

# Appendix

The Appendix provides additional reference information relating to the Capital Improvement Program and Budget, and includes the following sections:

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## COUNTY CHARTER PROVISIONS PERTAINING TO THE CIP

### **Section 803. COMPREHENSIVE SCOPE OF BUDGET.**

The County Budget shall consist of the current expense budget, the capital budget and capital program, and the budget message. It shall represent a complete financial plan for the County, including all estimated revenues from all sources, all planned expenditures, and the surplus or deficit in the general and all special funds of the County government and shall be presented in such format as the Council may prescribe by resolution.

### **Section 804. PUBLIC HEARING BY COUNTY EXECUTIVE AND SUBMISSION OF THE BUDGET.**

The County Executive shall hold one or more advertised public hearings on the proposed budget prior to submission to the Council. Not later than March 15 of each fiscal year, the County Executive shall submit to the Council the proposed County budget for the ensuing fiscal year.

### **Section 805. CONTENTS OF THE CAPITAL BUDGET AND CAPITAL PROGRAM.**

The proposed capital budget and capital program shall be so arranged as to set forth clearly the plan of proposed capital projects to be undertaken in the ensuing fiscal year and in each of the next five fiscal years, and also the proposed means of financing the same. The capital budget shall include a statement of the receipts anticipated during the ensuing fiscal year from all borrowing and from other sources for capital projects.

### **Section 807. CONTENTS OF THE BUDGET MESSAGE.**

The budget message shall contain supporting summary tables and shall explain the proposed operating budget and capital program both in fiscal terms and in terms of work to be done. It shall outline the proposed financial policies of the County for the ensuing fiscal year and describe the important features of the operating budget. It shall indicate any major changes in fiscal policies and in expenditures, appropriations, and revenues as compared with the fiscal year currently ending and shall set forth the reasons for such changes.

### **Section 809. PUBLIC BUDGET HEARINGS AND ACTION ON THE BUDGET BY THE COUNCIL.**

Upon receipt of the proposed County budget, the Clerk of the Council shall cause to be published a notice of the place and time of at least two public hearings on the budget by the Council. Such public notice shall be published in the County newspapers of record and in media for public notice as defined in Section 1008 of this Charter. The Council may hold such

other preliminary hearings on the budget for the purpose of obtaining information as it may determine, but no action shall be taken by the Council on the budget except in public session. After the final public budget hearing, the Council may not add new items but may increase, decrease, or delete any items in the budget except those required by the laws of this State or of this County, and except any provisions for debt service on obligations then outstanding or for estimated cash deficits. The Council shall have no power to change the form of the budget as submitted by the Executive or to alter the revenue estimates except to correct mathematical errors, or, by a vote of two-thirds of the members of the full County Council, adjust the revenue estimates by an increase or decrease of no more than one percent (1%). The adoption of the operating budget, the capital budget and the capital program shall be by the affirmative vote of not less than a majority of the full Council by a law to be known as the Annual Budget and Appropriation Ordinance of Prince George's County. The Annual Budget and Appropriation Ordinance shall be adopted by the Council on or before June 1 of each fiscal year, and if the Council fails to do so, the proposed operating budget submitted by the County Executive shall stand adopted, and funds for the expenditures proposed in the current expense budget shall stand appropriated as fully and to the same extent as if favorable action thereon had been taken by the Council.

### **Section 814. TRANSFER OF APPROPRIATIONS.**

Transfers of appropriations between general classifications of expenditures in the current expense budget within the same agency and within the same fund may be authorized by the County Executive; provided, however, that transfers exceeding a \$250,000.00 aggregate, or such other sum as may be set by legislative act, in one fiscal year may be made on the recommendation of the County Executive with the approval of the County Council. Transfers between agencies of the County government and within the same fund of the current expense budget may be made on the recommendation of the County Executive and with the approval of the Council. Interproject transfers of appropriations between capital projects in the capital budget may be authorized by legislative act of the Council upon request of the County Executive, but no new project shall be created nor any abandoned except in accordance with Section 818 and Section 820 of this Charter. Nothing contained herein shall be construed to prevent the Council, upon request of the County Executive, from providing by law for interfund cash borrowings to meet temporary cash

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requirements nor to prevent reimbursements among funds for services rendered.

**Section 815. SUPPLEMENTARY APPROPRIATIONS.**

(A) During any fiscal year, the Council, upon the recommendation of the County Executive, may, by resolution, make additional or supplementary appropriations from unexpended and unencumbered funds set aside for contingencies in the County budget, and from Federal, State or private grants which were not included in the budget for the current fiscal year, and may, by legislative act, make additional or supplementary appropriations from revenue received from anticipated sources but in excess of budget estimates therefor, from revenues received from sources not anticipated in the budget for the current fiscal year and from any prior year available and uncommitted fund balance.

**Section 816. EMERGENCY APPROPRIATIONS.**

To meet a public emergency, which constitutes a sudden, unexpected or unforeseen condition or occurrence, creating an imminent hazard to life, health or property and requiring an immediate action, the Council may, by resolution and upon the recommendation of the County Executive, make emergency appropriations from contingent funds, from revenue received from anticipated sources but in excess of the budget estimates therefor, from revenues received from sources not anticipated in the budget for the current fiscal year, or from any prior year available and uncommitted fund balance. To the extent that there may be no available unappropriated revenues to meet such emergency appropriations, the Council may, by legislative act approved by a two-thirds affirmative vote of the full County Council, authorize the issuance of emergency notes which may be renewed from time to time. Such notes and renewals shall be paid not later than the last day of the fiscal year next succeeding that in which the emergency appropriation was made.

**Section 817. APPROPRIATION REDUCTION.**

If at any time during the fiscal year, the County Executive shall ascertain that the available revenue for the year may be less than the total appropriations, they shall reconsider the appropriations for all agencies, and may revise them so as to forestall expenditures in excess of the income and fund balances. Any reduction in appropriations of the Legislative Branch shall be reviewed and approved by the Council, and a copy transmitted to the County Executive.

**Section 818. LAPSED APPROPRIATIONS.**

Unless otherwise provided by law, all unexpended and unencumbered appropriations in the operating budget remaining at the end of the fiscal year shall lapse into the

County treasury. No appropriation for a capital project in the capital budget shall lapse until the purpose for which the appropriation was made shall have been accomplished or abandoned; provided that any capital project shall stand abandoned if three fiscal years elapse without any expenditure from or encumbrance of the appropriation made therefor. The balances remaining to the credit of the completed or abandoned capital projects shall be available for appropriation in subsequent capital budgets.

**Section 820. RESTRICTIONS ON CAPITAL PROJECTS: AMENDMENT TO CAPITAL BUDGET AFTER ADOPTION OF BUDGET.**

No obligations of the County shall be authorized in any fiscal year for or on account of any capital project not included in the County budget as finally adopted for such year; provided that upon receipt of a recommendation in writing from the County Executive, the Council may, after public hearing and with the affirmative vote of two-thirds of its members, amend the County budget in accordance with such recommendation.

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## COUNTY CHARTER PROVISIONS PERTAINING TO BOND LEGISLATION

**Section 822. FORM AND TERM OF BONDS.** All general obligation bonds shall be in serial and/or term form and payable as consecutively numbered, in annual installments, the first of which shall be payable not more than two years from the day of issue. Bonds shall be properly authenticated. All bonds shall be made payable within the probable useful life of the improvement or undertaking with respect to which they are to be issued, or, if the bonds are to be issued for several improvements or undertakings, then within the average probable useful life of all such improvements or undertakings. No bonds shall mature and be payable more than forty years after their date of issuance.

**Section 823. CONTENTS OF BOND ISSUE AUTHORIZATION ORDINANCES.** Any borrowing to finance capital projects must be authorized by an existing law of the General Assembly of Maryland or by a law of the Council adopted in accordance with this Charter. The Council may adopt from time to time bond issue authorization ordinances pursuant to an enabling law or laws then in force and in effect to provide the means of financing such capital projects as are to be financed from borrowing. Each Bond Issue Authorization Ordinance shall include a statement of the purpose or purposes of the issue, and if the purpose is to finance one or more capital projects, it shall describe each of them sufficiently for purposes of identification, but no capital project shall be included unless the amount included therein shall be deemed sufficient to complete at least a usable portion of such project. The Ordinance shall estimate the cost of the project or projects and the portion thereof to be defrayed from sources, specifically named, other than the proposed bond issues. The Ordinance shall also include the amount of the proposed issue; a statement showing that the proposed issue is within the legal limitation on the indebtedness of the County; the probable useful life of the project or average probable useful life of the projects to be financed; a statement of the tax or other revenues of the County pledged to the payment of the principal of, and interest on, the bonds; and that the full faith and credit of the County are pledged to such payments.

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## COUNTY CHARTER PROVISIONS PERTAINING TO VOTER REFERENDUM

**Section 323. POWERS AND DUTIES OF THE COUNCIL.** The Council shall refer to a referendum of the voters of the County, at the ensuing regular congressional primary or general election, any act enabling the County to borrow money to finance capital projects, and any act or resolution pledging the full faith and credit of the County or any other guarantee by the County for any bonds to be issued by or for the benefit of any state or Bi-County agency or district except for school construction bonds or obligations. Each such enabling act shall describe, sufficiently for purposes of identification, the specific capital project or projects to be financed by the borrowing authorized by said act, and shall authorize borrowing only for either a single capital project or for a number of capital projects of the same generic class. Unless the act or resolution so referred is approved by a majority of the voters at the referendum, the Council shall have no power to enact an authorizing ordinance pursuant to Section 823 of the Charter to carry into effect the terms of the act or resolution so referred and shall have no power to pledge the full faith and credit of the County or any other guarantee of the County for bonds to be issued by or for the benefit of any state or Bi-county agency of district. Any ordinance authorizing the issuance of bonds pursuant to Section 823 of the Charter shall be referred to referendum of the voters as provided in this subsection and shall not be effective unless approved by a majority of the voters, if such authorization is for the purpose of providing for borrowing to finance a capital project authorized by any law enacted prior to the effective date of this amendment which law has not been approved at referendum.

## GLOSSARY

### A

**APPROPRIATION:** An amount not previously included in an Approved Capital Budget (i.e., the Budget Year of an Approved CIP) for a specific project. The amount so included limits the amount which can be spent on that project in the Budget Year unless: (1) prior unexpended or unencumbered appropriations exist; and/or (2) the Capital Budget is amended by a legislative act.

### B

**BOND AUTHORIZATION:** The authorization of the sale of General Obligation Bonds for a particular project by inclusion of the project in an approved Bond Sale Authorization Act. Bond Authorizations may be transferred to other projects within the same bond authorization act.

**BOND SALE:** The process of raising cash proceeds for use on capital projects by pledging the County's full faith and credit. The use of bond proceeds is in accordance with the Bond Enabling Acts and Bond Sale Authorizations Acts, which permit the sale of bonds.

**BUDGET YEAR:** The next fiscal year, which begins on July 1st. The budget for this year is the Capital Budget. Each subsequent fiscal year is indicated in relation to the current budget year (e.g. budget year plus one).

### C

**CAPITAL BUDGET:** The plan of the County to receive and expend funds for capital projects scheduled to begin during the first fiscal year included in the capital improvement program.

**CAPITAL EXPENDITURE:** Funding spent to acquire, maintain or improve fixed assets, such as land, buildings and equipment.

**CAPITAL IMPROVEMENT PROGRAM (CIP):** The plan of the County to receive and expend funds for capital projects during the fiscal year covered by the capital budget and the next succeeding five fiscal years thereafter.

**CAPITAL OUTLAY:** An appropriation and expenditure for government assets with a value of \$5,000 or more and a useful economic lifetime of one year or more.

**CAPITAL PROJECT:** (a) Any physical public betterment or improvement; (b) the acquisition of property of a permanent nature for public use; and (c) the purchase of equipment for any public betterment or improvement when first constructed.

**COE – CORP OF ENGINEERS:** An abbreviation used to reference the Army Corp of Engineers.

### COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG):

Provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for low and moderate-income persons.

**CUMULATIVE APPROPRIATION:** The sum total of expended life-to-date expenditures, current year estimates (including expended and encumbered) and Approved Budget Year amounts.

**CURRENT YEAR:** The fiscal year in which the County is currently operating.

### D

**DEBT SERVICE:** The annual payment of principal, interest and issuance costs for bond indebtedness.

### E

**ENABLING AUTHORITY:** The inclusion of a capital project in a bond enabling act approved by the County Council and approved by the voters at a referendum in accordance with the requirements of Charter Section 323. Enabling authority is given in a lump sum for a group of projects, and amounts are not legally specified for a particular project. However, in order to properly administer the CIP process, allocations must be made administratively to specific projects. These allocations can be changed administratively as long as the giving and receiving projects are included in the same enabling act and do not exceed the amount approved.

### I

### IAC – INTERAGENCY COMMISSION ON SCHOOL

**CONSTRUCTION:** An abbreviation for the commission formed to review all capital program budget requests from the various school systems and make recommendations on the State's level of funding.

### N

**N/A:** Not Applicable: An abbreviation used for detail that is not provided either because it does not apply to a particular case in question or because the answer is not available.

### P

**PAST YEAR:** The last fiscal year completed prior to the current fiscal year.

**PAYGO:** Cash transfer from the Operating Budget.

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**PLANNING AREA:** Planning Areas form the geographical basis for many of the plans, studies and zoning work performed by the Planning Division of the Maryland-National Capital Park and Planning Commission.

**PROJECT AUTHORIZATION:** The total amount included in an approved CIP for a specific project when the project is also included in the Capital Budget (i.e., the Budget Year of an Approved CIP). The amount authorized is the total amount included in the CIP. Projects in the CIP, which have not been included in an Approved Capital Budget, are not authorized.

## S

**SRC – STATE RATED CAPACITY:** An abbreviation used for the number of students that the IAC or its designee determines that an individual school has the physical capacity to enroll and can be reasonably accommodated in a facility.

## T

**TBD – To Be Determined:** An abbreviation used for a detail that has not been decided yet but will be determined in the future.

## U

**UNUSED APPROPRIATIONS:** Existing appropriations that are not estimated to be used in the current year and should be reprogrammed in the subsequent fiscal year where funds will be expended (if needed).

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## DPWT DEFINITION OF TERMS

The terms most frequently used in the description and justification for improvements are listed below with a general definition. It should be recognized that each roadway improvement is as unique as the communities, and that exceptions are made to accommodate these situations.

1. **Arterial** - A through roadway which usually consists of four to six travel lanes separated by a median, that is designed to carry higher traffic volumes and links major traffic generators and communities to regional roadway facilities.
2. **Closed Section or Urban Section Roadway** - Refers to roadway construction with curbs and gutters on the outside of the roadway and, if divided, along each side of the median. This improvement type usually includes an enclosed underground drainage system and/or sidewalks.
3. **Collector** – A through roadway comparable in function to a major collector roadway, which consists primarily of two or four travel lanes that separate opposing traffic by painted centerlines and painted exclusive left-turn lanes.
4. **Construction** - Development of a new roadway and related structures generally on an alignment where none existed, or development of an alternate to an existing facility that will remain open to serve to serve transit, pedestrian, bicycles, vehicles and other modes of transportation.
5. **Construction Scheduled with One Hundred Percent (100%) of the Construction Funds Allocated** – Refers to the programmed expenditure of funds to construct a County Capital Improvement Project where all required funding has either been allocated in previous years or in the budget year. Any funding programmed in the Budget Year that is developer funded will need to be confirmed by the Department of Permitting, Inspections and Enforcement before a project that relies upon developer funding is considered fully funded. Funding programmed in the Budget Year+1 through Budget Year+5 or in the Beyond categories is not currently available, and as such, is subject to change with each subsequent approval of the Capital Improvement Program. Where a project is in construction, but has not completed construction, development occurring adjacent to the project, or in the vicinity, where a need for the improvements has been identified by the Planning Board as a condition of development, are expected to contribute to the funding of the project either in an amount to be determined by the Planning Board or in accordance with the provisions of Subtitle 23 of the County Code.
6. **Developer Funding** – Potential contributions from area developments that will impact specific roadways.
7. **Local** - A roadway that provides direct access to abutting land adjacent to the collector network and serves travel over relatively short distances.
8. **Major Collector** - A through roadway that links principal state highways to County arterial and other collector roadways, which usually consists of four travel lanes and separates opposing traffic by a median.
9. **Open Section or Rural Section Roadway** - Refers to a roadway constructed with shoulders and drainage ditches on the outside of the roadway and, if divided, with drainage provided in the median. Pedestrian and bicycle traffic can be accommodated on the shoulders or by offset multi-use paths, or other safe means of separating pedestrian and bicycle traffic, as appropriate.
10. **Reconstruction** - Improvement of an existing roadway, generally along the existing alignment, on which the existing pavement and related structures are removed and substantially modified. This improvement may be made to the existing roadway configuration to better accommodate transit, pedestrian, bicycle, vehicle and other modes of transportation changing the general character of the roadway.
11. **Safety** - Refers to design or structural revisions to infrastructure aimed at mitigating or eradicating potential risks and hazards for all road users.
12. **Service** - Refers to providing a fully multimodal transportation system to support a variety of ways for people to get around, along with easy commuter access to public transit and ease of transition between modes.
13. **Structural** - Refers to design or physical corrections that are needed to maintain load capacity, useful life and user comfort levels for all modes of transportation of roadways and bridges.