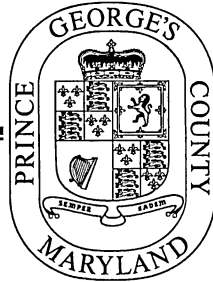


APPROVED
FISCAL YEAR 2015
OPERATING BUDGET
PRINCE GEORGE'S COUNTY, MARYLAND



COUNTY EXECUTIVE

RUSHERN L. BAKER, III

COUNTY COUNCIL

MEL FRANKLIN - CHAIR
WILL CAMPOS - VICE CHAIR

DERRICK L. DAVIS
ANDREA C. HARRISON
MARY A. LEHMAN

ERIC OLSON
OBIE PATTERSON
KAREN R. TOLES

INGRID M. TURNER

CHIEF ADMINISTRATIVE OFFICER

NICHOLAS A. MAJETT

CHIEF OF STAFF

GLEND A. R. WILSON

OFFICE OF THE COUNTY EXECUTIVE

BETTY HAGER FRANCIS
BRADLEY W. FROME

THOMAS M. HIMLER
VICTOR L. HOSKINS

BARRY L. STANTON

OFFICE OF MANAGEMENT AND BUDGET

TERRI BACOTE-CHARLES, DIRECTOR

CREDITS

OFFICE OF MANAGEMENT AND BUDGET, DIRECTOR

Terri Bacote-Charles

OFFICE OF MANAGEMENT AND BUDGET, DEPUTY DIRECTOR

Holly Sun

MANAGEMENT AND BUDGET STAFF

DeAnna Baker-Mims
Debra Bice
Darlene Brooks
Terra Bynum
Adewale Dada
Amber Hendricks
Lorenzo Hylton
Brent Johnson
Mia Johnson
Grace King

Carole Lowe-Nedab
Janice Marcellas
Larry Matthews
Beth McCoy
Rick Miller
Mary Proctor-Swann
Kim Stallings
Shirley Tomko
Dominic Turner

COUNTYSTAT STAFF

Benjamin J. Birge
Bernard A. Holloway

Alexander Krughoff
Jennie Nevin

PRINTING

Malcolm Clerkley
Adrian Harris
Brad Edwards
Donald Stroud
Michael Yourishin

INFORMATION TECHNOLOGY SUPPORT

Calvert Smith
Patrick Callahan



Prince George's County Elected Officials

Rushern L. Baker, III
County Executive

Rushern L. Baker, III
County Executive



Mel Franklin
Chair, District 9



Will Campos
Vice Chair, District 2



Mary A. Lehman
District 1



Eric Olson
District 3



Ingrid M. Turner
District 4



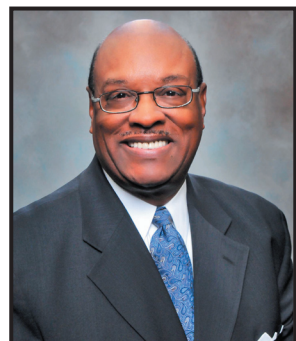
Andrea Harrison
District 5



Derrick L. Davis
District 6



Karen R. Toles
District 7



Obie Patterson
District 8



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Prince George's County
Maryland**

For the Fiscal Year Beginning

July 1, 2013

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to Prince George's County for its annual budget for the fiscal year beginning July 1, 2013.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

TABLE OF CONTENTS

VOLUME I

BUDGET GUIDE

I

GUIDE TO THE BUDGET DOCUMENTI-1
HOW TO READ THE BUDGET BOOK.....I-1
FUNDS INCLUDED IN THE OPERATING BUDGETI-4
BUDGETARY BASISI-5
SEMI-AUTONOMOUS AGENCIESI-6
COUNTY GOVERNMENT ORGANIZATION.....I-8
THE BUDGET PROCESSI-9
RELATIONSHIP BETWEEN THE CAPITAL AND OPERATING BUDGETSI-12

STRATEGIC/FISCAL POLICIES

II

STRATEGIC POLICIESII-1
AGENCY PLANS AND PERFORMANCE MEASURESII-1
FISCAL AND FINANCIAL POLICIESII-5
FINANCIAL PLANNING POLICIESII-6
REVENUE POLICIESII-7
BUDGET MANAGEMENT POLICIESII-7
FUND BALANCE POLICIES.....II-8
DEBT MANAGEMENT POLICIES.....II-9
CASH MANAGEMENT/INVESTMENT POLICIES.....II-9
FINANCIAL REPORTING POLICIESII-10

BUDGET OVERVIEW

III

THE FY 2015 BUDGET AT A GLANCEIII-1
EXPENDITURES AT A GLANCE BUDGET OVERVIEWIII-2
GENERAL GOVERNMENTIII-2
COURTS.....III-3
PUBLIC SAFETY.....III-3
ENVIRONMENTIII-4
HUMAN SERVICESIII-4
INFRASTRUCTURE AND DEVELOPMENTIII-4
EDUCATION AND LIBRARYIII-5
NON-DEPARTMENTAL.....III-5
CAPITAL IMPROVEMENT PROGRAMIII-5
REVENUE SUMMARY.....III-8
APPROPRIATION SUMMARYIII-12
CONSOLIDATED FUND SUMMARYIII-14
GENERAL FUND CONSOLIDATED EXPENDITURE SUMMARYIII-15
POSITION SUMMARY – FULL-TIME POSITIONSIII-16
GENERAL FUND FIVE YEAR FULL-TIME POSITIONS SUMMARYIII-17
FRINGE BENEFIT COSTS SUMMARYIII-18
BUDGETARY FUND BALANCE.....III-19

REVENUE

FY 2015 REVENUES AT A GLANCE..... IV-1
GENERAL FUND REVENUES IV-3
ASSESSABLE BASE IV-11
PROPERTY TAX LIMITATION FISCAL YEAR 2015..... IV-12
CONSTANT YIELD DATA IV-13
FY 2015 ALLOCATED REVENUES IV-14
CONSOLIDATED GRANT PROGRAM SUMMARY IV-16
EDUCATION REVENUE DETAIL..... IV-17
MUNICIPAL TAX DIFFERENTIAL..... IV-18

GENERAL GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE 1
LEGISLATIVE BRANCH 9
 The County Council..... 15
 Council Administration 16
 Clerk to the Council..... 17
 Office of Audits and Investigations 18
 Zoning Hearing Examiner 19
 Non-Divisional 20
 Board of Appeals..... 21
OFFICE OF ETHICS AND ACCOUNTABILITY 22
PERSONNEL BOARD 29
OFFICE OF FINANCE 36
 Administration Division..... 47
 Accounting..... 48
 Treasury Division 49
CITIZEN COMPLAINT OVERSIGHT PANEL 50
OFFICE OF COMMUNITY RELATIONS..... 57
 Administration..... 67
 Human Relations Commission 68
 311 Center..... 69
 Grants..... 70
PEOPLE'S ZONING COUNSEL 72
OFFICE OF MANAGEMENT AND BUDGET 73
BOARD OF LICENSE COMMISSIONERS 83
OFFICE OF LAW 93
OFFICE OF HUMAN RESOURCES MANAGEMENT 102
 Administration 113
 Recruitment, Exams and Classification..... 114
 Public Safety Investigations 115
 Employee Services and Labor Relations 116
 Pensions and Investments..... 117
 Benefits Administration 118
OFFICE OF INFORMATION TECHNOLOGY 119
 Information Technology Internal Service Fund 129
BOARD OF ELECTIONS 130
OFFICE OF CENTRAL SERVICES..... 139
 Office of the Director 155
 Facilities Operations and Management Division 156
 Contract Administration and Procurement Division 157
 General Services Division 158
 Supplier Development and Diversity..... 159
 Fleet Management Fund..... 160

Fleet Management Internal Service Fund	161
Property Management Services Fund	162
Property Management Services Special Revenue Fund	163
Collington Center Fund	164
Collington Center Special Revenue Fund	165

COURTS

JUDICIAL BRANCH/CIRCUIT COURT	167
General Judicial Division.....	174
Law Library.....	175
Family Division: Domestic Relations	176
Family Division: Juvenile Causes Section	177
Alternative Dispute Resolution Referral Unit.....	178
Bail Bond Commissioner	179
Calendar Management	180
Jury Office	181
Administrative Operations.....	182
Grants.....	183
ORPHANS' COURT	185

PUBLIC SAFETY

OFFICE OF THE STATE'S ATTORNEY.....	193
Grants.....	199
POLICE DEPARTMENT	201
Office of the Chief	212
Bureau of Patrol	213
Bureau of Investigation	214
Bureau of Forensic Science and Intelligence.....	215
Bureau of Administration	216
Drug Enforcement and Education	217
Drug Enforcement and Education Fund	218
Grants.....	219
FIRE/EMS DEPARTMENT	223
Office of the Fire Chief.....	238
Administrative Services Command	240
Emergency Operations Command.....	241
Administrative Services.....	242
Special Operations Command	243
Volunteer Services Command.....	244
Grants.....	245
OFFICE OF THE SHERIFF	248
Office of The Sheriff.....	259
Bureau of Administrative Services.....	260
Bureau of Field Operations.....	261
Bureau of Court Services.....	262
Grants.....	263
DEPARTMENT OF CORRECTIONS	265
Director's Office.....	272
Human Resources Division	273
Security Operations Division.....	274
Population Management Division	275
Support Services Division	276
Program Services Division.....	277
Special Operations Division.....	278
Grants.....	279

OFFICE OF HOMELAND SECURITY	281
Administration	292
Public Safety Communications.....	293
Emergency Management Operations	294
Grants.....	295

ENVIRONMENT

SOIL CONSERVATION DISTRICT	297
DEPARTMENT OF ENVIRONMENT	308
Office of the Director	322
Permits and Review	323
Licenses and Inspection	324
Administrative Services.....	325
Animal Management.....	326
Community Services.....	327
Waste Management (EF45)	338
Solid Waste Management Fund (EF45).....	339
Sustainability Services (EF49).....	330
Stormwater Management Fund (EF49).....	331
Local Watershed protection and Restoration Fund	332
Grants.....	334

VOLUME II

HUMAN SERVICES

DEPARTMENT OF FAMILY SERVICES.....	339
Office of the Director	352
Office of Planning and Evaluation.....	353
Management Services	354
Aging Services	355
Administration for Children Youth and Families	356
Mental Health and Disabilities.....	357
Domestic Violence Fund.....	358
Domestic Violence Fund.....	359
Grants.....	360
HEALTH DEPARTMENT	367
Administration	382
Maternal and Child Health	383
Addictions and Mental Health	384
Environmental Health.....	385
Adult and Geriatric Health.....	386
Epidemiology and Disease Control	387
Office of the Health Officer	388
Grants.....	389
DEPARTMENT OF SOCIAL SERVICES	396
Administration	413
Community Programs.....	414
Child, Adult and Family Services.....	415
Fresh Start.....	416
Grants.....	417

INFRASTRUCTURE & DEVELOPMENT

PUBLIC WORKS AND TRANSPORTATION.....	423
Office of the Director.....	442
Office of Transportation.....	443
Office of Project Management.....	444
Office of Engineering.....	445
Office of Highway Maintenance.....	446
Storm Drainage Maintenance.....	447
Grants.....	448
DEPARTMENT OF PERMITS, INSPECTIONS AND ENFORCEMENT.....	450
Director's Office.....	459
Permitting and Licensing.....	460
Site/Road Plan Review.....	461
Building Plan Review.....	462
Inspections.....	463
Enforcement.....	464
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.....	465
Administration.....	485
Community Planning and Development.....	486
Redevelopment.....	487
Grants.....	488
Housing Authority.....	491

EDUCATION AND LIBRARY

MEMORIAL LIBRARY.....	495
Public Services.....	508
Administration.....	509
Support Services.....	510
PRINCE GEORGE'S COMMUNITY COLLEGE.....	511
Instruction.....	518
Academic Support.....	519
Student Services.....	520
Plant Operations.....	521
Institutional Support.....	522
Scholarships and Fellowships.....	523
Public Service.....	524
BOARD OF EDUCATION.....	525

NON-DEPARTMENTAL

NON-DEPARTMENTAL.....	537
Debt Service.....	539
Grants and Transfer Payments.....	544
Other Non-Departmental Expenses.....	546
Contingency.....	549
Economic Development Incentive Fund.....	550

THE CAPITAL BUDGET AND PROGRAM

Introduction.....	553
Education and Health.....	553
Transportation and Economic Development.....	554
Park and Recreation Facilities.....	554
Environment.....	554
Public Safety and County Facilities.....	555

Other County Facilities	555
Revenue.....	555
Summary of Capital Improvement Programs	556
Operating Impacts	557

APPENDIX

Grant Programs	i
Industrial Development Authority	xi
The Washington Suburban Transit Commission.....	xiii
Revenue Authority	xiv
Redevelopment Authority	xxi
Economic Development Corporation	xxvii
Financial Services Corporation First	xxxii
Conference and Visitor's Bureau	xxxvi
Table of Supplementals & Transfers Fiscal Year 2014	xli
Table of Strategic Linkage.....	xliv
Transforming Neighborhoods Initiative Inventory Catalogue.....	xlii
Spending Affordability Committee Report.....	

GLOSSARY

INDEX



Rushern L. Baker, III
County Executive

PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

July 1, 2014

To the Citizens, Residents and Businesses of Prince George's County:

I am pleased to present the approved operating and capital budgets for FY 2015.

It has been an extreme honor and privilege to serve the residents and citizens of Prince George's County alongside the Prince George's County Council for the past four years. During this time, we have made significant progress in transforming our great County. Prince George's County has quickly become the "place to be" in the Washington, DC Region.

There are many successes we can highlight. We have made our communities and neighborhoods safer. Our homicide rate has dropped by over 40% in three years, and crime is down by 30%. These historic lows would not be possible without the collaboration, hard work, and teamwork of the Police Department, Sheriff's Department, State's Attorney's Office, Department of Corrections, Federal and State partners, as well as the support of the County Council.

We have been able to grow our economy by expanding our commercial tax base and creating jobs. I am proud that we have nearly \$5 billion in economic development in the pipeline and on the horizon, including the \$1 billion MGM Casino/Resort at National Harbor, the relocation of the Maryland Department of Housing and Community Development to New Carrollton, the new Town Center at Laurel, the \$650 million Regional Medical Center at Largo Town Center, the Whole Foods project in Riverdale Park, the Town Center at Camp Springs project at Branch Avenue Metro Station, plus numerous investments in the Arts District from Mount Rainier to Hyattsville. Just over the horizon, we hope to land the new Federal Bureau of Investigation (FBI) headquarters at the Greenbelt Metro Station.

Through collaboration with the County Council, we have strengthened our government by making it more accountable to our citizens. We have created a government more focused on customer service, a government that is more open and transparent, and a government with more safeguards from unethical behavior. We now offer *CountyClick/311* to our citizens, allowing them a more efficient way of communicating with us. We have a searchable Website related to County spending. We created an Office of Ethics and Accountability to provide oversight of County government and lobbyists. We also have a thriving *CountyStat* program that consistently monitors our performance and identifies ways that we can improve operations with greater efficiencies.

Additionally, our Transforming Neighborhoods Initiative (TNI) has been effective in the transformation of six (6) targeted areas by removing blight, attracting jobs, enhancing health and human services, and implementing pre-kindergarten programs in elementary schools. TNI has also been an asset to breaking down silos between departments and improving inter-agency communication that has benefitted operations throughout the entire County. Lastly, TNI has served to attract new private investments into these communities.

In order to build upon these successes, I am pleased to submit the adopted operating and capital budgets for FY 2015. Although the County continues to recover from the recession, we remain committed to building upon the momentum of the past three years by making strategic investments in critical priorities, while at the same time adhering to sound fiscal management. Despite the general economic outlook showing some encouraging signs of recovery, especially in the housing market, we still had to make very difficult budgetary decisions.

14741 Governor Oden Bowie Drive, Upper Marlboro, Maryland 20772

(301) 952-4131

www.princegeorgescountymd.gov

To assist in that effort and to ensure greater collaboration, we employed a new cluster approach for review of budget requests this year. It provided cluster participants the chance to set priority goals and services collectively, and to brainstorm on cross-agency cost-saving ideas and revenue-raising ideas. We will continue to enhance such budget development efforts in the future because it truly helps to reinforce a dual focus on the role agency each plays in the achievement of the strategic priorities and the County's long term fiscal sustainability.

The FY 2015 adopted budget will keep us moving in the right direction by investing in our key strategic priorities, including:

- Providing support to the Board of Education beyond the "maintenance of effort" level to directly assist in funding student achievement through expanding effective programs;
- Increasing the investment in the Summer Youth program to expand training and job opportunities
- Continuing to keep our communities safe by having recruitment classes for Police and Fire, and providing additional fire station management funds to offer greater incentive for volunteers;
- Continuing support of economic development by maintaining resources for the new one-stop shop at the Department of Permitting, Inspections, and Enforcement (DPIE) and for the Economic Development Incentive Fund;
- Continuing the efforts to improve the health and well-being of County residents by restructuring the health and human service agencies and effectively attracting and managing grant funds;
- Improving our environment by implementing programs to improve water quality;
- Increasing governmental transparency by experiencing a full-year operation of the Office of Ethics and Accountability; and
- Implementing the first phase of a new Enterprise Resource Planning (ERP) project for integrated finance, budget, human resources, and procurement system to enhance operation efficiency.

FY 2015 Budget – All Funds

The adopted FY 2015 budget for all operating funds is \$3.43 billion, an increase of \$163.8 million (5.0%) over FY 2014. The General Fund, which accounts for 83.3% of all spending in FY 2015, will increase by \$144.9 million, or 5.3%. County source revenues increase by \$45.3 million or 2.9%. The moderate growth is primarily due to increases in real property taxes and transfer and recordation taxes resulting from a gradually recovering housing market. Other major revenues such as income taxes, however, will remain relatively flat due to a slowdown in the labor market and the impact of Federal actions (such as sequestration). Outside Aid increases \$99.6 million or 8.7%, primarily due to a \$57.8 million growth in State aid to the Board of Education and a \$43.2 million use of other Board sources.

Grant funding will increase in FY 2015 by \$5.8 million or 2.8%. Special revenue funds, which accounts for \$149.1 million or 4.3% of all spending in FY 2015 are projected to increase by 0.5%.

The County's Enterprise Funds, which includes the Local Watershed Protection and Restoration Fund that was newly established in FY 2014, totals \$165.8 million, representing a growth of 5.9% to fund various water quality programs and meet the State mandates. The Internal Service Funds, totaling \$49.4 million in FY 2015, comprise the remainder of the budget.

The chart below shows a summary of all operating funds in FY 2015 (amounts in millions):

Fund	FY 2014 Budget	FY 2015 Approved	% Change
General Fund	\$ 2,712.3	\$ 2,857.2	5.3%
Internal Service Funds	46.2	49.4	6.9%
Enterprise Funds	156.6	165.8	5.9%
Special Revenue Funds	148.3	149.1	0.5%
Grant Program Funds	204.5	210.3	2.8%
Total - All Funds	\$ 3,268.0	\$ 3,431.7	5.0%

General Fund Revenues

The two main characteristics of last year's General Fund revenue forecast continue to frame the revenue picture for FY 2015 - a national and regional economy that is experiencing sluggish growth and an improving real estate market. The FY 2015 budget represents an increase of \$144.9 million over the FY 2014 Budget. The increase is primarily driven by an increase in outside aid plus an increase in taxes directly related to a recovering housing market. The adopted FY 2015 General Fund budget includes \$1.6 billion in County Sources and \$1.2 billion in Outside Aid.

General Fund – County Sources

County Sources – taxes, fees, licenses and permits, service charges, use of money and property, etc. – represent resources used to fund the majority of government programs and services, including the County's contribution to the Board of Education, Memorial Library System and Community College. In FY 2015, County Sources are projected to be \$1.6 billion, an increase of \$45.3 million, or 2.9%, over the FY 2014 budget. These revenues account for approximately 56.3% of the total General Fund revenues for FY 2015.

Real Property Taxes at \$649.5 million, represent the largest portion of County Source funding, approximately 40.4%. For FY 2015, Real Property Taxes are projected to increase by \$19.7 million or 3.1% over the FY 2014 budget. The increase is due to an expected reversal in the decline in the County's real property assessable base, as the local housing market improves (Group 2 reassessment: +5.3%). The County's taxable real property base is projected to increase from \$69.1 billion in FY 2014 to \$71.0 billion in FY 2015, an increase of 2.7%. Personal property tax revenues are projected to increase by \$3.8 million or 6.0% in FY 2015.

The County's real estate market is forecasted to continue to improve over the current year estimate. As such, the combined receipts from both the Transfer and Recordation taxes are anticipated to increase by 13.6% to \$115.4 million in FY 2015. This improvement reflects a double-digit growth in the median home sales price in calendar year 2013 and the first half year of 2014.

Income Tax revenues, however, will be lower as the County continues to experience the impact of a weak job market and the federal budget actions. Revenue from income tax receipts are expected to decrease by \$2.5 million (0.5%) to \$506.6 million, largely based on lower-than-anticipated FY 2014 collections. Total income tax revenues include funding from the State Income Disparity Grant, which increases by \$5.8 million or 26.8% to \$27.5 million in FY 2015, as the County's income tax growth continues to lag behind the State's average.

Intergovernmental revenues are projected to increase by \$2.9 million in FY 2015, primarily due to a one-time increase of \$2.5 million transfer from the Revenue Authority. Other intergovernmental revenues largely stay unchanged from prior year. In FY 2015, the County will continue to receive \$9.6 million in Teacher Retirement Supplemental grants from the State to partially offset the \$25.0 million cost shift to the County. This is the third year of the phased shift to the counties for teacher pensions.

The biggest decline in General Fund revenues is from the Telecommunications Tax, which decreases by \$3.4 million to \$31.6 million in FY 2015 based upon current trends. Another revenue source that is expected to decline is the Automated Speed Enforcement program, which is expected to decline by \$0.6 million to \$9.0 million in FY 2015 as consumer behavior changes. These adjustments reflect alignment with actual collection trends.

The FY 2015 Adopted Budget includes the use of \$4.1 million in Fund Balance, of which \$1.3 million is for PAYGO Capital Improvement Program (CIP) project.

General Fund – Outside Aid

Outside Aid to the Board of Education, Community College and Library are estimated to be \$1.2 billion in FY 2015, an increase of \$99.6 million or 8.7% from the FY 2014 Approved levels. Outside Aid accounts for 43.7% of total General Fund revenues in FY 2015, up from 42.3% in FY 2014. The primary driver for the growth is a \$57.8 million increase of State Aid for the Board of Education and use of \$43.0 million of the Board's fund balance.

Thriving Economy

The County's continued successes will be measured in large part by our ability to grow the local economy. The County has made notable progress since it launched the Economic Development Incentive (EDI) fund two years ago with an investment of \$50 million in order to provide loans and grants to promote business attraction and expansion. As of June 2014, the County has awarded \$13.3 million in EDI funding to 17 projects. This investment is estimated to retain and create approximately 1,600 County jobs. So far, EDI funding has leveraged \$1.2 million in State economic development funds and approximately \$102 million in private investments in the County. The adopted FY 2015 budget includes \$13 million from this fund to continue investing in the economy. The Economic Development Corporation and the Financial Services Corporation will continue to use the EDI fund, along with other available financial incentives, to retain and attract businesses to Prince George's County.

We will also continue our progress in term of growing the residential, commercial and industrial economy by improving efficiencies in the permitting and inspection processes. In FY 2014, a new Department of Permitting, Inspections and Enforcement was established to streamline and improve services in this regard. The FY 2015 budget includes funding to fill critical vacancies and identify information technology (IT) solutions to support this one-stop shop.

The adopted budget also supports the Department of Housing and Community Development and the Redevelopment Authority's efforts to focus on expanding access to a broad range of quality housing, promoting and increasing the supply of affordable housing, and enabling families to become self-sufficient. The adopted budget funds four new positions. The FY 2015 adopted budget also includes \$6 million from the Maryland Attorney General's National Mortgage Settlement fund to provide financial literacy and housing counseling services to County residents, acquire and rehabilitate foreclosed homes, and provide down payment and closing costs assistance to homebuyers. The County was awarded \$10 million over a three-year period to assist distressed homeowners and reduce the number of foreclosed properties in targeted communities.

In addition, the Non-Departmental budget includes a \$1.3 million PAYGO transfer to the Redevelopment Authority's capital budget to support community revitalization efforts in Cheverly, Gateways Arts District and other targeted areas.

Excellent Education System

The FY 2015 adopted budget continues to support our goal of excellent education. The budget includes \$1.8 billion in funding for the Board of Education, an increase of \$107.4 million or 6.4% over the FY 2014 budget. Funding for the Board constitutes 62.8% of all General Fund spending in the FY 2015 budget. The County's contribution represents an increase of \$6.5 million over FY 2014 and exceeds the Maintenance of Effort requirement by over \$2 million. The adopted budget supports student achievement by rebalancing class size and expanding and enhancing effective programs. Those proven programs include pre-kindergarten and other specialty programs at all levels (e.g., Secondary School Reform, Talented and Gifted, Montessori and various Immersion programs). It also allows for the restoration of services that support students and their families, such as parent liaison, reading specialists, nurses and guidance counselors.

The County will also make significant investments in a number of school construction projects in FY 2015, including over \$100 million in County capital funds to support such projects as continued construction of the new Fairmont Heights High School replacement, Eugene Burroughs Middle School renovation and Glenarden Woods Elementary School renovation.

In addition, the FY 2015 adopted operating budget includes \$108.9 million for the Community College, a 2.7% increase over FY 2014 partly even after the removal of one-time County investment (I-Net Funds) in FY 2014 for IT equipment. The adopted budget funds cost of living adjustments and an increase of 23 full-time and 45 part-time positions to support core services and improve the faculty ratio of the Community College. It also includes funding for various job training programs. In addition, the CIP budget includes funding for planning and design of the Queen Anne Academic Center, feasibility study for a Southern Region Campus, construction of the new Culinary Arts Center, and construction of the Circulation/Roadway Modification project.

The adopted FY 2015 operating budget for the Memorial Library System is \$26.5 million, a decrease of \$0.7 million primarily due to eliminating one-time IT investment in FY 2014. The adopted budget provides cost of living adjustments, maintains the restoration of Sunday hours of operation at three branches starting in FY 2014, and allows for increasing Sunday hours for four branches in FY 2015 (New Carrollton, Fairmont Heights, Hillcrest Heights, and Spaulding). The FY 2015 CIP funds will support the construction of the new Laurel Branch Library and the new Hyattsville Branch Library, planning and design for the Surratts-Clinton Branch renovations, construction for the New Carrollton Branch Library's renovations and various improvement projects.

Safe Neighborhoods

The County makes a significant investment in FY 2015 to the public safety and court sectors to support various crime reduction initiatives with adopted funding for these agencies increasing by \$31.0 million, or 5.5% over the FY 2014 level. The increase represents 68.5% of the \$45.3 million total increase of County source revenues in FY 2015. Funding to the Police Department supports three new recruit classes that will add 150 new officers to not only offset attrition but also continue the increase of sworn officers on-board. In addition, the adopted budget allocates \$3.0 million in additional overtime to support crime reduction initiatives.

The adopted budget for the Fire/EMS Department funds two class of 70 recruits in total to improve the number of sworn employees on-board, and also increases investments for the volunteers, in the form of

additional station management funds, allocated emergency transportation proceeds, more funding for apparatus maintenance, and funding for a recruitment and retention campaign to encourage volunteer participation and support daily operations of the volunteer fire commission. The Office of Homeland Security receives funding for cost of living and merit adjustments, and to fill all vacant emergency dispatcher positions to support emergency responses.

The Department of Corrections (DOC) adopted budget funds one class of 25 to offset attrition, provides start-up funds for a new re-entry program, and allows filling 14 civilian vacancies in order to return sworn officers to security duties. As a result, overtime is projected to be reduced in this agency.

The Office of the Sheriff's adopted FY 2015 budget supports filling all civilian vacancies and filling 14 additional deputy sheriff vacancies to support court security and reduce outstanding warrants. The FY 2015 adopted budget for the Circuit Court and the Orphans Court funds full staffing complement and cost of living adjustments for staff and provides continuous support for the Re-entry Court started in FY 2014 as well as IT applications and systems for the court systems. The State's Attorney's Office receives funding for salary enhancements and increases for the witness protection programs and the use of expert witnesses.

The six-year CIP budget includes funding for: the completion of the District 7 police station, construction of the new District 5 police station, construction of the Emergency Operation Center (back-up 911) and implementation of a records management system to support all public safety data. The six-year CIP also includes phase II of the Kitchen Facility Replacement project at DOC, renovations of the building to house the Work Release facility, planning and design for the Administrative Wing Expansion and renovations will continue on the original 14 housing units that opened in 1987. Construction will also occur for the new Brandywine Fire/EMS station, the new Public Safety Pier at National Harbor and planning and design for renovations at West Lanham Hills Station will begin.

Quality Healthcare and Effective Human Services

The FY 2015 adopted budget continues to include \$15 million for the Dimensions Health System, including resources for debt services payments for the refunded bonds. Joint efforts on behalf of the State and the County will ensure financial stability of the system, and plan for the new Regional Medical Center. The six-year CIP includes \$208 million for this new state-of-the-art facility, to be constructed as a part of a strategy to transform the County's healthcare system into an efficient, effective and financially viable healthcare delivery system. This will improve the health of residents of Prince George's County and the Southern Maryland region.

Despite overall decreases in County-source funding in these areas, the health and human service agencies are restructuring their service delivery and administrative organization through correctly aligning staff with functions and utilizing grant funding. These efforts have ensured that there will be no diminution of social services, particularly to our most vulnerable and at-risk populations.

Funding continues to support the Family Crisis Center and the creation of a Domestic Violence Coordinator position to develop and implement a comprehensive domestic violence strategy for the County. Additional changes include the Health Department transferring three community developers to the Department of Social Services to supplement the County/Board of Education school resource program in TNI areas, and consolidating mental health programs into the Health Department for efficiency and effectiveness of service delivery. The capital budget contains funds for construction of the Shepherd's Cove Women's Shelter. Through agency appropriations, the discretionary grant programs, and the CIP, the County Government will continue its services to support the elderly, at-risk youth, those with no or substandard health insurance, and many others in need.

Clean and Sustainable Environment

In FY 2015, the County continues its investment in various environmental programs to improve quality of life and support Federal and State mandates. The adopted FY 2015 funding for the Local Watershed Protection and Restoration Enterprise Fund, established in FY 2014, increases by \$6.6 million or 82.5% over the FY 2014 budget to support the various operating expenses associated with meeting federal and state mandates. The County also increases its investment in the Stormwater Management Fund in FY 2015 by \$5.4 million or 10.3% for different water quality programs.

The Solid Waste Management fund realizes savings through reducing trash pickup routines but increases investments in other areas, such as initiating a pilot organic food composting program seeking to use innovative technologies. The FY 2015 CIP includes construction of phase 1 of the area B final cover system at Brown Station Road Sanitary Landfill, upgrade of rural convenience centers, siting design of new convenience centers in northern county and the development of the Organics Composting Facility, which is an upgrade project of the County's yard waste facility.

High Performance Government Operations

General government agencies as a group experience a \$2.8 million increase in funding primarily due to higher maintenance needs associated with the new facilities purchased by the County. The adopted budget supports the following initiatives:

- Continuation of the 3-1-1 Call Center to address citizen questions and service needs promptly;
- A fully staffed Office of Ethics and Accountability with a case management system;
- Continued implementation of CountyStat sessions to enhance data-informed, evidence-based decision making;
- South County Fiber Construction, Route 4 Fiber Build, and IT infrastructure refreshment;
- Continued implementation of the Enterprise Resource Planning (ERP) project to enhance efficiency across functional areas; and
- Additional maintenance needs (positions and contracts) associated with the County's acquisition of new facilities.

Spending Affordability Committee (SAC) Guidelines

The County's Spending Affordability Committee (SAC) is a truly dedicated citizen committee of exceptional professionals who have been invaluable assets to Prince George's County for many years. The FY 2015 SAC recommendation for the FY 2015 General Fund budget was \$2.79 billion.

The FY 2015 adopted budget is approximately \$70.4 million higher than the committee's recommendation. Several significant actions that occurred since the committee made its recommendation account for the change including:

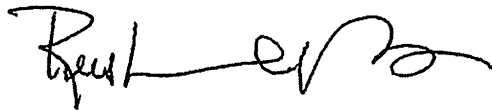
- Increase in Real Property Tax revenues based on State Department of Assessments and Taxation February projections on assessable base - \$9.1 million
- Decrease in Income Tax receipts based on year-to-date performance – (\$2.4 million)
- Increase in the State's Income Disparity Grant - \$5.8 million
- Unanticipated increase in Outside Aid for the Board of Education - \$47.8 million
- Use of Fund Balance for one-time PAYGO capital projects and other programs - \$4.1 million
- A one-time increase in transfer-in from the Revenue Authority - \$2.5 million
- A one-time transfer-in from the Fleet Management Fund - \$2.4 million
- Other changes - \$1.1 million

I wholeheartedly endorse the committee's recommendation for the continuation of conservative revenue estimates and the avoidance of using fund balance for ongoing expenditures. Furthermore, the FY 2015 adopted budget complies with their recommendation to preserve the County's General Fund reserves – Charter-mandated 5.0% and the financial policy-required 2.0%. I share the committee's recommendation to continue with these important efforts. These practices are essential to us maintaining the County's AAA bond rating from the major rating agencies.

In closing, this adopted budget represents the collective wisdom of all of the participants who eagerly engaged in the new process that identified and ranked the strategic priorities for investment in the upcoming fiscal year. The FY 2015 adopted budget maintains the critical investments to keep us on a path toward growing the economy, improving our schools, providing safe neighborhoods, maintaining high-quality health and human service levels, and protecting our environment.

I look forward to continually serving you as we move toward our vision as a nationally recognized jurisdiction and regional leader.

Sincerely,

A handwritten signature in black ink, appearing to read "Rushern L. Baker, III". The signature is fluid and cursive, with a prominent initial "R" and a long, sweeping underline.

Rushern L. Baker, III
County Executive

ADJUSTMENTS TO THE PROPOSED FY 2015 BUDGET

This chart reflects amendments to the FY 2015 proposed budget submitted by the County Executive in an amendment letter dated May 23, 2014 and other budget adjustments made by the County Council. The presentation below details the funding adjustments and a description of the budget changes for each agency and for all funds.

GENERAL FUND	PROPOSED BUDGET	ADJUSTMENTS	APPROVED BUDGET	DESCRIPTION
GENERAL GOVERNMENT				
County Executive	\$5,835,800		\$5,835,800	
County Council	14,225,400		14,225,400	
Personnel Board	322,200		322,200	
Citizen Complaint Oversight Panel	228,200		228,200	
Office of Finance	3,611,400		3,611,400	
Office of Community Relations	4,242,000		4,242,000	
People's Zoning Counsel	0		0	
Office of Management and Budget	2,491,700		2,491,700	
Board of License Commissioners	1,037,400		1,037,400	
Office of Law	3,818,200		3,818,200	
Board of Ethics and Accountability	564,900		564,900	
Office of Human Resources Management	5,224,400		5,224,400	
Office of Information Technology	0		0	
Board of Elections	3,328,400		3,328,400	
Office of Central Services	16,676,500	60,000	16,736,500	An increase in compensation and fringe benefits for a maintenance position for the Department of Corrections
SUBTOTAL	\$61,606,500	60,000	\$61,666,500	
CRIMINAL/CIVIL JUSTICE				
Circuit Court	\$14,922,200		\$14,922,200	
Orphans' Court	415,700		415,700	
Office of the State's Attorney	15,423,700		15,423,700	
Office of the Sheriff	36,906,200		36,906,200	
Department of Corrections	68,466,800		68,466,800	
SUBTOTAL	\$136,134,600		\$136,134,600	
PUBLIC SAFETY				
Police Department	\$286,266,400	180,000	\$286,446,400	An increase in funding for a Police Community Liaison for the northern part of the County and an additional School Resource Officer for the Bowie High School Annex
Fire/EMS Department	145,140,100	3,500,000	148,640,100	An increase in compensation and fringe benefits for an additional recruitment class of 35 positions, an increase in funding for the Volunteer Services Command Division for training and uniforms, and an increase in funding for tools, equipment and maintenance
Office of Homeland Security	24,437,000		24,437,000	
SUBTOTAL	\$455,843,500	\$3,680,000	\$459,523,500	
PUBLIC WORKS & ENVIRONMENT				
Department of Permitting, Inspections & Enforcement	\$7,600,800		\$7,600,800	An increase in compensation and fringe benefits for funding five vacant inspector positions offset by an increase in recoveries from the Storm Water Management Enterprise Fund
Public Works & Transportation	7,079,500		7,079,500	
Department of the Environment	3,884,600		3,884,600	
Soil Conservation District	0		0	
SUBTOTAL	\$18,564,900		\$18,564,900	

GENERAL FUND	PROPOSED BUDGET	ADJUSTMENTS	APPROVED BUDGET	DESCRIPTION
EDUCATION & LIBRARY				
Community College	\$104,624,900	\$4,287,000	\$108,911,900	An increase in funding for casino job training, health care training, college and career readiness and scholarships as well as increased State aid for academic support
Library	26,460,500	100	26,460,600	An increase in funding for operating expenses to reflect actual State aid
Board of Education	1,795,250,300		1,795,250,300	
SUBTOTAL	\$1,926,335,700	\$4,287,100	\$1,930,622,800	
HUMAN SERVICES				
Department of Family Services	\$2,639,600	70,700	\$2,710,300	A decrease in recoveries due to the transfer of a position to the Health Department
Department of Social Services	2,900,900		2,900,900	
Health Department	18,977,600	100,000	19,077,600	An increase in operating expenses for the "SNAP to Health" Program
Housing and Community Development	3,354,400		3,354,400	
SUBTOTAL	\$27,872,500	\$170,700	\$28,043,200	
NON-DEPARTMENTAL				
Debt Service	\$88,754,300		\$88,754,300	
Grants and Transfer Payments	32,698,800	(1,345,000)	31,353,800	An increase in funding for community organizations and economic development offset by reduced funding for risk management
Other Non-Departmental Expenses	101,009,300	1,047,600	102,056,900	An increase in funding for the Summer Youth Employment Program and for utility expenses
Contingency	0	500,000	500,000	An increase in funding for marketing economic development within the County
SUBTOTAL	\$222,462,400	\$202,600	\$222,665,000	
TOTAL GENERAL FUND	\$2,848,820,100	\$8,400,400	\$2,857,220,500	
OTHER FUNDS				
INTERNAL SERVICE FUNDS				
Fleet Management	\$12,154,300	2,680,000	\$14,834,300	An increase in funding for a General Fund transfer, the Green Fleet and fuel infrastructure improvements
Information Technology	34,440,700	80,000	34,520,700	An increase in funding for the William Paca computer lab
TOTAL INTERNAL SERVICE FUNDS	\$46,595,000	\$2,760,000	\$49,355,000	
ENTERPRISE FUNDS				
Stormwater Management	\$58,136,100	320,000	\$58,456,100	An increase in funding for recoveries to fund five vacant positions in the Department of Permitting, Inspections and Enforcement
Local Watershed Protection & Restoration	14,550,800		14,550,800	
Solid Waste	92,746,200		92,746,200	
TOTAL ENTERPRISE FUNDS	\$165,433,100	\$320,000	\$165,753,100	
SPECIAL REVENUE FUNDS				
Debt Service	\$132,789,400		\$132,789,400	
Drug Enforcement & Education	2,315,000		2,315,000	
Collington Center	5,000		5,000	
Property Management & Services	518,500		518,500	
Domestic Violence	440,000		440,000	
Industrial Development Authority	37,700		37,700	
Economic Development Incentive	13,000,000		13,000,000	
TOTAL SPECIAL REVENUE FUNDS	\$149,105,600		\$149,105,600	
GRANT PROGRAMS FUND	\$200,696,100	9,617,400	\$210,313,500	An increase in grant funds for the Offices of Homeland Security, the Sheriff and the State's Attorney and the Departments of the Environment, Health, Housing and Community Development, Police and Social Services
TOTAL ALL FUNDS	\$3,410,649,900	\$21,097,800	\$3,431,747,700	