

Revenues

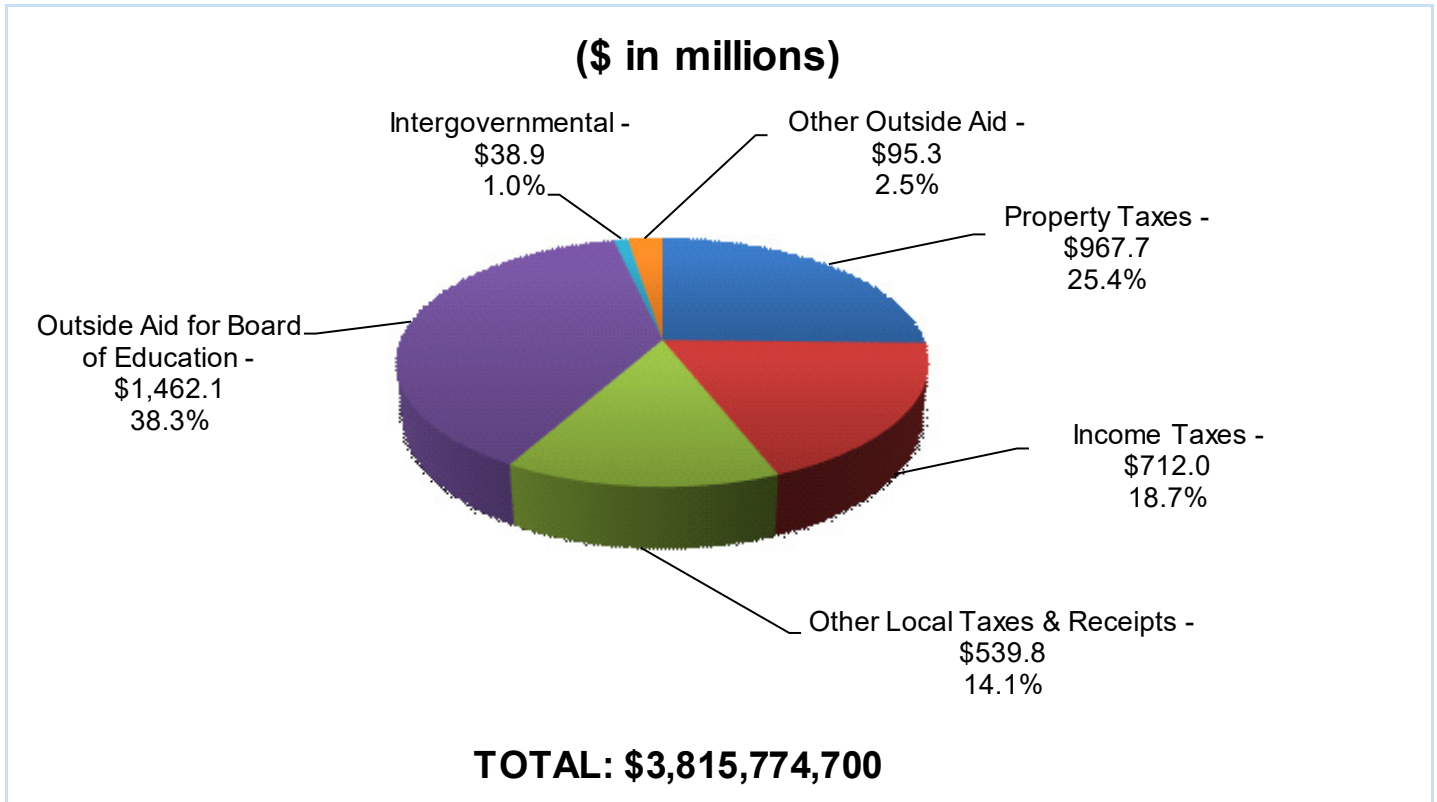
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REVENUES AT A GLANCE

General Fund Revenue Overview

- The proposed FY 2021 General Fund budget is \$3,815,774,700, an increase of \$183,784,900 or 5.1% over the FY 2020 approved budget.
- County source revenues total \$2.26 billion, an increase of \$112.9 million or 5.3% above the FY 2020 approved budget. Outside aid for the Board of Education, Community College and Memorial Library totals \$1.56 billion and increases by \$70.9 million, or 4.8% from the FY 2020 budget.



Internal Service Funds Revenue Overview

- The proposed FY 2021 Internal Service Funds budget is \$62,196,500, an increase of \$9.1 million or 17.1% over the FY 2020 budget.
- The Fleet Management Fund revenues total \$14.7 million, an increase of \$868,300 or 6.3% over the FY 2020 budget.
- The Information Technology Fund totals \$47.5 million, an increase of \$8.2 million or 20.9% over the FY 2020 budget primarily due to an increase in agency charges for the technology cost allocation.

Enterprise Funds Revenue Overview

- The proposed FY 2021 Enterprise Funds budget is \$209,016,200, an increase of \$7.2 million or 3.6% over the FY 2020 budget.
- The Stormwater Management Fund revenues total \$83.1 million, an increase of \$3.8 million or 4.8% over the FY 2020 approved budget. This is primarily due to an increase in property tax revenues.
- The Solid Waste Fund revenues total \$108.6 million, an increase of \$2.0 million or 1.9% over the FY 2020 approved budget due to an increase in the refuse collection charges.

- The Local Watershed Protection and Restoration Fund revenues total \$17.3 million, an increase of \$1.4 million or 8.7% over the FY 2020 approved budget.

Special Revenue Funds Revenue Overview

- The proposed FY 2021 Special Revenue Funds budget is \$243,396,600, an increase of \$28.2 million or 13.1% over the FY 2020 budget.
- The Debt Service Fund revenues total \$221.9 million, an increase of 12.6% over the FY 2020 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 \$950,400 and will remain flat from the FY 2020 budget.
- The Property Management Fund revenues total \$600,000 in FY 2021 and will not change from the FY 2020 budget.
- The Domestic Violence Fund revenues total \$390,000 in FY 2021 and will remain unchanged from the FY 2020 budget.
- The Collington Center Fund revenues total \$5,000 and will not change from the FY 2020 budget.
- The Economic Development Fund revenues total \$9.0 million in FY 2021 and remain flat from the FY 2020 approved budget.
- The Housing Investment Trust Fund revenues total \$9.0 million, an increase of \$3.4 million or 60.6% under the FY 2020 budget.
- The Transportation Network Improvement Fund revenues total \$1.6 million in FY 2021, an increase of \$124,900 from the FY 2020 budget. This increase reflects the collection of the Lyft/Uber surcharge.

Grant Program Funds Overview

- The proposed FY 2021 Grant Program Funds budget is \$248,725,500, an increase of \$14.3 million or 6.1% over the FY 2020 budget.

GENERAL FUND REVENUE DISCUSSION

Introduction

The revenue table that accompanies each revenue source compares three years of data. In every instance, the dollar and percent change are 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:

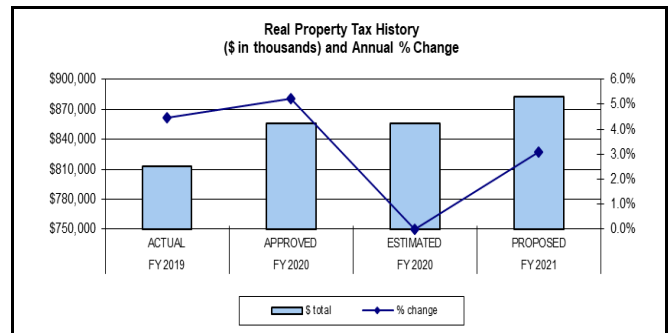
- The State's triennial assessment process
- Assessment growth caps for owner-occupied property (also called Homestead Tax Credit)
- The assessment percentage
- The housing market and the economy in general
- The tax rate including changes in the Municipal Tax Differential rates
- Delinquencies and the 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 provides for the property tax rate to be set higher than the rate authorized under the County's charter. Any additional revenue generated as a result of the higher property tax rate is for the sole purpose of funding the approved budget of the local school board. 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 are dedicated to support the local school board.

In FY 2021, the County's Real Property Tax revenues are projected to be \$882.3 million, an increase of \$26.5 million or 3.1% over the FY 2020 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 \$11.2 million of revenues to be generated from the MGM Casino at National Harbor.

REAL PROPERTY TAXES (\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$813,171	\$855,730	\$855,730	\$882,257
\$ CHG	34,769	42,558	42,558	26,528
% CHG	4.5%	5.2%	5.2%	3.1%



Excluding the dedicated revenue assigned to the Prince George's County Public Schools (PGCPS) system, the County's real property tax revenues are projected to increase by \$25.4 million or 3.1% in FY 2021 above the FY 2020 budget.

The State Department of Assessments and Taxation (SDAT) projected in February 2020 that the County's real property base will grow by 5.7% in FY 2021 before the homestead tax credit cap and other deductions. The net

taxable base including adjustments and credits is projected to increase by 5.8% from the FY 2020 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 2021, with Group 2 of the County’s real property base’s reassessment value rising by 13.3%, 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 2021. According to the SDAT’s estimate, this tax credit is estimated to cause a County revenue loss of approximately \$9.2 million in FY 2021.

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 2021, the County’s real property tax revenue is reduced by \$32.8 million for the municipal tax differential program, compared with \$30.6 million in FY 2020. FY 2021 marks the fifth time in the last eight 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, commercial and manufacturing inventory of businesses. The assessment is made annually at fair market value and determined from annual reports filed with the SDAT.

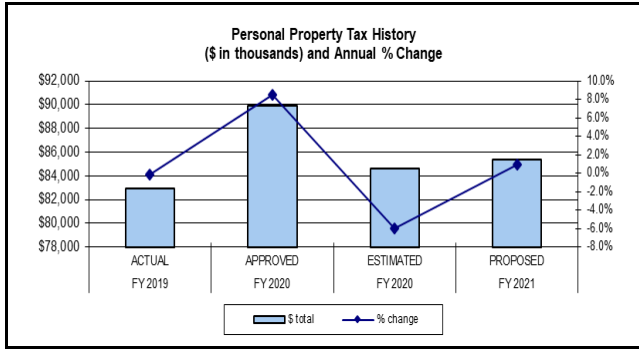
The Personal Property Tax base is influenced by the:

- 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 2021 Personal Property Tax revenue is expected to decrease by \$4.5 million or 5.0% from the FY 2020 budget, based on the SDAT’s February 2020 projections of the assessable base. The projection includes anticipated revenue of \$0.8 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 decrease by \$4.5 million or 5.2% in FY 2021 from the FY 2020 budget.

PERSONAL PROPERTY TAXES				
(\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$82,942	\$89,943	\$84,572	\$85,403
\$ CHG	-130	7,001	1,630	-4,541
% CHG	-0.2%	8.4%	2.0%	-5.0%



The tax base has grown slowly 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.

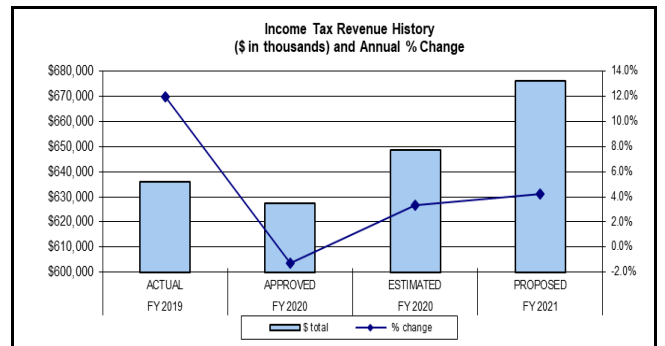
The following variables influence the annual tax yield:

- 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 2021 income tax receipts are projected to total \$712.0 million, an increase by 7.3% from the FY 2020 budget. The increase is due to changes in the Federal income tax laws passed in 2018 and a potential improvement in the County's labor market. FY 2021 income tax projections also include estimated gains from the General Assembly's adjustments of income tax exemptions that became effective January 1, 2012.

INCOME TAXES (\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
TAX RECEIPTS	\$635,864	\$627,544	\$648,582	\$676,037
\$ CHG	67,978	-8,320	12,717	48,494
% CHG	12.0%	-1.3%	2.0%	7.7%
DISPARITY GRANT	\$34,100	\$36,197	\$36,197	\$35,943
TOTAL YIELD	\$669,964	\$663,741	\$684,779	\$711,980
\$ CHG	12,731	-6,223	14,815	48,240
% CHG	2.2%	-0.9%	2.2%	7.3%



As a result, both current year receipts and the reconciliation amount for prior years are expected to increase in FY 2020 and FY 2021. Baseline income tax growth (excluding one-time impacts) in FY 2020 is expected to reach 4.0%, close to the historical average level, assuming a continued recovery in the local job market and regional economy.

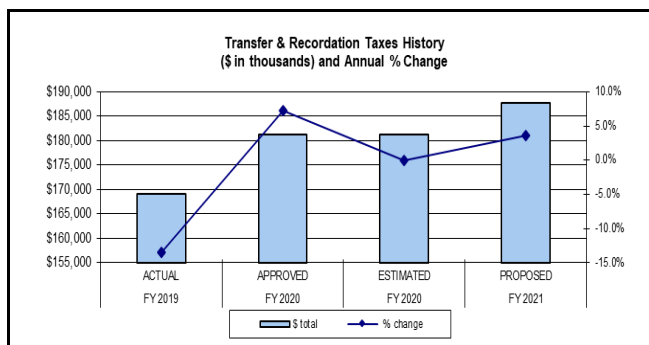
According to the Maryland Department of Labor, Licensing and Regulation, the County's average unemployment rate decreased from 4.6% in calendar year 2018 to 3.9% in calendar year 2019.

In FY 2021, the County’s State Income Disparity Grant is projected to be \$35.9 million, a decrease of \$0.3 million or 0.7% from the FY 2020 budget. This grant is provided to counties where per capita local income tax revenue falls below 75% of the State average. The FY 2021 disparity grant is calculated by the State Department of Budget and Management based on calendar year 2018 income and population data.

TRANSFER AND RECORDATION TAXES are projected to increase by \$6.5 million or 3.6% from the FY 2020 budget to \$187.7 million. 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 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$169,003	\$181,157	\$181,157	\$187,679
\$ CHG	-26,356	12,154	12,154	6,522
% CHG	-13.5%	7.2%	7.2%	3.6%

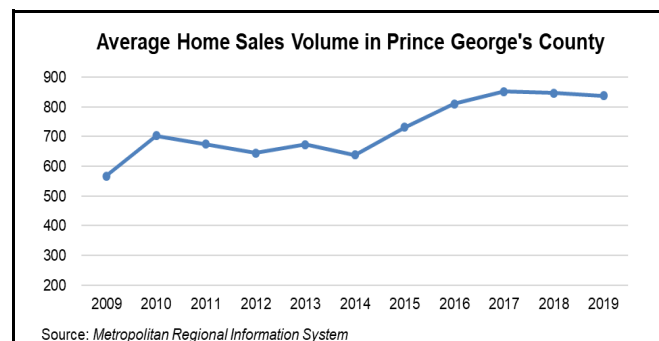
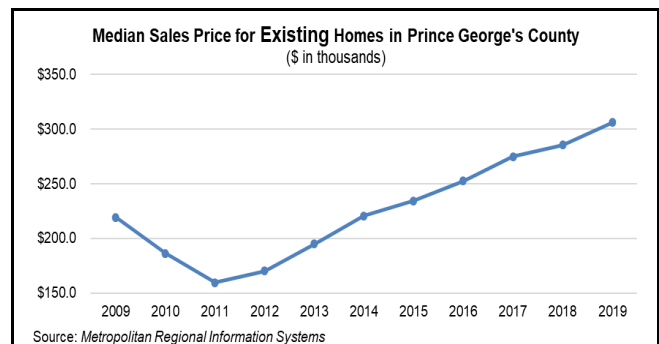


TRANSFER TAXES are taxes imposed upon recordation of instruments conveying title to real property, or any other interest in real property. All transfer tax revenue is

dedicated to the Board of Education. The tax rate is unchanged at 1.4% for FY 2021. In FY 2021, transfer taxes are projected to total \$132.6 million, an increase of \$4.6 million or 3.6% from the FY 2020 budget, as the housing market shows stable but steady improvements from previous years.

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 2021, the recordation tax rate is unchanged at \$2.75 per \$500 of instrument of writing subject to this tax. Recordation taxes are also projected to reach \$55.1 million, an increase of \$1.9 million or 3.6%, compared to the FY 2020 budget.

Reports from the Metropolitan Regional Information Systems, Inc. indicate that the County’s median home sales price in 2019 increased by 7.3% from 2018 and reached \$306,000. Sales volume decreased by 1.0% in the same period.



As of the fourth quarter in 2019, a total of 4,935 foreclosures occurred in the County, a decrease of 19.1% from the same period in 2018. However, the County accounts for the largest number of foreclosures in the State overall for 2019. 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 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%
Q1 2018	1,499	-5%	0%	23.8%
Q2 2018	1,842	23%	-4%	27.1%
Q3 2018	1,430	-22%	-3%	22.4%
Q4 2018	1,329	-7%	-15%	20.9%

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.

In FY 2021, the total revenue from Other Local Taxes is expected to increase by 7.0% from the FY 2020 budget, primarily due to an increase in energy receipts and taxes collections.

OTHER LOCAL TAXES (\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$133,320	\$133,632	\$128,706	\$143,040
\$ CHG	3,491	312	-4,614	9,408
% CHG	2.7%	0.2%	-3.5%	7.0%

Energy Tax receipts comprises over half of the total FY 2021 revenue in this category. This revenue is projected to increase by 18.5% in FY 2021. 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 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$83,870	\$78,719	\$78,719	\$93,304
\$ CHG	6,901	-5,151	-5,151	14,585
% CHG	9.0%	-6.1%	-6.1%	18.5%

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 2021 rates are based upon calendar year 2019 data. The formula divides total calendar year 2019 sales (by type of energy used) by total 2019 consumption, which is then multiplied by 7.5%, the current effective tax rate, to arrive at the FY 2021 unit charge per kilowatt hour, thermal, gallon or another unit. The FY 2021 rates compared to FY 2020 are shown here:

ENERGY TAX COMPONENTS			
	FY 2020 Rates	FY 2021 Rates	% Change
Electricity (KWH)	0.009690	0.009588	-1.1%
Natural Gas (Therm)	0.055648	0.061370	10.3%
Fuel Oil (Gal.)	0.228802	0.226733	-0.9%
Propane (Gal)	0.171262	0.144339	-15.7%

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 payments 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 14.0% of the FY 2021 proposed revenues generated by “Other Local Taxes.” The telecommunication tax revenue has been declining for nine years in a row due to 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 2021 projection reflects a decrease of \$3.6 million or 15.1% below the FY 2020 budget.

TELECOMMUNICATIONS TAXES (\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$20,835	\$23,559	\$20,835	\$20,002
\$ CHG	-3,351	2,724	0	-3,557
% CHG	-13.9%	13.1%	0.0%	-15.1%

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 2021, **Hotel/Motel Taxes** are expected to increase by \$0.2 million over the FY 2020 budget, based on year-to-date collections. The FY 2021 proposed budget includes \$1.4 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%.

HOTEL/MOTEL (\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$9,958	\$10,424	\$10,424	\$10,632
\$ CHG	-188	466	466	209
% CHG	-1.9%	4.7%	4.7%	2.0%

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 2021.

Admissions and Amusement Taxes are projected to total \$15.6 million a decrease of 10.9% under the FY 2020 budget. The FY 2021 budget includes anticipated collections of \$2.0 million from the MGM Casino at the National Harbor. The Admissions and Amusement Tax rate will remain at 10%.

ADMISSIONS AND AMUSEMENT (\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$14,967	\$17,468	\$15,266	\$15,572
\$ CHG	-102	2,501	299	-1,896
% CHG	-0.7%	16.7%	2.0%	-10.9%

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 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$5,147	\$3,527	\$3,527	\$7,281
\$ CHG	1,689	-1,620	-1,620	3,755
% CHG	48.8%	-31.5%	-31.5%	106.5%

State Shared Taxes, primarily Highway User Revenue, used to be one of the major resources of the County. In FY 2009, the County received \$24.8 million in highway user revenues. Since then, this revenue source has experienced severe reductions each year, until it stabilized at \$2.6 million in FY 2013. In the proposed FY 2021 budget, Highway User Revenues are projected to reach \$6.9 million, an increase of 119.4% from the FY 2020 budget. The highway user revenues are restricted State monies and can only be used to construct or maintain roads, including the payment of road debt.

LICENSES AND PERMITS include revenue derived from several 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 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$64,692	\$64,713	\$66,710	\$68,853
\$ CHG	4,368	21	2,018	4,140
% CHG	7.2%	0.0%	3.1%	6.4%

The largest portion of these revenues is related to the building sector of the economy and is subject to year-to-year changes as the amount of construction in the County varies. In FY 2021, revenues generated by building, grading and street use and other permits are projected to increase by \$3.6 million or 9.4% from the FY 2020 budget to \$42.0 million.

Gaming Revenues are expected to increase by 0.5% from the FY 2020 budget. The FY 2021 budget includes \$26.9 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 2020 estimate is expected to be \$26.0 million, an 0.5% increase from the FY 2019 level. 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 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
VIDEO LOTTERY TERMINAL	\$9,559	\$8,510	\$10,175	\$10,702
\$ CHG	2,113	-1,048	616	2,192
% CHG	28.4%	-11.0%	6.4%	25.8%
TABLE GAMES	\$16,331	\$17,814	\$15,853	\$16,170
\$ CHG	830	1,483	-477	-1,643
% CHG	5.4%	9.1%	-2.9%	-9.2%
TOTAL YIELD	\$25,890	\$26,324	\$26,028	\$26,873
\$ CHG	2,943	434	138	549
% CHG	12.8%	1.7%	0.5%	2.1%

USE OF MONEY AND PROPERTY includes revenue derived from the investment of available County cash and the lease of certain County owned or leased properties. Most of the County’s available 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 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$21,211	\$10,977	\$21,273	\$21,663
\$ CHG	9,686	-10,234	62	10,687
% CHG	84.0%	-48.3%	0.3%	97.4%

In FY 2021, receipts from Use of Money and Property will total \$21.7 million, an increase of \$10.7 million from the FY 2020 budget. Interest income is the largest component of this category. In FY 2021, interest income is estimated to total \$19.6 million. The increase of \$10.7 million from the FY 2020 budget is the result of changes in the accounting methods for recording interest income.

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 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$49,981	\$52,639	\$52,639	\$62,774
\$ CHG	-1,041	2,657	2,657	10,136
% CHG	-2.0%	5.3%	5.3%	19.3%

In FY 2021, Charges for Services are expected to increase by 19.3% from the FY 2020 budget. The increase is primarily due to an increase in Emergency Transportation, Cable Franchise and Health Fees. Other Service Charges are expected to increase by 2.0%.

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

INTERGOVERNMENTAL REVENUES (\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$35,226	\$35,521	\$31,034	\$38,911
\$ CHG	576	294	-4,193	3,391
% CHG	1.7%	0.8%	-11.9%	9.5%

Intergovernmental Revenues are anticipated to increase by 9.5% over the FY 2020 budget in FY 2021. This is primarily due to an increase in the Police Aid Grant, to align with the State’s FY 2020 proposed budget.

The Police Aid Grant is projected to be \$14.9 million in FY 2021, an increase of \$3.6 million or 32.4% over the FY 2020 budget. Federal grants are expected to remain unchanged from the FY 2020 budget level. 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 the phased-in cost sharing of teachers’ pension costs that started in FY 2013.

MISCELLANEOUS RECEIPTS are used to encompass several relatively smaller County revenues. The principal sources are fines and forfeitures primarily from red light cameras and speed camera programs.

MISCELLANEOUS RECEIPTS				
(\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$13,908	\$16,430	\$16,440	\$14,940
\$ CHG	-2,247	2,522	2,533	-1,490
% CHG	-13.9%	18.1%	18.2%	-9.1%

Total miscellaneous receipts are projected to decrease by 9.1% in FY 2021. 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 were installed. The ASE program is estimated to provide \$6.0 million in gross revenues in FY 2021, a decrease of 13.0% below the FY 2020 budget. The revenues generated from the red light camera program is expected to be \$6.0 million, a 4.8% decrease from the FY 2020 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 the use of fund balance and transfers-in from other County funds.

OTHER FINANCING SOURCES				
(\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$0	\$37,499	\$37,499	\$33,583
\$ CHG	0	37,499	37,499	-3,916
% CHG	0.0%	100.0%	100.0%	-10.4%

In FY 2021, other financing sources total \$33.6 million, a decrease of \$3.9 million or 10.4% under the FY 2020 budget. This funding includes a \$33.6 million transfer from Fund Balance. The \$33.6 million transfer from Fund Balance reflects \$20.0 million allocated for the Maryland Purple Line capital project, \$4.0 million to the Housing Trust Fund, \$3.0 million to Department of Public Works and Transportation for the Brandywine Road and MD 223 intersection project, \$2.0 million for the National Harbor Public Safety Building, \$1.5 million for the Office of Information Technology (OIT) website redesign, \$1.3 million for Redevelopment Authority capital projects, \$1.0 million for the Baden Library bond bill match and \$0.8 million for the new Customer Relationship Management 311 system.

The County will maintain the Charter mandated 5% (restricted) reserve and fiscal policy required 2% (committed) reserve in FY 2020 and FY 2021.

BOARD OF EDUCATION SOURCES are expected to increase by 4.7% in FY 2021 from the FY 2020 budget. State aid, which is the major source of outside aid to the Board of Education, is 4.2% over the FY 2020 budget. Federal aid is projected to remain unchanged from the FY 2020 budget. The Board’s own sources are expected to increase by \$14.4 million or 32.6%, primarily due to the increase in the Board’s use of Fund Balance.

BOARD OF EDUCATION SOURCES				
(\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$1,247,477	\$1,396,653	\$1,396,653	\$1,462,070
\$ CHG	24,946	149,176	149,176	65,416
% CHG	2.1%	12.0%	12.0%	4.7%

COMMUNITY COLLEGE SOURCES are projected to increase by \$5.6 million or 7.0% over the FY 2020 budget. The revenue mostly comes from tuition, fees, charges and formula-driven State aid. State aid for Community College is expected to increase 7.5% to \$33.6 million in FY 2021. Tuition and fees are projected to increase by 7.3%. The College is expected to receive \$0.7 million in project charges from the M-NCPPC in FY 2021. This is unchanged from the FY 2020 budget. The FY 2021 budget also includes \$5.7 million in the use of fund balance of the College, compared to \$5.8 million in FY 2020.

COMMUNITY COLLEGE SOURCES (\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$72,561	\$80,750	\$80,239	\$86,399
\$ CHG	995	8,189	7,678	5,648
% CHG	1.4%	11.3%	10.6%	7.0%

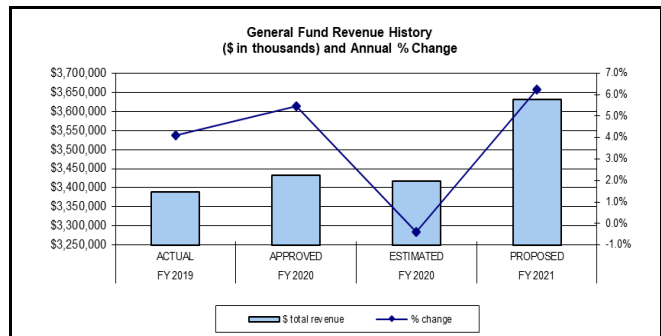
LIBRARY SOURCES in the FY 2021 proposed budget are projected to decrease by 1.5% from the FY 2020 budget. The majority of this revenue comes from State Aid; however, the library system also generates other revenues through interest payments, fines and fees. State aid for the Library is projected to increase 0.2% in FY 2021.

LIBRARY SOURCES (\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
YIELD	\$8,785	\$9,075	\$9,025	\$8,942
\$ CHG	409	290	240	-134
% CHG	4.9%	3.3%	2.7%	-1.5%

SUMMARY: In FY 2021, the County's General Fund revenues total \$3.82 billion, a projected increase of \$183.8 million or 5.1% over the FY 2020 budget. Excluding other financing sources, General Fund revenues increase by \$187.7 million or 5.2% in FY 2021. The increase is primarily due to the growth in property

taxes, income tax, license and permit revenues, use of money and property and charges for services. County Source revenues total \$2.26 billion, an increase of \$112.9 million or 5.3% over the FY 2020 budget. Outside Aid increased \$70.9 million or 4.8% to total \$1.56 billion in FY 2021.

TOTAL GENERAL FUND (\$ in thousands)				
	FY 2019 ACTUAL	FY 2020 APPROVED	FY 2020 ESTIMATED	FY 2021 PROPOSED
COUNTY SOURCE	\$2,058,566	\$2,145,507	\$2,164,065	\$2,258,365
\$ CHG	96,007	86,941	105,499	112,858
% CHG	4.9%	4.2%	5.1%	5.3%
OUTSIDE AID	\$1,328,823	\$1,486,479	\$1,485,917	\$1,557,410
\$ CHG	37,416	157,656	157,094	70,931
% CHG	2.9%	11.9%	11.8%	4.8%
TOTAL YIELD	\$3,387,389	\$3,631,986	\$3,649,982	\$3,815,775
\$ CHG	133,423	244,597	262,594	183,789
% CHG	4.1%	7.2%	7.8%	5.1%



The County's outlook has improved modestly and remains stable. However, the County continues to face risks from 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 addressed by the Federal and State governments.

ASSESSABLE BASEReal and Personal Property
(\$ in millions)

Location	REAL PROPERTY 2020	PERSONAL PROPERTY 2020	TOTAL BASE 2020	REAL PROPERTY 2021	PERSONAL PROPERTY 2021	TOTAL BASE 2021
Berwyn Heights	\$ 298.44	\$ 18.98	\$ 317.42	\$ 312.61	\$ 17.33	\$ 329.94
Bladensburg	473.07	17.27	490.34	491.70	16.96	508.66
Bowie	6,703.32	135.84	6,839.16	6,940.23	118.25	7,058.48
Brentwood	253.43	4.36	257.79	278.88	4.19	283.07
Capitol Heights	290.85	13.93	304.78	305.05	14.83	319.88
Cheverly	594.56	16.63	611.19	622.68	15.36	638.04
College Park	2,879.07	98.58	2,977.65	3,060.34	83.62	3,143.96
Colmar Manor	95.41	2.43	97.84	100.81	2.72	103.53
Cottage City	100.70	4.00	104.70	105.39	2.92	108.31
District Heights	372.55	6.94	379.49	389.39	6.73	396.12
Eagle Harbor	8.20	0.18	8.38	8.58	0.18	8.76
Edmonston	158.71	7.17	165.88	168.07	7.10	175.17
Fairmount Heights	106.76	1.68	108.44	111.97	1.57	113.54
Forest Heights	179.78	3.77	183.55	185.52	3.94	189.46
Glenarden	538.83	9.43	548.26	539.89	9.05	548.94
Greenbelt	2,096.48	70.14	2,166.62	2,165.95	58.86	2,224.81
Hyattsville	1,937.75	81.37	2,019.12	2,007.55	85.30	2,092.85
Landover Hills	157.09	3.63	160.72	163.94	3.51	167.45
Laurel	3,039.42	93.21	3,132.63	3,122.79	83.87	3,206.66
Morningside	97.26	2.85	100.11	101.78	2.25	104.03
Mount Rainier	453.94	6.56	460.50	481.11	5.89	487.00
New Carrollton	766.64	15.05	781.69	805.09	14.87	819.96
North Brentwood	54.79	0.91	55.70	56.95	0.81	57.70
Riverdale Park	748.71	27.76	776.47	800.11	33.58	833.69
Seat Pleasant	302.37	8.97	311.34	317.59	7.68	325.27
University Park	330.77	2.79	333.56	348.00	2.38	350.38
Upper Marlboro	89.50	29.01	118.51	92.99	47.98	140.97
SubTotal	\$ 23,128.40	\$ 683.40	\$ 23,811.80	\$ 24,084.96	\$ 651.73	\$ 24,736.63
Unincorporated Area	\$ 62,959.78	\$ 3,257.17	\$ 66,216.95	\$ 67,032.90	\$ 2,325.32	\$ 69,358.22
TOTAL COUNTY WIDE	\$ 86,088.18	\$ 3,940.56	\$ 90,028.74	\$ 91,117.86	\$ 2,977.05	\$ 94,094.85

Notes:

- (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 (SDAT)

PROPERTY TAX LIMITATION

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 2017, the cap is set at 0%. 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 proposed budget of the local school board. The Proposed FY 2021 Budget sets the County's nominal real property rate at \$1.00/\$100 of assessed value.

FY 2021 PROPERTY TAX YIELD CALCULATION

	FY 2021 Tax Base	FY 2021 Tax Yield
REAL PROPERTY BASE (July 1, 2021)	\$ 91,117,865,600	
Adjustments	665,923,200	
TOTAL REAL PROPERTY BASE (FY 2021)	\$ 91,783,788,800	
Nominal Real Property Tax Rate (per \$100)	\$1.00	
REAL PROPERTY YIELD		\$917,837,900
PERSONAL PROPERTY BASE (July 1, 2021)	\$ 2,977,044,800	
Adjustments	-	
TOTAL PERSONAL PROPERTY BASE (FY 2021)	\$ 2,977,044,800	
Nominal Personal Property Tax Rate (per \$100)	\$2.50	
PERSONAL PROPERTY YIELD		\$74,426,100
TOTAL PROPERTY BASE (FY 2021)		\$995,939,900
Less: Collection Allowance		(2,769,100)
Municipal Tax Differential		(35,009,200)
Other Adjustments		13,173,500
TOTAL GENERAL FUND PROPERTY TAX YIELD		\$967,659,900
Total County Real Property Nominal Tax Rate (per \$100)	\$1.00	
Total County Personal Property Nominal Tax Rate (per \$100)	\$2.50	

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 2020 CONSTANT YIELD			PROPOSED 2021 CONSTANT YIELD		
	TAX RATE	TAX RATE	OVER (UNDER)	TAX RATE	TAX RATE	OVER (UNDER)
Berwyn Heights	\$ 0.8720	\$ 0.8325	\$ 0.0395	\$ 0.8580	\$ 0.8361	\$ 0.0219
Bladensburg	0.8660	0.8418	0.0242	0.8580	0.8333	0.0247
Bowie	0.8480	0.8290	0.0190	0.8440	0.8265	0.0175
Brentwood	0.9230	0.9700	(0.0470)	0.9170	0.8770	0.0400
Capitol Heights	0.8860	0.8524	0.0336	0.8710	0.8458	0.0252
Cheverly	0.8650	0.8292	0.0358	0.8600	0.8324	0.0276
College Park	0.9660	0.9349	0.0311	0.9650	0.9322	0.0328
Colmar Manor	0.8960	0.8533	0.0427	0.8840	0.8440	0.0400
Cottage City	0.9060	0.8494	0.0566	0.9090	0.8672	0.0418
District Heights	0.8670	0.8267	0.0403	0.8600	0.8300	0.0300
Eagle Harbor	0.9970	0.9450	0.0520	0.9970	0.9518	0.0452
Edmonston	0.9040	0.8750	0.0290	0.8970	0.8633	0.0337
Fairmount Heights	0.9170	0.8838	0.0332	0.9160	0.8767	0.0393
Forest Heights	0.9280	0.8981	0.0299	0.9080	0.9004	0.0076
Glenarden	0.8830	0.8541	0.0289	0.8800	0.9100	(0.0300)
Greenbelt	0.8430	0.8391	0.0039	0.8360	0.8281	0.0079
Hyattsville	0.8510	0.8626	(0.0116)	0.8440	0.8512	(0.0072)
Landover Hills	0.9140	0.8592	0.0548	0.9110	0.8746	0.0364
Laurel	0.8170	0.7917	0.0253	0.8140	0.8009	0.0131
Morningside	0.9200	0.8895	0.0305	0.9180	0.8796	0.0384
Mount Rainier	0.8560	0.8256	0.0304	0.8540	0.8184	0.0356
New Carrollton	0.8780	0.8370	0.0410	0.8640	0.8405	0.0235
North Brentwood	0.9950	0.9562	0.0388	0.9960	0.9488	0.0472
Riverdale Park	0.8650	0.8741	(0.0091)	0.8590	0.8171	0.0419
Seat Pleasant	0.8810	0.8313	0.0497	0.8760	0.8425	0.0335
University Park	0.8660	0.8494	0.0166	0.8600	0.8349	0.0251
Upper Marlboro	0.9230	0.8938	0.0292	0.9280	0.8908	0.0372
Unincorporated Area	\$ 1.0000	\$ 0.9802	\$ 0.0198	\$ 1.0000	\$ 0.9712	\$ 0.0288

ALLOCATED GENERAL FUND REVENUES

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

Agency/Department	Revenue Description	FY 2019 Budget	FY 2020 Budget	FY 2021 Proposed
Board of Education	Energy Tax	\$ 72,356,300	\$ 78,719,400	\$ 93,304,400
	Personal Property Tax	3,362,200	3,429,400	3,403,600
	Real Property Tax	36,155,300	37,467,800	38,629,300
	State & Federal Aid/Board Sources	1,268,169,100	1,396,653,300	1,462,069,500
	Teacher Retirement Supplemental Grant	9,628,700	9,628,700	9,628,700
	Telecommunications Tax	27,834,700	23,323,700	19,842,000
	Transfer Tax	126,719,600	127,986,800	132,594,300
	Total Board of Education		\$ 1,544,225,900	\$ 1,677,209,100
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	\$ 2,605,600	\$ 2,670,700	\$ 2,724,100
	Total Board of License Commissioners	\$ 2,605,600	\$ 2,670,700	\$ 2,724,100
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
Community College	Recreational Activities (M-NCPPC)	\$ 700,000	\$ 700,000	\$ 700,000
	State Aid/Tuition/Other Revenues	74,465,100	80,050,100	85,698,500
	Total Community College	\$ 75,165,100	\$ 80,750,100	\$ 86,398,500
County Council	Zoning Fees - Board of Appeals	\$ 32,000	\$ 32,000	\$ 32,000
	Total County Council	\$ 32,000	\$ 32,000	\$ 32,000
Department of Corrections	Charges for Services - Community Service Program fees	\$ 146,000	\$ 149,700	\$ 152,600
	Total Corrections	\$ 146,000	\$ 149,700	\$ 152,600
Department of the Environment	Animal Licenses	\$ 102,500	\$ 105,100	\$ 107,200
	Water and Sewer Planning (M-NCPPC)	155,300	155,300	155,300
	Total Environment	\$ 257,800	\$ 260,400	\$ 262,500
Department of Housing and Community Development	Redevelopment Division (M-NCPPC)	\$ 729,700	\$ 614,900	\$ 544,000
	Total Housing and Community Development	\$ 729,700	\$ 614,900	\$ 544,000

(continued)

Agency/Department	Revenue Description	FY 2019 Budget	FY 2020 Budget	FY 2021 Proposed
Department of Permitting, Inspections, and Enforcement	Building and Grading Permits	\$ 19,398,600	\$ 20,787,700	\$ 23,625,200
	Business Licenses (Apt., SF & MF Rental)	3,378,300	3,893,900	4,003,000
	Business Licenses (Other)	819,500	932,300	958,400
	Enforcement (M-NCPPC)	1,675,400	1,589,000	1,537,100
	Permitting and Licensing/Inspections (M-NCPPC)	1,336,200	856,200	376,200
	Short Term Rental	-	480,000	480,000
	Street Use Permits	5,070,000	5,227,200	5,404,900
	Total Permitting, Inspections, and Enforcement	\$ 31,678,000	\$ 33,766,300	\$ 36,384,800
Department of Public Works and Transportation	Office of Engineering and Project Management (M-NCPPC)	\$ 699,900	\$ 469,900	\$ 205,600
	Total Public Works	\$ 699,900	\$ 469,900	\$ 205,600
Department of Social Services	Federal Grant			
	State DHR DSS Grant	\$ 235,000	\$ 242,100	\$ 242,100
	Total Social Services	\$ 235,000	\$ 242,100	\$ 242,100
Fire/EMS Department	Contractual Fire Services	\$ 400,000	\$ 400,000	\$ 400,000
	Fees for Emergency Transportation & Related Services (General)	8,205,600	10,735,000	11,003,400
	Fees for Emergency Transportation & Related Services (Volunteer)	4,675,900	6,117,500	6,270,400
	Miscellaneous Sales	5,000	5,000	5,000
	Speed Cameras	1,944,000	1,863,000	1,620,000
	Total Fire	\$ 15,230,500	\$ 19,120,500	\$ 19,298,800
Health Department	Health Fees	\$ 2,527,400	\$ 2,689,200	\$ 4,701,600
	Health Permits	2,747,000	2,889,800	3,034,300
	State Health Grant	6,344,200	6,666,000	6,819,000
	Total Health	\$ 11,618,600	\$ 12,245,000	\$ 14,554,900
Memorial Library	State Aid/Fines	\$ 8,724,600	\$ 9,075,300	\$ 8,941,800
	Total Library	\$ 8,724,600	\$ 9,075,300	\$ 8,941,800
Non-Departmental	Economic Development Corporation (M-NCPPC)	\$ 294,700	\$ 337,500	\$ 315,400
	Hotel Tax - Conference & Visitors Bureau	565,000	521,200	531,600
	Public Safety Surcharge	1,600,000	1,600,000	1,600,000
	Total Non-Departmental	\$ 2,459,700	\$ 2,458,700	\$ 2,447,000
Office of Central Services	Leased Space (M-NCPPC)	\$ 786,700	\$ 810,300	\$ 834,600
	Property Rental	1,479,200	1,479,200	644,600
	Total Central Services	\$ 2,265,900	\$ 2,289,500	\$ 1,479,200

(continued)

Agency/Department	Revenue Description	FY 2019 Budget	FY 2020 Budget	FY 2021 Proposed
Office of Finance	Tax Collection (M-NCPPC)	\$ 34,400	\$ 34,400	\$ 34,400
	Telecommunications Tax	-	235,600	160,000
	Total Finance	\$ 34,400	\$ 270,000	\$ 194,400
Office of Homeland Security	911 Fees	\$ 6,745,700	\$ 6,819,900	\$ 13,819,900
	Total Office of Homeland Security	\$ 6,745,700	\$ 6,819,900	\$ 13,819,900
Office of Information Technology	Geographic Information Systems (M-NCPPC)	\$ 340,500	\$ 340,500	\$ 340,500
	Total Information Technology	\$ 340,500	\$ 340,500	\$ 340,500
Office of the Sheriff	Circuit Court & District Court	\$ 475,600	\$ 498,000	\$ 521,400
	Evictions Revenue	2,750,600	2,879,900	3,015,200
	Miscellaneous Fees	17,700	18,500	19,400
	Total Sheriff	\$ 3,243,900	\$ 3,396,400	\$ 3,556,000
Police Department	Contractual Police Services	1,540,000	1,540,000	1,540,000
	Speed Cameras	5,256,000	5,037,000	4,380,000
	State Police Aid Grant	11,238,500	11,238,500	14,875,000
	Total Police	\$ 18,034,500	\$ 17,815,500	\$ 20,795,000
People Zoning Counsel	People Zoning Counsel (M-NCPPC)	\$ 250,000	\$ 250,000	\$ 250,000
	Total People Zoning Counsel	\$ 250,000	\$ 250,000	\$ 250,000
Sub-total		\$ 1,726,085,800	\$ 1,871,609,000	\$ 58,302,800
Debt	Highway User Revenues	\$ 3,047,900	\$ 3,145,400	\$ 6,900,200
	Total Debt	\$ 3,047,900	\$ 3,145,400	\$ 6,900,200
Total		\$ 1,729,133,700	\$ 1,874,754,400	\$ 65,203,000

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 STUDY

	FY2019 Actual	FY2020 Budget	FY2020 Estimate	FY2021 Proposed	Change FY20 - FY21
SOURCES					
Real Property Tax - Non-Education (\$0.96 per \$100)	\$ 10,272,356	\$ 10,477,800	\$ 10,505,600	\$ 10,715,700	2.3%
Real Property Tax - Education (\$0.04 per \$100)	428,015	436,600	437,700	446,500	2.3%
Personal Property Tax - Non-Education (\$2.40 per \$100)	1,488,125	1,562,900	831,000	814,400	-47.9%
Personal Property Tax - Education (\$0.10 per \$100)	62,005	65,100	34,600	33,900	-47.9%
Admissions and Amusement Taxes (10%)	2,245,140	1,967,700	1,967,700	1,987,400	1.0%
Hotel Taxes (7%)	1,385,601	700,000	1,385,600	1,413,400	101.9%
Video Lottery Terminal (VLT) Revenues (5.5%)	9,558,898	8,510,500	10,174,600	10,702,300	25.8%
Table Game Revenues (5%)	16,330,793	17,813,600	15,853,400	16,170,400	-9.2%
Total Sources	\$ 41,770,933	\$ 41,534,200	\$ 41,190,200	\$ 42,284,000	1.8%
USES					
Video Lottery Terminal (VLT) Uses					
Non-Departmental - Grants and Transfers					
Maryland 210 Improvements	\$ 3,823,559	\$ 3,404,200	\$ 4,069,800	\$ 4,280,900	25.8%
Employ Prince George's Inc.	675,400	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	150,000	0.0%
Community Impact Grants - Local Development Council	501,638	750,000	750,000	750,000	0.0%
Board of Education - Transfers to the Capital Improvement Program	824,900	1,756,200	1,756,200	1,756,200	0.0%
Subtotal	\$ 5,975,497	\$ 6,398,100	\$ 7,063,700	\$ 7,274,800	13.7%
Non-Departmental - Other					
Summer Youth Employment Program	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	0.0%
Subtotal	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	0.0%
Public Safety					
Police - Officers at Police District 7	\$ 345,700	\$ 345,700	345,700	\$ 853,300	146.8%
Fire/EMS - Fire/EMS staff dedicated to facilities in the immediate proximity of the VLT facility	190,100	190,100	190,100	668,800	251.8%
Subtotal	\$ 535,800	\$ 535,800	\$ 535,800	\$ 1,522,100	184.1%
Board of Education					
Board of Education - Crossland HS program	\$ 1,119,000	\$ 1,276,600	\$ 1,276,600	\$ 1,605,400	25.8%
		-	-		0.0%
Subtotal	\$ 1,119,000	\$ 1,276,600	\$ 1,276,600	\$ 1,605,400	25.8%
VLT - Sub-Total	\$ 7,930,297	\$ 8,510,500	\$ 9,176,100	\$ 10,702,300	25.8%

MGM CASINO AT NATIONAL HARBOR - IMPACT STUDY (continued)

	FY2019 Actual	FY2020 Budget	FY2020 Estimate	FY2021 Proposed	Change FY20 - FY21
Non-Video Lottery Terminal Uses					
Board of Education					
Board of Education - Funding supports operations and reflected under the County's Contribution	\$ 10,024,900	\$ 12,262,000	\$ 12,262,000	\$ 12,629,900	3.0%
Subtotal	\$ 10,024,900	\$ 12,262,000	\$ 12,262,000	\$ 12,629,900	3.0%
Community College					
Community College - Funding for Institutional Support	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	0.0%
Promise Scholarships Initiative	1,700,000	1,700,000	1,700,000	1,700,000	0.0%
Subtotal	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	0.0%
Library					
Library - Funding provides for evening hours, materials and programming	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	0.0%
Books from Birth Initiative	272,300	272,300	272,300	272,300	0.0%
Subtotal	\$ 972,300	\$ 972,300	\$ 972,300	\$ 972,300	0.0%
Non-Departmental - Other					
Summer Youth Employment Program	\$ -	\$ 402,400		\$ 402,400	0.0%
Subtotal	\$ -	\$ 402,400	\$ -	\$ 402,400	0.0%
Public Safety					
Police - FY 2019 - 75 of 125 new recruits/ FY 2020 - 85 sworn positions including new recruits/ FY 2021 - 85 sworn positions including new recruits	\$ 5,837,800	\$ 7,200,500	\$ 5,594,800	\$ 6,826,300	-5.2%
Fire/EMS - FY 2019 - 60 recruits - 3 classes 60 recruits), FY 2020 - 75 sworn staff including 48 new recruits, FY 2021 - 55 sworn staff Including new recruits	4,442,700	5,674,200	5,674,200	4,210,900	-25.8%
Sheriff - FY 2019 - 25 sworn staff/ FY 2020 - 25 sworn staff / FY 2021 - 25 sworn positions	1,908,800	2,012,300	2,012,300	2,039,900	1.4%
Subtotal	\$ 12,189,300	\$ 14,887,000	\$ 13,281,300	\$ 13,077,100	-12.2%
Non-VLT - Sub-Total	\$ 27,686,500	\$ 33,023,700	\$ 31,015,600	\$ 31,581,700	-4.4%
Total Uses	\$ 35,616,797	\$ 41,534,200	\$ 40,191,700	\$ 42,284,000	1.8%
Excess (Deficit)	\$ 6,154,136	\$ -	\$ 998,500	\$ -	

MGM CASINO AT NATIONAL HARBOR - IMPACT STUDY (continued)

	FY2019 Actual	FY2020 Budget	FY2020 Estimate	FY2021 Proposed	Change FY20 - FY21
CB 33-2015 Requirement - 50% for Education					
Board of Education	\$11,968,800	\$15,294,800	\$15,294,800	\$15,991,500	4.6%
Library	972,300	972,300	972,300	972,300	0.0%
College	4,500,000	4,500,000	4,500,000	4,500,000	0.0%
Total	\$17,441,100	\$20,767,100	\$20,767,100	\$21,463,800	3.4%
VLT Summary					
Revenues	\$ 9,558,898	\$ 8,510,500	\$ 10,174,600	\$ 10,702,300	25.8%
Expenses	7,930,297	8,510,500	9,176,100	10,702,300	25.8%
Surplus (Deficit)	\$ 1,628,601	\$ -	\$ 998,500	\$ -	0.0%
Non-VLT Summary					
Revenues	\$ 32,212,035	\$ 33,023,700	\$ 31,015,600	\$ 31,581,700	-4.4%
Expenses	27,686,500	33,023,700	31,015,600	31,581,700	-4.4%
Surplus (Deficit)	\$ 4,525,535	\$ -	\$ -	\$ -	0.0%
All Summary					
Revenues	\$ 41,770,933	\$ 41,534,200	\$ 41,190,200	\$ 42,284,000	1.8%
Expenses	35,616,797	41,534,200	40,191,700	42,284,000	1.8%
Surplus (Deficit)	\$ 6,154,136	\$ -	\$ 998,500	\$ -	0.0%

CONSOLIDATED GRANT PROGRAM SUMMARY

PROGRAM NAME	FEDERAL CASH	STATE CASH	OTHER CASH	TOTAL OUTSIDE SOURCES	COUNTY CASH	TOTAL PROGRAM SPENDING
GENERAL GOVERNMENT						
OFFICE OF COMMUNITY RELATIONS	\$ 60,000	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000
COURTS						
CIRCUIT COURT	-	4,343,600	-	4,343,600	342,900	4,686,500
PUBLIC SAFETY						
OFFICE OF THE STATE'S ATTORNEY	-	2,697,100	-	2,697,100	-	2,697,100
POLICE DEPARTMENT	1,394,600	3,282,200	-	4,676,800	30,000	4,706,800
FIRE/EMS DEPARTMENT	5,683,300	1,979,000	-	7,662,300	667,900	8,330,200
OFFICE OF THE SHERIFF	2,593,500	44,000	-	2,637,500	1,336,600	3,974,100
DEPARTMENT OF CORRECTIONS	199,900	186,100	-	386,000	-	386,000
OFFICE OF HOMELAND SECURITY	1,692,100	872,500	-	2,564,600	-	2,564,600
ENVIRONMENT						
DEPARTMENT OF THE ENVIRONMENT	-	259,900	-	259,900	250,000	509,900
HUMAN SERVICES						
DEPARTMENT OF FAMILY SERVICES	4,776,500	6,817,900	158,700	11,753,100	384,200	12,137,300
HEALTH DEPARTMENT	46,655,600	20,085,200	959,300	67,700,100	422,300	68,122,400
DEPARTMENT OF SOCIAL SERVICES	12,964,500	2,367,300	6,950,500	22,282,300	747,000	23,029,300
INFRASTRUCTURE AND DEVELOPMENT						
DEPARTMENT OF PUBLIC WORKS & TRANSPORTATION	3,042,000	5,047,000	-	8,089,000	2,629,800	10,718,800
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT/HOUSING AUTHORITY	102,778,800	900,000	934,400	104,613,200	-	104,613,200
NON-DEPARTMENTAL						
NON-DEPARTMENTAL	-	-	9,000,000	9,000,000	-	9,000,000
TOTAL FY 2021 GRANTS	\$ 181,840,800	\$ 48,881,800	\$ 18,002,900	\$ 248,725,500	\$ 6,810,700	\$ 255,536,200

Total Program Spending is the total of County Cash and Total Outside Sources.

EDUCATION REVENUE DETAIL

	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimated	FY 2021 Proposed	Change FY20 - FY21
BOARD OF EDUCATION					
Federal Sources					
Unrestricted Federal Aid	\$ 98,140	\$ 80,000	\$ 80,000	\$ 98,200	22.8%
Restricted Federal Aid	88,413,394	124,407,300	124,407,300	124,407,300	0.0%
Total - Federal Sources	\$ 88,511,534	\$ 124,487,300	\$ 124,487,300	\$ 124,505,500	0.0%
Board Sources					
Board Sources	\$ 20,454,257	\$ 16,293,000	\$ 16,293,000	\$ 19,393,000	19.0%
Board of Education Fund Balance	-	28,000,000	28,000,000	39,325,700	40.4%
Total - Board Sources	\$ 20,454,257	\$ 44,293,000	\$ 44,293,000	\$ 58,718,700	32.6%
State Aid					
Foundation Program	\$ 539,619,273	\$ 549,243,400	\$ 549,243,400	\$ 567,228,400	3.3%
Geographic Cost of Education Index	43,072,564	44,290,300	44,290,300	45,949,500	3.7%
Special Education	43,258,533	46,094,500	46,094,500	47,576,000	3.2%
Nonpublic Placements	22,595,875	23,863,800	23,863,800	23,863,800	0.0%
Transportation Aid	41,559,037	44,368,600	44,368,600	45,654,500	2.9%
Compensatory Education	286,326,195	289,088,400	289,088,400	298,831,800	3.4%
Limited English Proficiency	107,414,841	113,918,800	113,918,800	126,626,600	11.2%
Net Taxable Income - Adjustment	29,288,485	27,763,500	27,763,500	29,908,800	7.7%
Guaranteed Tax Base	1,294,260	-	-	-	0.0%
Supplemental Grant and Other State Aid	20,505,652	20,505,700	20,505,700	20,505,700	0.0%
Tax Increment Financing	-	3,061,100	3,061,100	519,900	-83.0%
Other State Aid	(448,429)	-	-	-	0.0%
Kirwan - Prekindergarten	-	14,026,900	14,026,900	15,555,600	10.9%
Kirwan - Teacher Salary Incentives	-	13,386,100	13,386,100	13,386,100	0.0%
Kirwan - Concentration of Poverty (Restricted)	-	11,197,500	11,197,500	16,174,100	44.4%
Kirwan - Mental Health Coordinators (Restricted)	-	83,300	83,300	83,300	0.0%
Kirwan - Special Education (Restricted)	-	10,114,900	10,114,900	10,114,900	0.0%
Kirwan - Transitional Supplemental Instruction (Restricted)	-	4,819,600	4,819,600	4,819,600	0.0%
Other Restricted Grants	4,024,975	12,046,600	12,046,600	12,046,700	0.0%
Total - State Sources	\$ 1,138,511,261	\$ 1,227,873,000	\$ 1,227,873,000	\$ 1,278,845,300	4.2%
Total - Outside Aid	\$ 1,247,477,052	\$ 1,396,653,300	\$ 1,396,653,300	\$ 1,462,069,500	4.7%
County Revenue					
General County Sources	\$ 501,060,173	\$ 515,306,932	\$ 515,399,432	\$ 535,861,400	4.0%
Real Property/BOE -Tax Increase	36,854,709	37,467,800	37,467,800	38,629,300	3.1%
Personal Property/BOE -Tax Increase	3,255,374	3,429,400	3,336,900	3,403,600	-0.8%
Telecommunications Tax	20,835,371	23,559,268	23,559,268	20,002,000	-15.1%
Energy Tax	83,870,176	78,719,400	78,719,400	93,304,400	18.5%
Transfer Tax	117,687,097	127,986,800	127,986,800	132,594,300	3.6%
Total - County Revenue	\$ 763,562,900	\$ 786,469,600	\$ 786,469,600	\$ 823,795,000	4.7%
TOTAL BOARD OF EDUCATION	\$ 2,011,039,952	\$ 2,183,122,900	\$ 2,183,122,900	\$ 2,285,864,500	4.7%

EDUCATION REVENUE DETAIL *(continued)*

	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimated	FY 2021 Proposed	Change FY20 - FY21
COMMUNITY COLLEGE					
County Contribution	\$ 42,620,600	\$ 43,922,300	\$ 43,922,300	\$ 45,220,400	3.0%
State Aid	29,514,627	31,245,000	31,245,000	33,587,000	7.5%
Tuition and Fees	40,036,031	39,505,200	40,676,700	42,407,500	7.3%
Other Revenues	3,010,260	4,249,300	4,464,300	4,685,000	10.3%
Fund Balance	-	5,750,600	3,853,300	5,719,000	-0.5%
TOTAL COMMUNITY COLLEGE	\$ 115,181,518	\$ 124,672,400	\$ 124,161,600	\$ 131,618,900	5.6%
LIBRARY					
County Contribution	\$ 22,400,000	\$ 24,128,200	\$ 24,128,200	\$ 25,052,000	3.8%
State Aid	7,476,544	7,628,000	7,628,000	7,641,000	0.2%
Interest	688	900	18,900	19,200	2033.3%
Fines/Fees	227,129	250,100	223,200	-	-100.0%
Miscellaneous	880,479	797,000	755,100	881,200	10.6%
Fund Balance	200,000	399,300	399,300	400,400	100.0%
TOTAL LIBRARY	\$ 31,184,840	\$ 33,203,500	\$ 33,152,700	\$ 33,993,800	2.4%

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 2020 Tax Differential Rates

Municipality	FY 2021 TAX DIFFERENTIAL		FY 2021 VALUE		TOTAL
	PERSONAL PROPERTY	REAL PROPERTY	PERSONAL PROPERTY	REAL PROPERTY	
Berwyn Heights	0.360	0.142	\$ 62,379	\$ 443,903	\$ 506,282
Bladensburg	0.363	0.142	61,551	698,218	759,768
Bowie	0.397	0.156	469,443	10,814,426	11,283,869
Brentwood	0.211	0.083	8,844	223,554	232,398
Capitol Heights	0.331	0.129	49,104	392,872	441,975
Cheverly	0.355	0.140	54,516	870,193	924,709
College Park	0.089	0.035	74,420	1,065,475	1,139,895
Colmar Manor	0.298	0.116	8,101	116,939	125,040
Cottage City	0.230	0.091	6,707	95,818	102,526
District Heights	0.354	0.140	23,822	545,141	568,963
Eagle Harbor	0.006	0.003	11	257	268
Edmonston	0.262	0.103	18,598	172,570	191,168
Fairmount Heights	0.214	0.084	3,367	93,572	96,940
Forest Heights	0.236	0.092	9,301	170,679	179,980
Glenarden	0.304	0.120	27,516	619,702	647,217
Greenbelt	0.416	0.164	244,863	3,542,314	3,787,176
Hyattsville	0.398	0.156	339,494	3,071,703	3,411,198
Landover Hills	0.225	0.089	7,889	145,909	153,798
Laurel	0.471	0.186	395,049	5,789,530	6,184,579
Morningside	0.209	0.082	4,707	83,340	88,046
Mount Rainier	0.371	0.146	21,857	698,296	720,153
New Carrollton	0.346	0.136	51,446	1,094,920	1,146,367
North Brentwood	0.011	0.004	83	2,278	2,361
Riverdale Park	0.357	0.141	119,878	1,128,151	1,248,029
Seat Pleasant	0.315	0.124	24,193	393,268	417,461
University Park	0.356	0.140	8,459	487,204	495,663
Upper Marlboro	0.180	0.072	86,372	66,954	153,326
Total			\$ 2,181,970	\$ 32,827,184	\$ 35,009,154

NOTE: Numbers may not add due to rounding.

