment value rising by 17.5%, according to the SDAT.

The County's real property tax revenue capacity is not fully realized due to the structure of the County's Homestead Tax Credit. The credit, tied to the Consumer Price Index growth for the 12 months ending in June, caps the growth of owner-occupied property assessment for tax purposes at 2% in FY 2019. According to the SDAT's estimate, this tax credit is estimated to cause a County revenue loss of approximately \$7.5 million in FY 2019.

The municipal tax differential also reduces the County's property tax revenues. Each year, the County reduces its property tax rates (both real and personal) to recognize governmental services and programs that municipal governments perform in lieu of similar County services, to the extent that such services are funded through property tax revenues. In FY 2019, County real property tax revenue is reduced by \$28.3 million for the municipal tax differential program, compared with \$26.6 million in FY 2018. FY 2018 marks the third time in the last six years of the program that the value of the credit increased year-over-year. This is due to the rise in assessable value within the municipalities and the resultant expansion of municipal services.

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

The Personal Property Tax base is influenced by the:

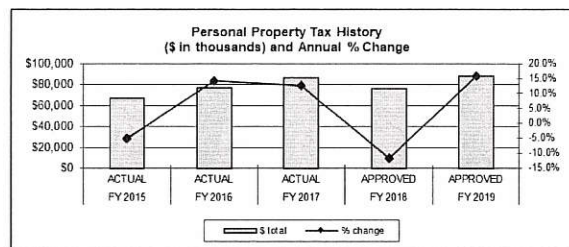
- Business cycle
- Availability of commercial credit
- Public utilities' income performance
- Replacement of equipment
- The State law on personal property assessment and depreciation
- Tax rate - including changes in the Municipal Tax Differential rates

In accordance with State law, the County's Personal Property Tax rate shall be no more than 2.5 times the rate for real property. The Personal Property Tax rate increased from \$2.40 to \$2.50 per \$100 of assessable value in FY

2016, to align with the approved change in the Real Property Tax rate. The additional revenue generated as a result of the higher property tax rate is for the sole purpose of funding the approved budget of the local school board.

The FY 2019 Personal Property Tax revenue is expected to increase by \$12.0 million or 15.7% from the FY 2018 budget, based on the SDAT's February 2018 projections of the assessable base. The projection includes anticipated revenue of \$2.0 million from the MGM Casino at National Harbor. Excluding the additional revenue assigned to the PGCPSS system, the County's personal property tax revenues are projected to increase by \$11.8 million or 16.1% in FY 2019 from the FY 2018 budget.

PERSONAL PROPERTY TAXES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$86,200	\$76,197	\$86,601	\$88,180
\$ CHG	9,691	-10,003	401	11,983
% CHG	14.5%	-11.6%	0.5%	15.7%



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

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

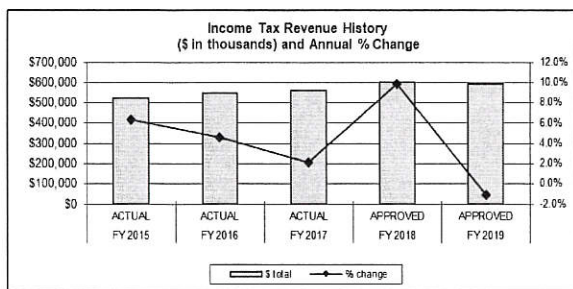
local income tax liability based on the greatest of 8.5% of the State income tax liability, 17% of the county income tax liability or 0.37% of the Maryland taxable income of municipal residents. Tax tables are usually adjusted at the beginning of the calendar year when any tax law changes take effect.

The following variables influence the annual tax yield:

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

The County's income tax revenue includes both income tax receipts and a State Income Disparity Grant. FY 2019 income tax receipts are projected to total \$634.6 million, an increase by 0.5% from the FY 2018 budget. The FY 2018 estimate is expected to increase by 2.3% from the FY 2017 level.

INCOME TAXES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
TAX RECEIPTS	\$559,401	\$601,808	\$572,309	\$600,520
\$ CHG	35,804	42,407	12,909	-1,288
% CHG	6.8%	7.6%	2.3%	-0.2%
DISPARITY GRANT	\$26,632	\$30,877	\$30,877	\$34,100
TOTAL YIELD	\$586,032	\$632,685	\$603,187	\$634,620
\$ CHG	40,741	46,653	-29,498	1,935
% CHG	7.5%	8.0%	-5.0%	0.3%



The FY 2018 estimate is based on year-to-date collections and expected continued improvement in the County's labor market. The decrease from the FY 2018 budget is due to downward adjustments in the calculation formula used by the State to distribute income tax revenues, which translated to slower than expected growth. FY 2018 income tax projections also include estimated gains from the General Assembly's adjustments of income tax exemptions that became effective January 1, 2012.

As a result, both current year receipts and the reconciliation amount for prior years are expected to increase in FY 2018 and FY 2019. Baseline income tax growth (excluding one-time impacts) in FY 2018 is expected to reach 4.0%, close to the historical average level, assuming a continued recovery in the local job market and regional economy. According to the Maryland Department of Labor, Licensing and Regulation, the County's average unemployment rate decreased from 4.4% in calendar year 2016 to 4.2% in calendar year 2017.

In FY 2019, the County's State Income Disparity Grant is projected to be \$34.1 million, an increase of \$3.2 million or 10.4% from the FY 2018 budget. This grant is provided to counties where per capita local income tax revenue falls below 75% of the State average. The FY 2019 disparity grant is calculated by the State Department of Budget and Management based on calendar year 2016 income and population data.

TRANSFER TAXES are taxes imposed upon recordation of instruments conveying title to real property, or any other interest in real property. All transfer tax revenue is dedicated to the Board of Education. The tax rate is unchanged at 1.4% for FY 2019.

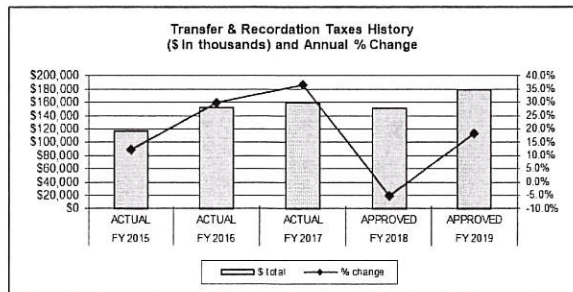
RECORDATION TAXES are taxes on the recordation of written instruments conveying title to real or personal property, conveying leasehold interests in real property or creating liens and encumbrances on real or personal property. In FY 2019, the recordation tax rate is unchanged at \$2.75 per \$500 of instrument of writing subject to this tax.

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

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

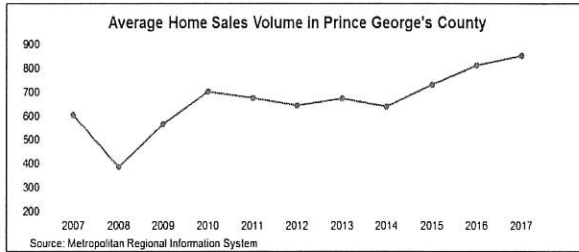
- Tax rate
- Business cycle
- Interest rates
- Availability of credit
- Real estate market

TRANSFER AND RECORDATION TAXES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$159,973	\$151,592	\$197,296	\$179,363
\$ CHG	42,764	-8,381	37,323	27,772
% CHG	36.5%	-5.2%	23.3%	18.3%



In FY 2019, transfer taxes are projected to increase by 17.1% from the FY 2018 budget, as the housing market shows stable and steady improvements from previous years. Recordation taxes are projected to increase by 21.3%, compared to the FY 2018 budget.

Reports from the Metropolitan Regional Information Systems, Inc. indicate that the County's median home sales price in 2017 increased by 8.8% from 2016 and reached \$274,800. Sales volume increased by 5.1% in the same period.



As of the fourth quarter in 2017, a total of 6,471 foreclosures occurred in the County, a decrease of 23.6% from the same period in 2016. The County continues to account for the largest number of foreclosures in the State. The large number of foreclosures in the judicial process and anticipated increase in mortgage rates are expected to slow but not halt the recent recovery in the County's housing market.

Prince George's County Foreclosure Trend				
	Total Foreclosure Events	Qtr/Qtr % Change	Yr/Yr % Change	% of State Total
Q1 2012	1,129	9%	-44%	27.0%
Q2 2012	1,228	9%	-18%	28.3%
Q3 2012	1,295	5%	45%	31.2%
Q4 2012	1,438	11%	39%	22.5%
Q1 2013	1,422	-1%	26%	-84.8%
Q2 2013	1,522	7%	24%	13.9%
Q3 2013	2,019	33%	56%	17.4%
Q4 2013	2,215	10%	54%	17.4%
Q1 2014	3,350	51%	136%	26.6%
Q2 2014	2,278	-32%	50%	20.1%
Q3 2014	2,684	18%	33%	23.1%
Q4 2014	2,852	6%	29%	20.4%
Q1 2015	2,415	-15%	-28%	20.1%
Q2 2015	2,293	-5%	1%	19.0%
Q3 2015	2,408	5%	-10%	22.2%
Q4 2015	2,445	2%	-14%	19.3%
Q1 2016	2,741	12%	13%	22.1%
Q2 2016	2,182	-20%	-5%	20.1%
Q3 2016	1,839	-16%	-24%	20.7%
Q4 2016	1,713	-7%	-30%	22.5%
Q1 2017	1,506	-12%	-45%	17.8%
Q2 2017	1,925	28%	-12%	24.8%
Q3 2017	1,468	-24%	-20%	22.1%
Q4 2017	1,572	7%	-8%	23.6%

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

OTHER LOCAL TAXES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$129,641	\$133,053	\$129,222	\$132,319
\$ CHG	9,519	3,412	-420	-734
% CHG	7.9%	2.6%	-0.3%	-0.6%

In FY 2019, the total revenue from Other Local Taxes is expected to decrease by 0.6% from the FY 2018 budget, primarily due to decreases in Telecommunications and Hotel Tax revenue collections.

The Energy Tax comprises over half of the total FY 2019 revenue in this category. This revenue is projected to increase by 2.8% in FY 2019. Among the different energy tax components, two thirds of the tax receipts are from the sale of electricity and approximately one third of the receipts are from the sale of natural gas.

ENERGY TAXES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$71,865	\$70,372	\$70,372	\$72,356
\$ CHG	5,080	-1,493	-1,493	1,984
% CHG	7.6%	-2.1%	-2.1%	2.8%

The Energy Tax unit rates for a certain fiscal year are determined by the total consumption and sales of the calendar year two years prior to that fiscal year. For example, the FY 2019 rates are based upon calendar year 2017 data. The formula divides total calendar year 2016 sales (by type of energy used) by total 2017 consumption, which is then multiplied by 7.5%, the current effective tax rate, to arrive at the FY 2019 unit charge per kilowatt hour, thermal, gallon or other unit. The FY 2019 rates compared to FY 2018 are shown here:

ENERGY TAX COMPONENTS			
	FY 2018 Rates	FY 2019 Rates	% Change
Electricity (KWH)	0.009908	0.009900	0%
Natural Gas (Therm)	0.057534	0.084949	48%
Fuel Oil (Gal.)	0.178664	0.200849	12%
Propane (Gal)	0.192840	0.212657	10%

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

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

Another major revenue item is the **Telecommunications Tax**, which represents 21.0% of the FY 2019 approved revenues generated by "Other Local Taxes." The telecommunication tax revenue has been declining for eight years in a row due to the economic downturn as well as a market shift from landlines to wireless services (some of which are non-taxable). In FY 2016, the telecommunications tax rate was increased to 9% on the gross receipts for telecommunication service in the County. The FY 2019 projection reflects a decrease of \$3.2 million or 10.4% below the FY 2018 budget.

TELECOMMUNICATIONS TAXES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$29,305	\$31,051	\$27,835	\$27,835
\$ CHG	-1,967	1,746	-1,471	-3,217
% CHG	-6.3%	6.0%	-5.0%	-10.4%

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

the County to cover the cost of collecting, remitting and administering the tax.

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

In FY 2019, **Hotel/Motel Taxes** are expected to decrease 3.7% under the FY 2018 budget due to slower than expected growth. Although there is a decrease from the FY 2018 budget, Hotel/Motel Taxes is experiencing a year over year increase. The FY 2018 estimate is expected to increase 9.0% from the FY 2017 level. The FY 2019 approved budget includes \$0.9 million of collections from the MGM facility. This is net any hotel collections dedication to the Special Taxing District to fund bonds issued for infrastructure and the convention center. In FY 2016, the Hotel/Motel Tax rate increased from 5% to 7%.

Municipalities will receive 50% of the revenue received from hotels located within their corporate limits. Occupancy and average room rates are expected to continue to increase in FY 2019.

Admissions and Amusement Taxes are projected to increase by 5.7% from the FY 2018 budget. The FY 2019 budget includes anticipated collections of \$1.9 million from the MGM Casino at the National Harbor. The Admissions and Amusement Tax rate will remain at 10%.

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

STATE SHARED TAXES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$3,595	\$3,494	\$3,350	\$3,429
\$ CHG	-136	-101	-245	-65
% CHG	-3.6%	-2.8%	-6.8%	-1.9%

State-Shared Taxes, primarily Highway User Revenue, used to be one of the major resources of the County. In FY 2009, the County received \$24.8 million in highway user revenues. Since then, this revenue source has experienced severe reductions each year, until it stabilized at \$2.6 million in FY 2013. In the approved FY 2019 budget, Highway User Revenues are projected to reach \$3.0 million, an increase of 4.4% from the FY 2018 budget. The highway user revenues are restricted State monies and can only be used to construct or maintain roads, including payment of road debt.

LICENSES AND PERMITS include revenue derived from a number of licenses and permits issued for regulatory purposes. They include Building Permits, Street Use Permits, Business Licenses, Liquor Licenses and Permits (authorized by the State), Animal Licenses, Health Permits and various other permits. This category also reflects video lottery terminal and table game revenues generated from the MGM at National Harbor facility.

LICENSES AND PERMITS (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$47,552	\$54,934	\$55,423	\$58,743
\$ CHG	22,430	7,382	7,871	3,809
% CHG	89.3%	15.5%	16.6%	6.9%

The largest portion of these revenues is related to the building sector of the economy, and as such is subject to year-to-year changes as the amount of construction in the County varies. In FY 2019, revenues generated by building, grading and street use and other permits are projected to increase by \$3.8 million or 6.9% from the FY 2018 budget to \$58.7 million.

Gaming Revenues are expected to increase by 3.3% from the FY 2018 budget. The FY 2019 budget includes \$22.4 million of video lottery terminal (VLT) and table games revenues to be generated from over 3,000 video lottery terminals and 160 tables at the MGM Casino at National Harbor. The FY 2018 estimate is expected to be \$20.7 million, an 85.4% increase from the FY 2017 level. FY 2018 reflects the first full year of gaming collections. In accordance to State law 40% of VLT taxes are restricted for Maryland route 210 improvements. The

remaining 60% of VLT taxes are restricted for improvements in the immediate proximity of the MGM Casino.

GAMING REVENUES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$11,154	\$21,724	\$20,682	\$22,437
\$ CHG	11,154	10,570	9,529	713
% CHG	100.0%	94.8%	85.4%	3.3%

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

USE OF MONEY AND PROPERTY (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$2,310	\$5,269	\$2,620	\$3,062
\$ CHG	-5,020	2,959	310	-2,207
% CHG	-68.5%	128.1%	13.4%	-41.9%

In FY 2019, receipts from Use of Money and Property will total \$3.1 million, a decrease of 41.9% from the FY 2018 budget. Property rental is the largest component of this category. In FY 2019, property rental is estimated to total \$1.5 million, which is flat from the FY 2018 budget.

In FY 2019, Interest Income, is expected to decrease by 68.8% from the FY 2018 budget. The FY 2019 projection anticipates a decline in interest earned on investments.

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

CHARGES FOR SERVICES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$48,992	\$44,035	\$48,769	\$49,694
\$ CHG	5,629	-4,957	-223	5,659
% CHG	13.0%	-10.1%	-0.5%	12.9%

In FY 2019, Charges for Services are expected to increase by 12.9% from the FY 2018 budget. The increase is primarily due to an increase in Corrections Charges, Emergency Transportation and Health Fees. Other Service Charges are expected to increase by 32.4%

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

INTERGOVERNMENTAL REVENUES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$47,347	\$32,283	\$37,826	\$36,060
\$ CHG	3,471	-15,065	-9,521	3,777
% CHG	7.9%	-31.8%	-20.1%	11.7%

Intergovernmental Revenues are anticipated to increase by 11.7% above the FY 2018 budget in FY 2019. This is primarily due to an increase in the Local Health and Police Aid State grants.

The County will continue to receive \$9.6 million in a Teacher Retirement Supplemental Grant from the State to partially offset the estimated \$36.5 million impact of teachers' pension costs that started in FY 2013. The Police Aid Grant is projected to be \$11.2 million in FY 2019, a 5.7% increase from the FY 2018 budget. Federal grants are expected to increase by 3.0% from the FY 2018 budget level. The revenues from the Maryland-National Capital Park and Planning Commission in FY 2019 are projected to decrease by 32.1% below the FY 2018 budget.

MISCELLANEOUS RECEIPTS are used to encompass a number of relatively smaller County revenues. The principal sources are

finances and forfeitures primarily from red light cameras and speed cameras programs.

MISCELLANEOUS RECEIPTS (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$17,019	\$14,249	\$18,099	\$19,004
\$ CHG	1,914	-2,770	1,080	4,755
% CHG	12.7%	-16.3%	6.3%	33.4%

Total miscellaneous receipts are projected to increase by 33.4% in FY 2019. In FY 2012, the County started implementing an Automated Speed Enforcement (ASE) program to help reduce speed-related traffic accidents. The program took a phase-in approach and 72 speed cameras installed. The ASE program is estimated to provide \$7.2 million of gross revenues in FY 2019, a decrease of 1.0% below the FY 2018 budget. The revenues generated from red light camera program is expected to be \$8.3 million a 30.6% increase from the FY 2018 budget. These totals are before excluding payments to vendors and administrative costs. Fines per camera have experienced a significant decrease in the past several months as road commuters have changed their behavior.

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

OTHER FINANCING SOURCES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD		\$13,116	\$13,116	\$33,681
\$ CHG	-256	13,116	13,116	20,565
% CHG	-100.0%	100.0%	100.0%	156.8%

In FY 2019, other financing sources total \$33.7 million, an increase of \$20.6 million or 156.8% above the FY 2018 budget. This funding includes a \$33.4 million transfer from Fund Balance and \$0.3 million transfer from the Stadium Impact Grant fund. The \$33.4 million transfer from Fund Balance reflects \$20 million allocation to the Maryland Purple Line capital project, \$6.3 million for Redevelopment Authority capital projects, \$2.5 million to the Housing Investment Trust Fund, \$2.0 million to the Office of Information Technology to support the

countywide laptop refresh program, \$1.0 million to support the United States Citizenship and Immigration Services (USIS) at Branch Avenue Metro Station capital project, \$1.0 million for the National Harbor Public Safety Building, \$0.5 million for the Community College for audiovisual infrastructure and technology upgrades and \$0.1 million as a grant to the Town of Eagle Harbor.

The County will maintain the Charter mandated 5% (restricted) reserve and fiscal policy required 2% (committed) reserve in FY 2018 and FY 2019.

BOARD OF EDUCATION SOURCES are expected to increase by 3.9% in FY 2019 from the FY 2018 budget. State aid, which is the major source of outside aid to the Board of Education, is 2.8% higher than the FY 2018 budget. Federal aid is projected to increase by 11.2%. The Board's own sources are expected to increase by \$6.3 million or 18.0%, primarily due to the increase in the Board's Use of Fund Balance.

BOARD OF EDUCATION SOURCES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$1,186,518	\$1,236,262	\$1,236,262	\$1,284,169
\$ CHG	48,480	49,744	49,744	47,907
% CHG	4.3%	4.2%	4.2%	3.9%

COMMUNITY COLLEGE SOURCES are projected to increase by \$92,300 or 0.1% from the FY 2018 budget. The revenue mostly comes from tuition, fees, charges and formula-driven State aid. State aid for Community College is expected to increase 1.9% to \$29.5 million in FY 2019. Tuition and fees are projected to increase by 0.3%. The College is expected to receive \$0.7 million project charges from the M-NCPPC in FY 2019, unchanged from the FY 2018 budget. The FY 2019 budget also includes \$2.6 million use of fund balance of the College, compared to \$3.5 million in its FY 2018 budget.

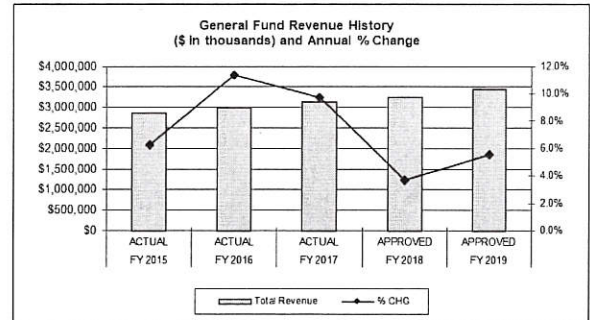
COMMUNITY COLLEGE SOURCES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$71,500	\$75,073	\$71,702	\$75,165
\$ CHG	1,488	3,573	203	92
% CHG	2.1%	5.0%	0.3%	0.1%

LIBRARY SOURCES in the FY 2019 approved budget are projected to increase by 2.2% from the FY 2018 budget. The majority of this revenue comes from State Aid, however the library system also generates other revenues through interest payments, fines and fees. State aid for the Library is projected to increase 1.0% in FY 2019.

LIBRARY SOURCES (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
YIELD	\$8,280	\$8,533	\$8,452	\$8,725
\$ CHG	339	253	172	192
% CHG	4.3%	3.0%	2.1%	2.2%

SUMMARY: In FY 2019, the County's General Fund revenues total \$3.43 billion, a projected increase of \$180.4 million or 5.5% over the FY 2018 budget. Excluding other financing sources, General Fund revenues increase by \$159.9 million or 4.9% in FY 2019. The increase is primarily due to the growth in property taxes, transfer and recordation taxes, admissions and amusement taxes, license and permit revenues, charges for services and miscellaneous.

TOTAL GENERAL FUND (\$ in thousands)				
	FY 2017 ACTUAL	FY 2018 APPROVED	FY 2018 ESTIMATED	FY 2019 APPROVED
COUNTY SOURCE	\$1,869,646	\$1,931,669	\$1,976,786	\$2,063,907
\$ CHG	304,810	62,023	107,140	132,238
% CHG	19.5%	3.3%	5.7%	6.8%
OUTSIDE AID	\$1,266,298	\$1,319,868	\$1,316,417	\$1,368,059
\$ CHG	140,521	53,570	50,119	48,191
% CHG	12.5%	4.2%	4.0%	3.7%
TOTAL YIELD	\$3,135,944	\$3,251,537	\$3,293,203	\$3,431,966
\$ CHG	277,631	115,593	157,259	180,429
% CHG	8.9%	3.7%	5.0%	5.5%



The County's outlook has improved modestly and remains stable. However, the County continues to face risks from high foreclosure activity and rising interest rates. The job market has experienced continued gains and the housing market has stabilized. However, given the uncertainties and structural imbalances at the Federal and State government levels, the County could be exposed to potential negative impacts as these issues are address by the Federal and State governments.

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

Location	REAL PROPERTY 2018	PERSONAL PROPERTY 2018	TOTAL BASE 2018	REAL PROPERTY 2019	PERSONAL PROPERTY 2019	TOTAL BASE 2019
Berwyn Heights	\$ 267.52	\$ 17.56	\$ 285.08	\$ 283.29	\$ 16.64	\$ 299.93
Bladensburg	430.10	16.98	447.08	455.10	17.40	472.50
Bowie	6,278.31	121.17	6,399.48	6,513.76	122.75	6,636.51
Brentwood	209.84	4.37	214.21	223.70	4.48	228.18
Capitol Heights	263.40	8.46	271.86	272.23	8.72	280.95
Cheverly	542.89	17.59	560.48	559.61	18.11	577.72
College Park	2,624.93	70.50	2,695.43	2,746.43	72.87	2,819.30
Colmar Manor	85.83	2.51	88.34	91.68	2.57	94.25
Cottage City	90.94	3.33	94.27	94.95	3.40	98.35
District Heights	337.02	5.98	343.00	353.95	6.18	360.13
Eagle Harbor	7.41	0.42	7.83	7.70	0.20	7.90
Edmonston	148.32	5.17	153.49	153.06	5.32	158.38
Fairmount Heights	95.37	1.64	97.01	97.84	1.70	99.54
Forest Heights	165.18	3.53	168.71	173.65	3.68	177.33
Glenarden	428.85	13.61	442.46	511.77	13.76	525.53
Greenbelt	1,938.89	68.02	2,006.91	1,965.94	68.31	2,034.25
Hyattsville	1,793.11	64.47	1,857.58	1,882.01	65.12	1,947.13
Landover Hills	139.06	2.32	141.38	145.76	2.40	148.16
Laurel	2,886.84	77.23	2,964.07	2,821.40	78.74	2,900.14
Morningside	87.94	2.59	90.53	89.56	2.64	92.20
Mount Rainier	395.72	4.76	400.48	433.29	4.89	438.18
New Carrollton	690.61	13.13	703.74	722.91	13.39	736.30
North Brentwood	46.62	0.93	47.55	50.56	0.96	51.52
Riverdale Park	609.82	19.85	629.67	679.31	20.41	699.72
Seat Pleasant	274.42	6.46	280.88	284.38	7.61	291.99
University Park	307.61	2.66	310.27	322.57	2.79	325.36
Upper Marlboro	84.05	25.81	109.86	86.34	26.10	112.44
SubTotal	\$ 21,230.60	\$ 581.03	\$ 21,811.63	\$ 22,022.75	\$ 591.12	\$ 22,613.87
Unincorporated Area	\$ 57,222.79	\$ 2,622.90	\$ 59,845.69	\$ 60,897.64	\$ 2,682.22	\$ 63,579.86
TOTAL COUNTY WIDE	\$ 78,453.39	\$ 3,203.93	\$ 81,657.32	\$ 82,920.39	\$ 3,273.34	\$ 86,193.73

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

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

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

Source: State Department of Assessments and Taxation

PROPERTY TAX LIMITATION FISCAL YEAR 2019

At the 1978 general election, the voters of the County adopted an amendment to Section 817, Article VIII, of the Prince George's County Charter limiting future collections of real property taxes. The amendment, which became effective in December 1978, added Section 817B to the Charter. It is generally referred to in the County as "TRIM" (TRIM is an acronym for "Tax Reform Initiative by Marylanders"). The amendment forbade the County Council to "levy a real property tax which would result in a total collection of real property taxes greater than the amount collected in FY 1979," or \$143.9 million. At the 1984 general election, an amendment to TRIM was approved by the voters of the County authorizing the County Council to levy taxes on a maximum rate of \$2.40 for each \$100 of assessed value. The County passed legislation capping taxable assessment growth in FY 1994 and future years for owner occupied residences at the lesser of the change in the Consumer Price Index (CPI) or 5% of the prior year's taxable assessment. For FY 2018, the cap is set at 1%. This limitation is a charter mandated computation passed by the voters in November 1994 and is permitted by the Tax Property Article, Section 9-105 of the Annotated Code of Maryland.

In 2000, Maryland Senate Bill 626 provided that beginning in tax year 2001, property tax rates shall be applied to 100%, instead of 40%, of the value of real property, and that the real property tax rate be adjusted to make the impact revenue neutral. The bill also stipulated that any limit on a local real property tax rate in a local law or charter provision shall be constructed to mean a rate equal to 40% times the rate stated in the local law or charter provision. As a result, the nominal real property rate of the County was adjusted to \$0.96/\$100 of assessed value in FY 2002. In 2012, Maryland Senate Bill 848 provided, under certain circumstances, for the property tax rate to be set higher than the rate authorized under the County's charter. Additional revenue as a result of the increase in the property tax rate is for the sole purpose of funding the approved budget of the local school board. The Approved FY 2019 Budget sets the County's nominal real property rate at \$1.00/\$100 of assessed value.

Yield Calculation

	FY 2019 Tax Base	FY 2019 Tax Yield
REAL PROPERTY BASE JULY 1, 2018 ¹	\$84,720,396,700	
Adjustments ²	<u>\$350,000,000</u>	
TOTAL REAL PROPERTY BASE FY 2019	\$ 85,070,396,700	
Nominal Real Property Tax Rate/\$100	\$1.00	
REAL PROPERTY TAX YIELD		\$850,704,000
TOTAL PERSONAL PROPERTY BASE FY 2019	\$3,501,750,000	
Nominal Personal Property Tax Rate/\$100	\$2.50	
PERSONAL PROPERTY TAX YIELD		<u>\$87,543,800</u>
TOTAL PROPERTY TAX YIELD (Unadjusted)		\$938,247,800
Less: Collection Allowance		(\$2,578,400)
Municipal Tax Differential		(\$30,024,200)
Other Adjustments ³		\$8,287,100
TOTAL GENERAL FUND PROPERTY TAX YIELD		\$913,932,200
Total County Real Property Nominal Tax Rate/\$100	\$1.00	
Total County Personal Property Nominal Tax Rate/\$100	\$2.50	

¹ Estimates based on reports from the State Department of Assessments and Taxation (as of February 2018). Adjustments for abatements/credits and a 2% cap on reassessment growth are included.

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

³ Other Adjustments include regular and one-time adjustments.

CONSTANT YIELD DATA

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

LOCATION	APPROVED 2018			APPROVED 2019		
	CONSTANT YIELD			CONSTANT YIELD		
	TAX RATE	TAX RATE	OVER (UNDER)	TAX RATE	TAX RATE	OVER (UNDER)
Berwyn Heights	\$ 0.8780	\$ 0.8367	\$ 0.0413	\$ 0.8740	\$ 0.8338	\$ 0.0402
Bladensburg	0.8820	0.8511	0.0309	0.8790	0.8546	0.0244
Bowie	0.8600	0.8471	0.0129	0.8520	0.8316	0.0204
Brentwood	0.9360	0.8760	0.0600	0.9350	0.8843	0.0507
Capitol Heights	0.8960	0.8464	0.0496	0.8980	0.8669	0.0311
Cheverly	0.8710	0.8436	0.0274	0.8680	0.8484	0.0196
College Park	0.9680	0.9217	0.0463	0.9650	0.9905	(0.0255)
Colmar Manor	0.9070	0.8548	0.0522	0.9060	0.8552	0.0508
Cottage City	0.9020	0.8408	0.0612	0.9020	0.8592	0.0428
District Heights	0.8750	0.8356	0.0394	0.8700	0.8356	0.0344
Eagle Harbor	0.9940	0.9240	0.0700	0.9960	0.9459	0.0501
Edmonston	0.9120	0.8676	0.0444	0.9100	0.8836	0.0264
Fairmount Heights	0.9400	0.9027	0.0373	0.9300	0.9208	0.0092
Forest Heights	0.9270	0.8714	0.0556	0.9290	0.8840	0.0450
Glenarden	0.8920	0.8581	0.0339	0.8900	1.0064	(0.1164)
Greenbelt	0.8540	0.8339	0.0201	0.8490	0.8509	(0.0019)
Hyattsville	0.8610	0.8413	0.0197	0.8570	0.8359	0.0211
Landover Hills	0.8990	0.8376	0.0614	0.9080	0.8893	0.0187
Laurel	0.8240	0.8088	0.0152	0.8190	0.8320	(0.0130)
Morningside	0.9400	0.8778	0.0622	0.9360	0.9310	0.0050
Mount Rainier	0.8640	0.7986	0.0654	0.8600	0.8125	0.0475
New Carrollton	0.8880	0.8532	0.0348	0.8840	0.8476	0.0364
North Brentwood	0.9950	0.9234	0.0716	0.9950	0.9227	0.0723
Riverdale Park	0.8700	0.8190	0.0510	0.8670	0.8252	0.0418
Seat Pleasant	0.8780	0.8358	0.0422	0.8790	0.8500	0.0290
University Park	0.8730	0.8513	0.0217	0.8690	0.8382	0.0308
Upper Marlboro	0.9260	0.8938	0.0322	0.9210	0.9018	0.0192
Unincorporated Area	\$ 1.0000	\$ 0.9780	\$ 0.0220	\$ 1.0000	\$ 0.9731	\$ 0.0269

FY 2019 Allocated General Fund Revenues

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

<u>Agency/Department</u>	<u>Revenue Description</u>	<u>FY 2017 Approved</u>	<u>FY 2018 Approved</u>	<u>FY 2019 Approved</u>
Board of Education	Energy Tax	\$ 69,188,600	\$ 70,372,300	\$ 72,356,300
	Personal Property Tax	-	3,170,400	3,362,200
	Real Property Tax	-	34,179,300	36,155,300
	State & Federal Aid/Board Sources	1,225,531,000	1,236,262,300	1,268,169,100
	Teacher Retirement Supplemental Grant	9,628,700	9,628,700	9,628,700
	Telecommunications Tax	32,031,600	31,051,400	27,612,200
	Transfer Tax	105,525,500	108,193,600	126,719,600
	Total Board of Education	\$ 1,441,905,400	\$ 1,492,858,000	\$ 1,544,003,400
Board of Elections	Sale of Voter Material	\$ 11,000	\$ 11,000	\$ 11,000
	Total Board of Elections	\$ 11,000	\$ 11,000	\$ 11,000
Board of License Commissioners	Liquor Licenses	\$ 1,900,000	\$ 2,049,300	\$ 2,605,600
	Total Board of License Commissioners	\$ 1,900,000	\$ 2,049,300	\$ 2,605,600
Circuit Court	Bail Bondsman	\$ 662,300	\$ 662,300	\$ 662,300
	Circuit Court Marriage Certificate	31,600	31,600	31,600
	Court Appearance Fees	206,200	206,200	206,200
	Jury Fees Reimbursement	769,900	769,900	769,900
	Miscellaneous	22,000	22,000	22,000
	Total Circuit Court	\$ 1,692,000	\$ 1,692,000	\$ 1,692,000
Community College	Recreational Activities (M-NCPPC)	\$ 700,000	\$ 700,000	\$ 700,000
	State Aid/Tuition/Other Revenues	72,420,900	74,372,800	74,465,100
	Total Community College	\$ 73,120,900	\$ 75,072,800	\$ 75,165,100
County Council	Zoning Fees - Board of Appeals	\$ 31,100	\$ 32,000	\$ 32,000
	Total County Council	\$ 31,100	\$ 32,000	\$ 32,000
Department of Corrections	Charges for Services - Community Service Program fees	\$ 175,000	\$ 100,000	\$ 146,000
	Total Corrections	\$ 175,000	\$ 100,000	\$ 146,000
Department of the Environment	Animal Licenses	\$ 165,400	\$ 88,700	\$ 102,500
	Water and Sewer Planning (M-NCPPC)	-	155,300	155,300
	Total Environment	\$ 165,400	\$ 244,000	\$ 257,800
Department of Housing and Community Development	Redevelopment Division (M-NCPPC)	\$ 844,500	\$ 844,500	\$ 729,700
	Total Housing and Community Development	\$ 844,500	\$ 844,500	\$ 729,700
Department of Permitting, Inspections, and Enforcement	Building and Grading Permits	\$ 15,920,900	\$ 18,886,600	\$ 19,398,600
	Business Licenses (Apt., SF & MF Rental)	3,460,000	6,885,900	3,378,300
	Business Licenses (Other)	839,300	216,000	819,500
	Enforcement (M-NCPPC)	1,761,900	1,761,900	1,675,400
	Office of Engineering and Project Management (M-NCPPC)	929,800	-	-
	Permitting and Licensing/Inspections (M-NCPPC)	1,816,200	1,816,200	1,336,200
	Street Use Permits	5,215,700	4,347,200	5,070,000
	Water and Sewer Planning (M-NCPPC)	155,300	-	-
	Total Permitting, Inspections, and Enforcement	\$ 30,099,100	\$ 33,913,800	\$ 31,678,000

<u>Agency/Department</u>	<u>Revenue Description</u>	<u>FY 2017 Approved</u>	<u>FY 2018 Approved</u>	<u>FY 2019 Approved</u>
Department of Public Works and Transportation	Green to Greatness (M-NCPPC)	\$ -	\$ 225,000	\$ -
	Office of Engineering and Project Management (M-NCPPC)	-	929,800	699,900
	Total Public Works	\$ -	\$ 1,154,800	\$ 699,900
Department of Social Services	State DHR DSS Grant	\$ 228,200	\$ 230,400	\$ 235,000
	Total Social Services	\$ 228,200	\$ 230,400	\$ 235,000
Fire/EMS Department	Contractual Fire Services	\$ 400,000	\$ 400,000	\$ 400,000
	Fees for Emergency Transportation & Related Services (General)	7,353,000	6,725,500	8,205,600
	Fees for Emergency Transportation & Related Services (Volunteer)	4,190,100	3,832,500	4,675,900
	Miscellaneous Sales	5,000	5,000	5,000
	Speed Cameras	2,149,500	1,963,900	1,944,000
	Total Fire	\$ 14,097,600	\$ 12,926,900	\$ 15,230,500
Health Department	Health Fees	\$ 1,200,000	\$ 2,292,000	\$ 2,527,400
	Health Permits	2,200,000	2,447,600	2,747,000
	State Health Grant	6,644,500	2,658,300	6,344,200
	Total Health	\$ 10,044,500	\$ 7,397,900	\$ 11,618,600
Memorial Library	Recreation Programs (M-NCPPC)	\$ 2,712,800	\$ 1,512,000	\$ -
	State Aid/Fines	8,298,700	8,532,900	8,724,600
	Total Library	\$ 11,011,500	\$ 10,044,900	\$ 8,724,600
Non-Departmental	Economic Development Corporation (M-NCPPC)	\$ -	\$ 316,800	\$ 294,700
	Green to Greatness (M-NCPPC)	225,000	-	-
	Hotel Tax - Conference & Visitors Bureau	-	586,900	565,000
	Public Safety Surcharge	1,600,000	1,600,000	1,600,000
	Total Non-Departmental	\$ 1,825,000	\$ 2,503,700	\$ 2,459,700
Office of Central Services	Leased Space (M-NCPPC)	\$ 741,500	\$ 917,200	\$ 786,700
	Property Rental	2,000,000	1,479,200	1,479,200
	Total Central Services	\$ 2,741,500	\$ 2,396,400	\$ 2,265,900
Office of Finance	Tax Collection (M-NCPPC)	\$ 423,400	\$ 185,600	\$ 34,400
	Telecommunications Tax	258,100	310,500	222,500
	Total Finance	\$ 681,500	\$ 496,100	\$ 256,900
Office of Homeland Security	911 Fees	\$ 6,336,100	\$ 6,613,400	\$ 6,745,700
	Federal Office of Emergency Preparedness Grant	-	-	-
	Total Office of Homeland Security	\$ 6,336,100	\$ 6,613,400	\$ 6,745,700
Office of the Sheriff	Circuit Court & District Court	\$ -	\$ 511,300	\$ 475,600
	Evictions Revenue	-	2,957,000	2,750,600
	Miscellaneous Fees	-	19,000	17,700
	Total Sheriff	\$ -	\$ 3,487,300	\$ 3,243,900
Police Department	Bureau of Patrol (M-NCPPC)	\$ 36,800	\$ -	\$ -
	Contractual Police Services	1,540,000	1,540,000	1,540,000
	Speed Cameras	5,811,700	5,309,900	5,256,000
	State Police Aid Grant	11,517,700	10,630,800	11,238,500
	Total Police	\$ 18,906,200	\$ 17,480,700	\$ 18,034,500
People Zoning Counsel	People Zoning Counsel (M-NCPPC)	\$ -	\$ 250,000	\$ 250,000
	Total People Zoning Counsel	\$ -	\$ 250,000	\$ 250,000
Sub-total		\$ 1,615,816,500	\$ 1,671,799,900	\$ 1,726,085,800
Debt	Highway User Revenues	\$ 2,981,500	\$ 2,919,100	\$ 3,047,900
	Total Debt	\$ 2,981,500	\$ 2,919,100	\$ 3,047,900
Total		\$ 1,618,798,000	\$ 1,674,719,000	\$ 1,729,133,700

Notes:

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

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

MGM Casino at National Harbor - Impact Summary

Sources	FY 2017 Actual	FY 2018 Budget	FY 2018 Estimated	FY 2019 Approved	Change FY18 - FY19
Sources					
Real Property Tax - Non-Education (\$0.96 per \$100)	\$ 3,510,841	\$ 6,324,900	\$ 6,324,859	\$ 6,925,600	9.5%
Real Property Tax - Education (\$0.04 per \$100)	191,087	397,300	397,300	428,000	7.7%
Personal Property Tax - Non-Education (\$2.40 per \$100)	963	1,260,000	1,604,000	1,924,700	52.8%
Personal Property Tax - Education (\$0.10 per \$100)	40	52,500	66,800	80,200	52.8%
Admissions and Amusement Taxes (10%)	1,121,050	1,433,500	1,928,900	1,948,200	35.9%
Hotel Taxes (7%)	324,154	616,000	616,000	638,700	3.7%
Video Lottery Terminal (VLT) Revenues (5.5%)	3,106,116	7,103,500	6,230,300	6,695,700	-5.7%
Table Game Revenues (5%)	8,047,467	14,620,200	14,452,100	15,741,100	7.7%
Total Sources	\$ 16,301,718	\$ 31,807,900	\$ 31,620,259	\$ 34,382,200	8.1%
Uses					
Video Lottery Terminal (VLT) Uses					
<u>Non-Departmental - Grants and Transfers</u>					
Maryland 210 Improvements	\$ 1,242,446	\$ 2,841,400	\$ 2,492,100	\$ 2,678,300	-5.7%
Employ Prince George's Inc.	-	337,700	337,700	337,700	0.0%
Excellence in Education Foundation for PGCPs, Inc. - Scholarships for High School Students in Impact Area	-	150,000	150,000	150,000	0.0%
Community Impact Grants - Local Development Council	-	500,000	725,000	750,000	50.0%
Board of Education - Transfers to the Capital Improvement Program	1,132,000	769,600	769,600	824,900	7.2%
Subtotal	\$ 2,374,446	\$ 4,598,700	\$ 4,474,400	\$ 4,740,900	3.1%
<u>Non-Departmental - Other</u>					
Summer Youth Employment Program	\$ -	\$ 300,000	\$ 300,000	\$ 300,000	0.0%
Subtotal	\$ -	\$ 300,000	\$ 300,000	\$ 300,000	0.0%
<u>Public Safety</u>					
Police - Additional officers at Police District 7	\$ -	\$ 345,700	\$ 11,900	\$ 345,700	0.0%
Fire/EMS - Additional Fire/EMS staff dedicated to facilities in the immediate proximity of the VLT facility	-	190,100	-	190,100	0.0%
Subtotal	\$ -	\$ 535,800	\$ 11,900	\$ 535,800	0.0%
<u>Board of Education</u>					
Board of Education - Crossland HS program	\$ 1,119,000	\$ 1,119,000	\$ 1,119,000	\$ 1,119,000	0.0%
Technology and Classroom Tool Upgrades - Allenwood ES, Apple Grove ES, Flintstone ES, Forest Heights ES, Fort Foote ES, Indian Queen ES, John Hanson Montessori, Oxon Hill MS, Potomac Landing ES and Thurgood Marshall MS. (Each school will be allotted \$55,000)	-	550,000	550,000	-	-100.0%
Subtotal	\$ 1,119,000	\$ 1,669,000	\$ 1,669,000	\$ 1,119,000	-33.0%
VLT - Sub-Total	\$ 3,493,446	\$ 7,103,500	\$ 6,455,300	\$ 6,695,700	-5.7%

MGM Casino at National Harbor - Impact Summary

Source	FY 2017 Actual	FY 2018 Budget	FY 2018 Estimated	FY 2019 Approved	Change FY18 - FY19
Non-Video Lottery Terminal Uses					
<u>Board of Education</u>					
Board of Education - Funding supports operations and reflected under the County's Contribution	\$ 3,204,400	\$ 5,906,400	\$ 5,906,400	\$ 10,024,900	69.7%
Targeted High School Initiative - Bladensburg, Central, High Point, Northwestern		4,763,400	4,763,400	-	-100.0%
Subtotal	\$ 3,204,400	\$ 10,669,800	\$ 10,669,800	\$ 10,024,900	-6.0%
<u>Community College</u>					
Community College - Funding for Institutional Support	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 2,800,000	55.6%
Promise Scholarships Initiative		1,700,000	1,700,000	1,700,000	0.0%
Subtotal	\$ 1,800,000	\$ 3,500,000	\$ 3,500,000	\$ 4,500,000	28.6%
<u>Library</u>					
Library - Funding provides for evening hours, materials and programming	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	0.0%
Books from Birth Initiative		113,200	113,200	272,300	140.5%
Subtotal	\$ 700,000	\$ 813,200	\$ 813,200	\$ 972,300	19.6%
<u>Public Safety</u>					
Police - FY 2017 - Funding supports 150 new recruits (3 classes of 50 recruits)/FY 2018 - 200 new recruits (3 classes of 50 and 2 classes of 25)/ FY 2019 - 75 of 125 new recruits	\$ 3,492,000	\$ 5,760,300	\$ 5,760,300	\$ 5,837,800	1.3%
Fire/EMS - FY 2017 - Funding supports 70 new recruits (2 classes of 35 recruits) - FY 2018 - 115 new recruits - 3 Classes (2 Classes of 35 and 1 class of 45) - FY 2019 - 60 recruits - 3 classes (3 classes of 20)	2,116,000	2,244,600	2,244,600	4,442,700	97.9%
Sheriff - 25 sworn staff	96,300	1,716,500	1,716,500	1,908,800	11.2%
Subtotal	\$ 5,704,300	\$ 9,721,400	\$ 9,721,400	\$ 12,189,300	25.4%
Non-VLT - Sub-Total	\$ 11,408,700	\$ 24,704,400	\$ 24,704,400	\$ 27,686,500	12.1%
Total Uses	\$ 14,902,146	\$ 31,807,900	\$ 31,159,700	\$ 34,382,200	8.1%
Excess (Deficit)	\$ 1,399,572	\$ -	\$ 460,559	\$ -	0.0%
CB 33-2015 Requirement - 50% for Education					
Board of Education	\$5,455,400	\$13,108,400	\$13,108,400	\$11,968,800	-8.7%
Library	700,000	813,200	813,200	972,300	19.6%
College	1,800,000	3,500,000	3,500,000	4,500,000	28.6%
Total	\$7,955,400	\$17,421,600	\$17,421,600	\$17,441,100	0.1%
VLT Summary					
Revenues	\$ 3,106,116	\$ 7,103,500	\$ 6,230,300	\$ 6,695,700	-5.7%
Expenses	3,493,446	7,103,500	6,455,300	6,695,700	-5.7%
Surplus (Deficit)	\$ (387,330)	\$ -	\$ (225,000)	\$ -	
Non-VLT Summary					
Revenues	\$ 13,195,602	\$ 24,704,400	\$ 25,389,959	\$ 27,686,500	12.1%
Expenses	11,408,700	24,704,400	24,704,400	27,686,500	12.1%
Surplus (Deficit)	\$ 1,786,902	\$ -	\$ 685,559	\$ -	
All Summary					
Revenues	\$ 16,301,718	\$ 31,807,900	\$ 31,620,259	\$ 34,382,200	8.1%
Expenses	14,902,146	31,807,900	31,159,700	34,382,200	8.1%
Surplus (Deficit)	\$ 1,399,572	\$ -	\$ 460,559	\$ -	

CONSOLIDATED GRANT PROGRAM SUMMARY

PROGRAM NAME	FEDERAL CASH	STATE CASH	OTHER CASH	TOTAL OUTSIDE SOURCES	COUNTY CASH	TOTAL PROGRAM SPENDING*
<u>GENERAL GOVERNMENT</u>						
OFFICE OF COMMUNITY RELATIONS FY 2019 TOTALS	\$ 70,000	\$ -	\$ -	\$ 70,000	\$ -	\$ 70,000
OFFICE OF CENTRAL SERVICES FY 2019 TOTALS	\$ -	\$ -	\$ 841,500	\$ 841,500	\$ -	\$ 841,500
<u>COURTS</u>						
CIRCUIT COURT FY 2019 TOTALS	\$ -	\$ 2,932,200	\$ -	\$ 2,932,200	\$ 263,900	\$ 3,196,100
ORPHANS' COURT FY 2019 TOTALS	\$ -	\$ 53,200	\$ -	\$ 53,200	\$ -	\$ 53,200
<u>PUBLIC SAFETY</u>						
OFFICE OF THE STATE'S ATTORNEY FY 2019 TOTALS	\$ -	\$ 3,102,500	\$ -	\$ 3,102,500	\$ -	\$ 3,102,500
POLICE DEPARTMENT FY 2019 TOTALS	\$ 1,030,800	\$ 3,198,900	\$ 13,000	\$ 4,242,700	\$ 30,000	\$ 4,272,700
FIRE/EMS DEPARTMENT FY 2019 TOTALS	\$ 6,768,000	\$ 1,797,100	\$ -	\$ 8,565,100	\$ 703,100	\$ 9,268,200
OFFICE OF THE SHERIFF FY 2019 TOTALS	\$ 2,011,000	\$ 202,000	\$ -	\$ 2,213,000	\$ 1,052,600	\$ 3,265,600
DEPARTMENT OF CORRECTIONS FY 2019 TOTALS	\$ 315,000	\$ 86,000	\$ -	\$ 401,000	\$ -	\$ 401,000
OFFICE OF HOMELAND SECURITY FY 2019 TOTALS	\$ 1,669,800	\$ 687,100	\$ -	\$ 2,356,900	\$ -	\$ 2,356,900
<u>ENVIRONMENT</u>						
DEPARTMENT OF THE ENVIRONMENT FY 2019 TOTALS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>HUMAN SERVICES</u>						
DEPARTMENT OF FAMILY SERVICES FY 2019 TOTALS	\$ 3,662,700	\$ 6,366,600	\$ 166,000	\$ 10,195,300	\$ 384,200	\$ 10,579,500
HEALTH DEPARTMENT FY 2019 TOTALS	\$ 30,678,600	\$ 15,138,700	\$ 1,912,900	\$ 47,730,200	\$ 422,300	\$ 48,152,500
DEPARTMENT OF SOCIAL SERVICES FY 2019 TOTALS	\$ 11,727,600	\$ 2,968,700	\$ 2,346,000	\$ 17,042,300	\$ 747,000	\$ 17,789,300
<u>INFRASTRUCTURE AND DEVELOPMENT</u>						
DEPARTMENT OF PUBLIC WORKS & TRANSPORTATION FY 2019 TOTALS	\$ 400,000	\$ 1,674,200	\$ -	\$ 2,074,200	\$ 689,900	\$ 2,764,100
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FY 2019 TOTALS	\$ 94,550,400	\$ -	\$ 480,000	\$ 95,030,400	\$ -	\$ 95,030,400
NON-DEPARTMENTAL FY 2019 TOTALS	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 5,000,000
TOTAL FY 2019 GRANTS	\$ 152,883,900	\$ 38,207,200	\$ 10,759,400	\$ 201,850,500	\$ 4,293,000	\$ 206,143,500
*Total Program Spending is the total of County Cash and Total Outside Sources.						

EDUCATION REVENUE DETAIL

	FY 2017 Actual	FY 2018 Budget	FY 2018 Estimated	FY 2019 Approved	Change FY18 - FY19
BOARD OF EDUCATION					
Federal Sources					
Unrestricted Federal Aid	\$ 47,318	\$ 80,000	\$ 80,000	\$ 80,000	0.0%
Restricted Federal Aid	83,649,173	89,946,500	89,946,500	100,027,600	11.2%
Total Federal Sources	\$ 83,696,491	\$ 90,026,500	\$ 90,026,500	\$ 100,107,600	11.2%
Board Sources					
Board Sources	\$ 14,580,087	\$ 13,159,500	\$ 13,159,500	\$ 13,479,900	2.4%
Board of Education Fund Balance	-	22,000,000	22,000,000	28,000,000	27.3%
Total Board Sources	\$ 14,580,087	\$ 35,159,500	\$ 35,159,500	\$ 41,479,900	18.0%
State Aid					
Foundation Program	\$ 522,038,416	\$ 530,518,400	\$ 530,518,400	\$ 539,619,300	1.7%
Geographic Cost of Education Index	41,083,951	42,000,000	42,000,000	43,072,600	2.6%
Special Education	44,475,150	44,579,000	44,579,000	45,004,800	1.0%
Nonpublic Placements	21,321,809	23,863,700	23,863,700	23,863,700	0.0%
Transportation Aid	39,510,631	40,693,800	40,693,800	41,559,000	2.1%
Compensatory Education	282,241,948	282,089,200	282,089,200	286,430,700	1.5%
Limited English Proficiency	86,900,405	94,280,500	94,280,500	107,414,800	13.9%
Net Taxable Income - Adjustment	18,459,850	22,370,100	22,370,100	29,306,100	31.0%
Guaranteed Tax Base	8,529,659	5,665,300	5,665,300	1,294,300	-77.2%
Supplemental Grant and Other State Aid	20,505,652	20,505,700	20,505,700	20,505,700	0.0%
Other State Aid	129,124				
Restricted Grants	3,045,042	4,510,600	4,510,600	4,510,600	0.0%
Total State Sources	\$ 1,088,241,637	\$ 1,111,076,300	\$ 1,111,076,300	\$ 1,142,581,600	2.8%
Outside Aid	\$ 1,186,518,215	\$ 1,236,262,300	\$ 1,236,262,300	\$ 1,284,169,100	3.9%
General County Sources					
General County Sources	\$ 449,013,395	\$ 492,214,200	\$ 492,308,100	\$ 497,134,800	1.0%
Real Property/BOE -Tax Increase	32,572,199	34,179,300	34,179,300	36,155,300	5.8%
Personal Property/BOE -Tax Increase	3,337,403	3,170,400	3,076,500	3,362,200	6.0%
Telecommunications Tax	29,305,472	31,051,400	31,051,400	27,834,700	-10.4%
Energy Tax	71,865,024	70,372,300	70,372,300	72,356,300	2.8%
Transfer Tax	113,354,607	108,193,600	108,193,600	126,719,600	17.1%
Subtotal County Revenue	\$ 699,448,100	\$ 739,181,200	\$ 739,181,200	\$ 763,562,900	3.3%
TOTAL	\$ 1,885,966,315	\$ 1,975,443,500	\$ 1,975,443,500	\$ 2,047,732,000	3.7%
COMMUNITY COLLEGE					
County Contribution	\$ 34,872,800	\$ 39,866,400	\$ 39,866,400	\$ 42,620,600	6.9%
State Aid	28,500,296	28,977,000	28,500,300	29,514,600	1.9%
Tuition and Fees	40,627,396	40,495,200	40,600,000	40,600,000	0.3%
Other Revenues	2,372,015	2,102,000	2,602,100	2,432,700	15.7%
Fund Balance	-	3,498,600	-	2,617,800	-25.2%
TOTAL	\$ 106,372,507	\$ 114,939,200	\$ 111,568,800	\$ 117,785,700	2.5%
LIBRARY					
County Contribution	\$ 19,615,000	\$ 21,524,900	\$ 21,524,900	\$ 22,400,000	4.1%
State Aid	7,238,702	7,402,000	7,402,000	7,477,000	1.0%
Interest	436	3,500	1,000	1,000	-71.4%
Fines/Fees	269,314	340,000	270,000	270,000	-20.6%
Miscellaneous	771,911	787,400	779,200	776,600	-1.4%
Fund Balance	-	-	-	200,000	100.0%
TOTAL	\$ 27,895,363	\$ 30,057,800	\$ 29,977,100	\$ 31,124,600	3.5%

Notes:

(1) Numbers may not add due to rounding.

(2) The County contributions to the Board of Education, Community College and Library include MGM related revenues. Please refer to the MGM Casino at National Harbor Impact Summary page for further details.

MUNICIPAL TAX DIFFERENTIAL

PROGRAM INFORMATION

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

FINANCIAL SUMMARY

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

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

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

FY 2019 TAX DIFFERENTIAL RATES

Municipality	FY 2019 TAX DIFFERENTIAL		FY 2019 VALUE		TOTAL
	PERSONAL PROPERTY	REAL PROPERTY	PERSONAL PROPERTY	REAL PROPERTY	
Berwyn Heights	0.295	0.126	\$ 49,085	\$ 356,950	\$ 406,035
Bladensburg	0.283	0.121	49,242	550,677	599,919
Bowie	0.346	0.148	424,715	9,640,369	10,065,084
Brentwood	0.153	0.065	6,853	145,403	152,256
Capitol Heights	0.240	0.102	20,921	277,672	298,593
Cheverly	0.310	0.132	56,147	738,687	794,834
College Park	0.081	0.035	59,026	961,250	1,020,275
Colmar Manor	0.221	0.094	5,677	86,177	91,854
Cottage City	0.229	0.098	7,784	93,055	100,839
District Heights	0.304	0.130	18,793	460,131	478,925
Eagle Harbor	0.010	0.004	20	308	328
Edmonston	0.211	0.090	11,232	137,752	148,983
Fairmount Heigh	0.163	0.070	2,771	68,489	71,260
Forest Heights	0.166	0.071	6,101	123,291	129,391
Glenarden	0.258	0.110	35,501	562,945	598,446
Greenbelt	0.356	0.151	243,191	2,968,563	3,211,754
Hyattsville	0.336	0.143	218,796	2,691,281	2,910,078
Landover Hills	0.216	0.092	5,188	134,100	139,289
Laurel	0.424	0.181	333,845	5,106,735	5,440,580
Morningside	0.150	0.064	3,963	57,319	61,282
Mount Rainier	0.329	0.140	16,078	606,610	622,688
New Carrollton	0.274	0.116	36,675	838,573	875,248
North Brentwood	0.012	0.005	115	2,528	2,643
Riverdale	0.313	0.133	63,868	903,478	967,346
Seat Pleasant	0.285	0.121	21,697	344,101	365,798
University Park	0.307	0.131	8,550	422,573	431,123
Upper Marlboro	0.186	0.079	48,544	68,209	116,753
Total			\$ 1,754,377	\$ 28,347,226	\$ 30,101,603

Numbers may not add due to rounding.