

FINAL REPORT BRIEFING

January 2017

Earl Adams, Jr., Esq., Chair

COMMISSIONERS



<p><u>Commission Chair</u> Earl Adams Jr., Esq. (<i>County Resident</i>)</p>
<p><u>Prince George's County Council</u> David Van Dyke, County Auditor Turkessa Green, Assistant County Auditor Derrick Leon Davis, Chair, <i>Ex-Officio</i></p>
<p><u>Office of the County Executive</u> Thomas Himler, <i>Ex-Officio</i></p>
<p><u>Representatives from the Office of Management and Budget</u> Terri Bacote- Charles, <i>Director</i> Amber Hendricks, <i>Deputy Director</i></p>
<p><u>Prince George's Chamber of Commerce</u> David C. Harrington, <i>President</i></p>
<p><u>Greater Prince George's Business Roundtable</u> James R. Estep, <i>President & CEO</i></p>
<p><u>Prince George's County Association of Realtor</u> Desiree Callender</p>
<p><u>Affiliates of Organized Labor in the County</u> Jamal I. Miller Gino Renne</p>
<p><u>Public-At-Large</u> Henry W. Mosley, CPA, (<i>Upper Marlboro</i>) Sherman L. Ragland, II, (<i>Bowie</i>) John Rogard Tabori, (<i>University Park</i>) Mark E. Tomassoni, (<i>Laurel</i>) Ron L. Watson, Ph.D., (<i>Upper Marlboro</i>)</p>

OVERVIEW

- Charge
- Preliminary Report findings
- Work at a glance
- Update on fiscal issues
- Recommendations
- Discussion items
- Conclusion

CHARGE

The Commission was created to collect, review and discuss:

(I) Comparative budget data and information regarding the fiscal health of Prince George's County (the "County") and similar jurisdictions

(II) Policies and practices that affect the County's revenue structure and the strength of its tax base

(III) The structure and fiscal dynamics of the County government

(IV) Feedback from stakeholders in the community concerning the County budget and tax structure

(V) Any other items deemed appropriate and relevant by the County Council

PRELIMINARY REPORT FINDINGS

Provided both a historical and contemporary perspective on how and when the County's revenues and expenditures diverged over the past several years

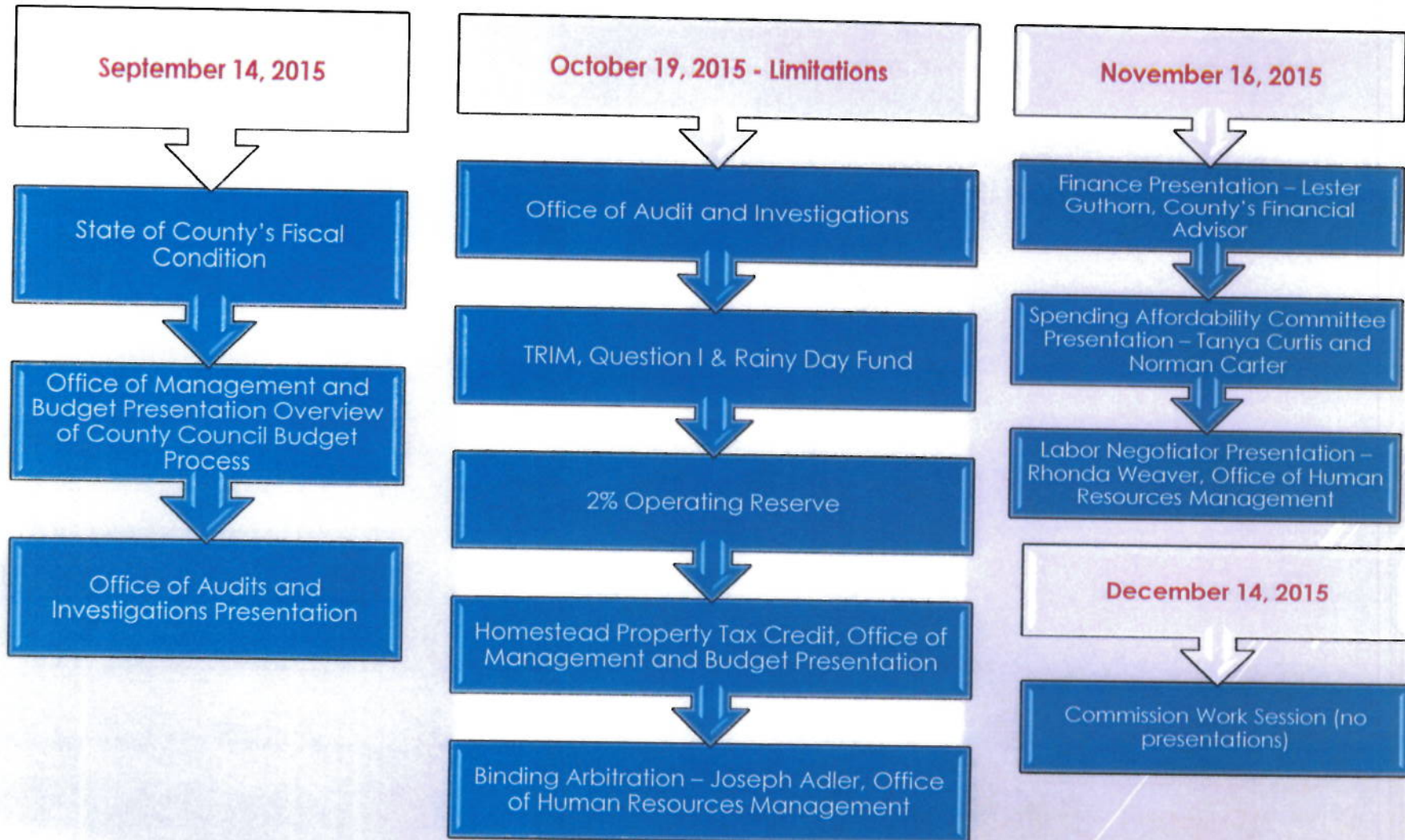
Discussed the revenue challenges impacting the County

The County's most significant expenditure obligations

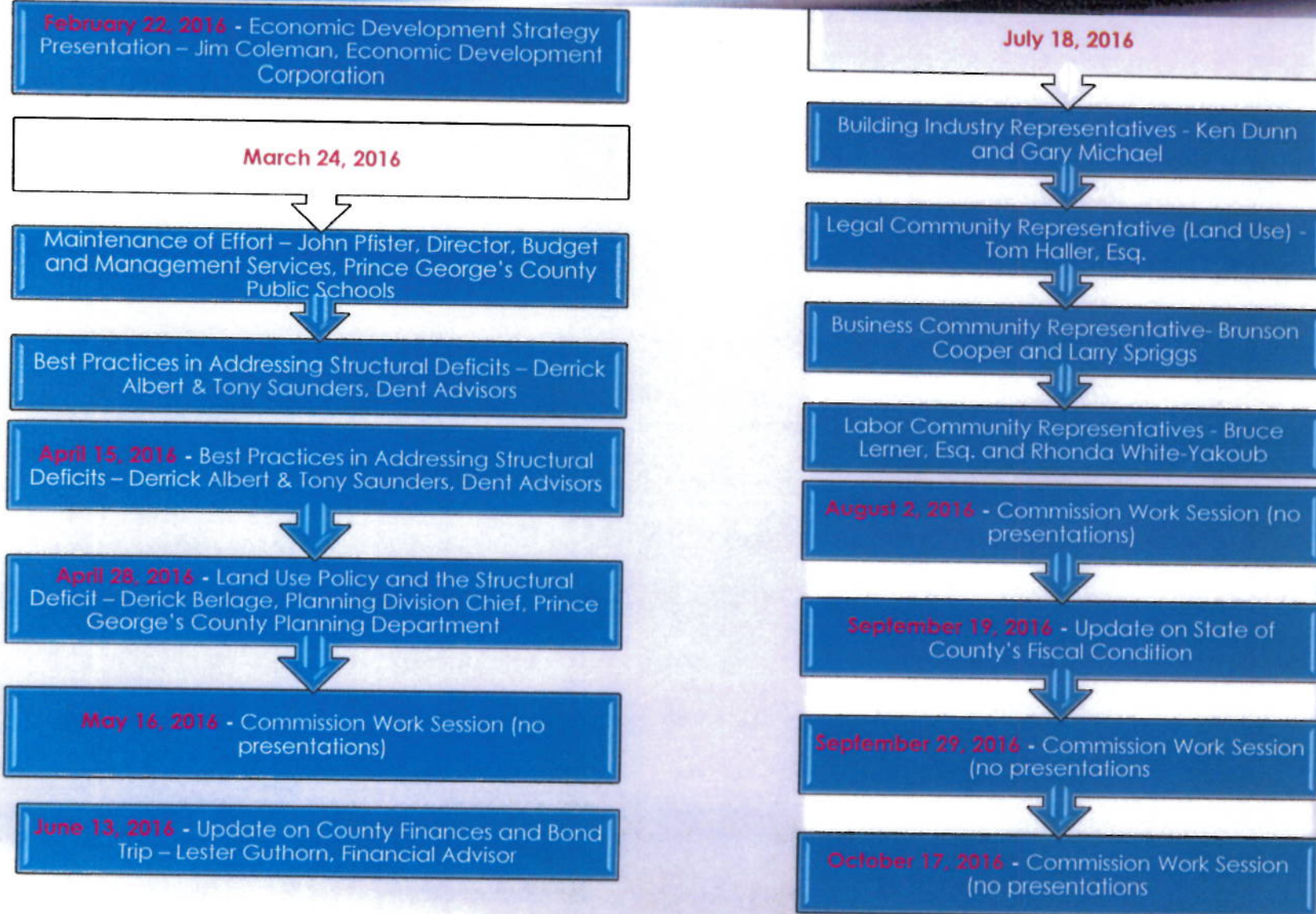
A discussion of the regulatory limitations in place that restrain County government

Since the preliminary report, the Commission has completed its task and presents this Final Report with recommendations to address our structural deficit

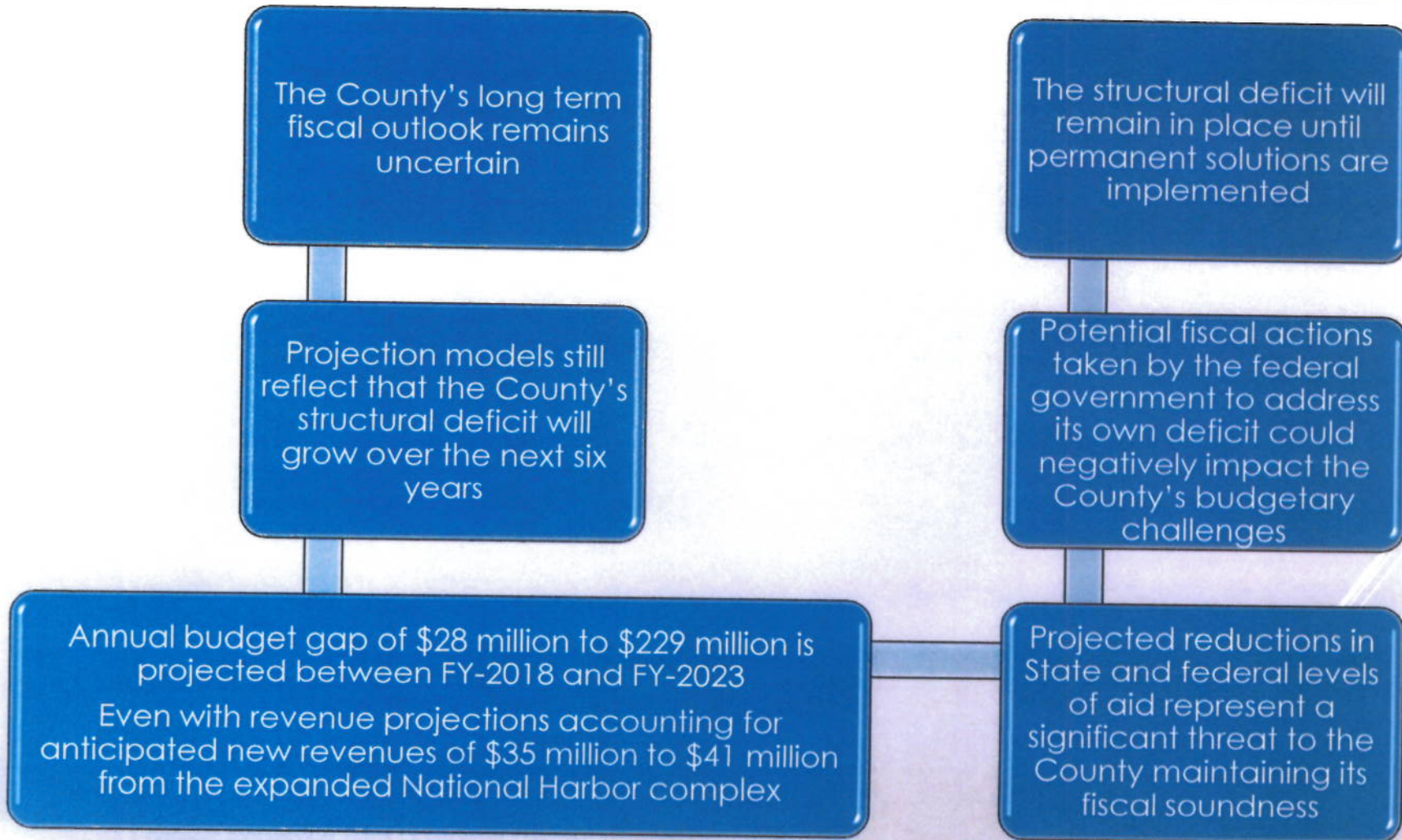
MEETINGS AND PRESENTATIONS - 2015



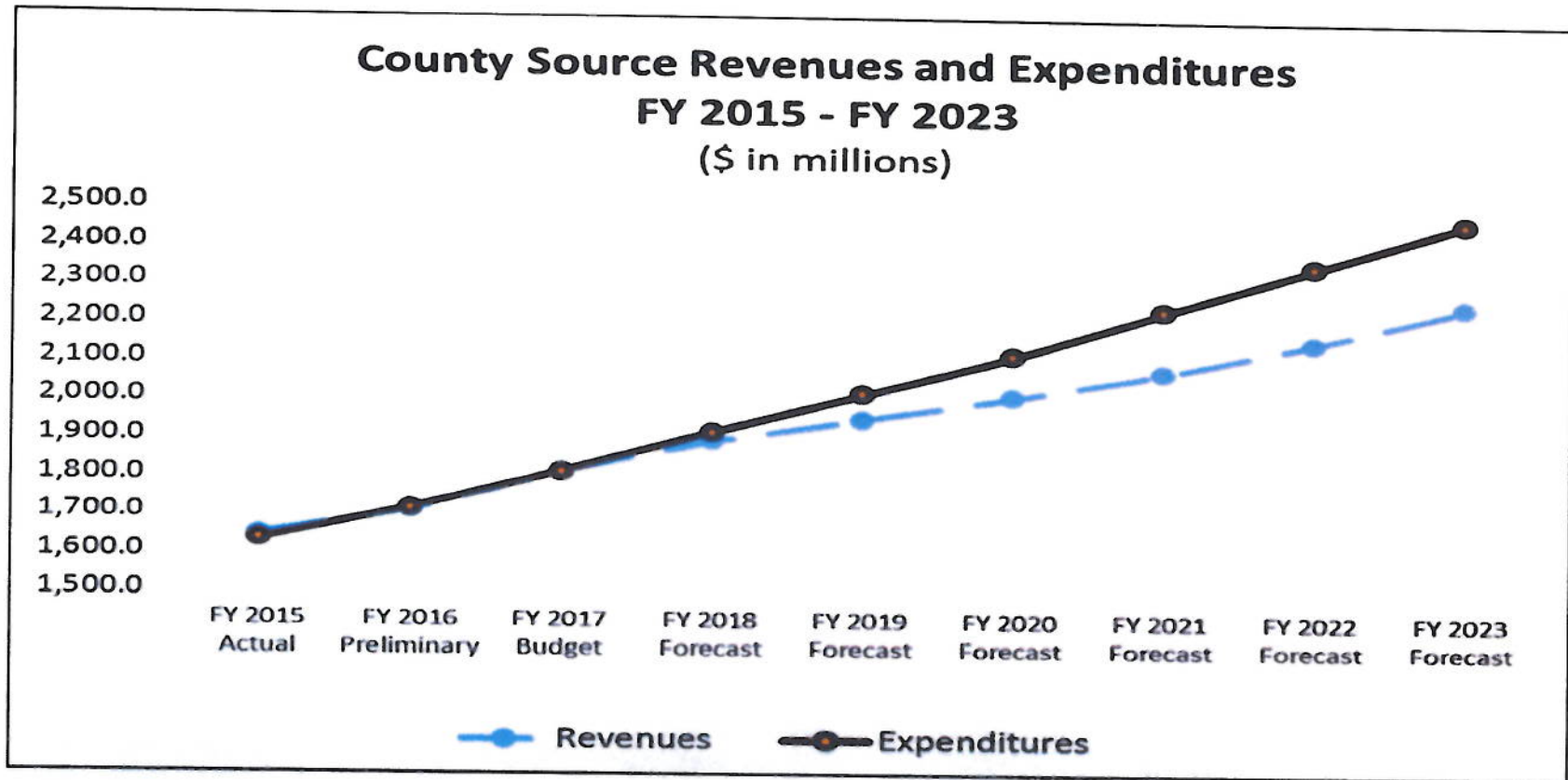
MEETINGS AND PRESENTATIONS - 2016



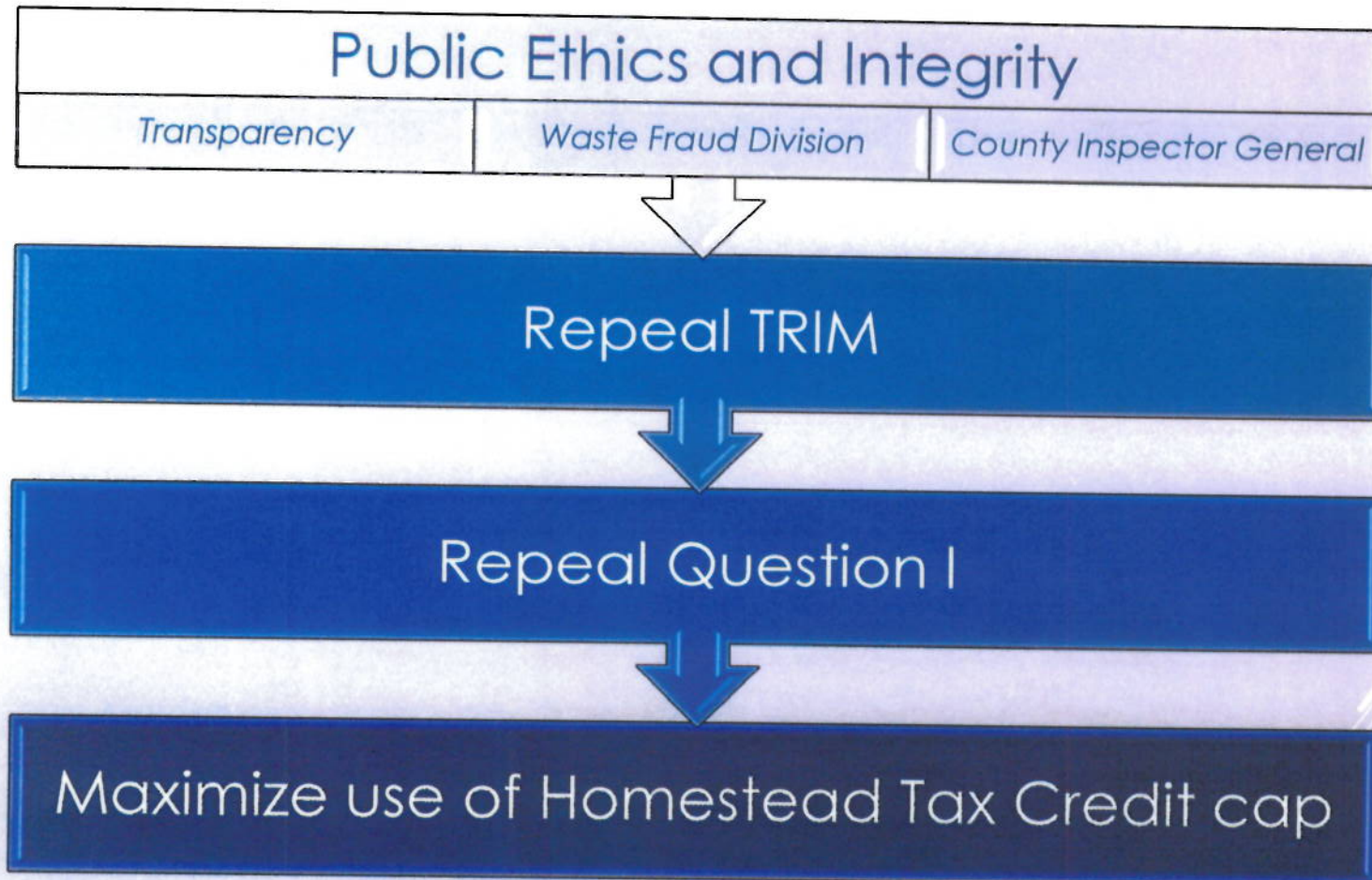
UPDATE AND FISCAL ISSUES



COUNTY SOURCE REVENUES AND EXPENDITURES FY 2015 – FY 2023



RECOMMENDATIONS





DISCUSSION ITEMS



MAINTENANCE OF EFFORT

Prince George's County Public Schools 10 Year - History of County Maintenance of Effort Calculation

Fiscal Year	Local Appr. Education	Enrollment MOE	MOE		Retirement HB 1801 SB 1301 (1)	Energy and Telecom Taxes Program Shift	County Contribution	Non-recurring Cost	Amount Over MOE	Percent Over MOE	Explanation
			Minimum Required Contribution								
2018	\$ 632,158,200	\$ 10,030,991	\$ 642,189,191	\$ -	\$ 66,170,900	\$ 708,360,091	\$ -	\$ -	0.00%	Projection based on a 1,950.25 increase in students and Energy and Telecom Tax held at 2017 levels - pending update from County.	
2017	\$ 606,821,800	\$ 6,419,019	\$ 613,240,819	\$ -	\$ 66,170,900	\$ 698,329,100	\$ -	\$ 18,917,381	3.08%	Reflects increase above MOE due to increases in Property Taxes - CB- 32-2015	
2016	\$ 553,239,520	\$ 10,846,372	\$ 564,085,892	\$ 29,631,799	\$ 62,470,325	\$ 669,292,125	\$ -	\$ 13,104,109	2.32%	Reflects increase above MOE due to increases in Property Taxes - CB- 32-2015	
2015	\$ 545,655,034	\$ 6,909,462	\$ 552,564,496	\$ 24,951,664	\$ 50,537,100	\$ 630,218,800	\$ 1,491,316	\$ 674,224	0.12%	The County gave the school system \$1,491,316 in one-time cost for computer labs and \$ 674,224 in amounts over MOE.	
2014	\$ 546,591,821	\$ (954,322)	\$ 545,637,499	\$ 24,785,979	\$ 53,302,900	\$ 623,743,913	\$ -	\$ 17,535	0.00%		
2013	\$ 530,605,290	\$ (8,018,487)	\$ 522,586,803	\$ 19,554,579	\$ 66,922,700	\$ 633,069,100	\$ -	\$ 24,005,018	4.59%	Funding increased due to SB 1301/HB1801 to support the State to County retirement shift.	
2012	\$ 532,220,200	\$ (1,614,910)	\$ 530,605,290	\$ -	\$ 73,501,500	\$ 617,514,500	\$ 13,407,710	\$ -	0.00%	Non-recurring funding was to support one-time retirement incentive cost.	
2011	\$ 538,218,700	\$ (5,999,272)	\$ 532,219,428	\$ -	\$ 66,794,200	\$ 599,014,400	\$ -	\$ 772	0.00%		
2010	\$ 542,479,236	\$ (4,375,151)	\$ 538,104,085	\$ -	\$ 77,283,600	\$ 615,503,900	\$ -	\$ 116,215	0.02%		
2009	\$ 537,677,200	\$ (9,474,799)	\$ 528,202,401	\$ -	\$ 72,022,800	\$ 614,502,036	\$ -	\$ 14,276,835	2.70%	\$14 million in additional Telecom Tax revenue was identified as a supplemental.	
2008	\$ 538,549,000	\$ 8,836,178	\$ 547,385,178	\$ -	\$ 61,166,100	\$ 615,843,300	\$ -	\$ 7,292,022	1.33%	Reflects an increased amount above MOE to continue support of Superintendents initiatives and all day Pre-K.	

(1) Starting 2017 - HB1801/SB1301 retirement funding was included in the base MOE calculation.

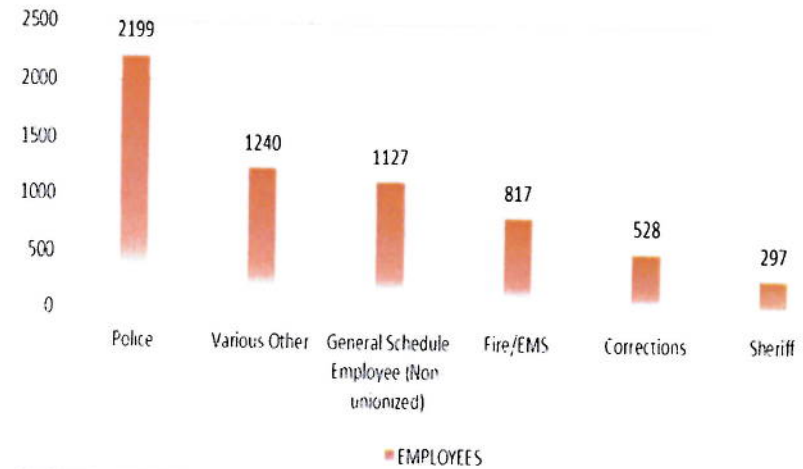
COLLECTIVE BARGAINING

Figure CBA-2 Prince George's County CBAs by Type of Work Performed

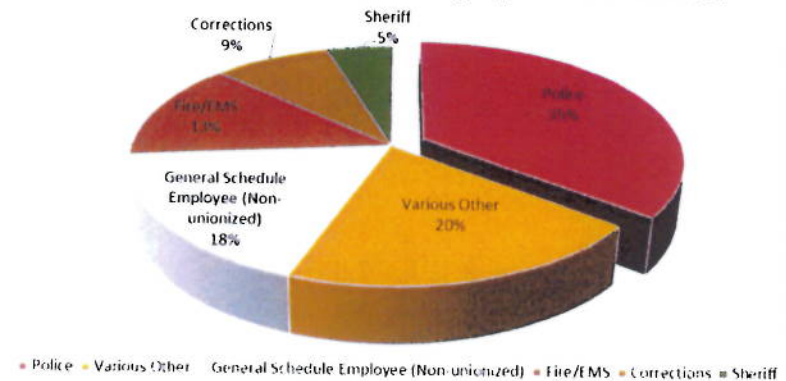
Agency	Salary Schedule	Employees	% Total
Corrections			
Corrections Officials	C-O	7	
PGCOA (Correctional Officers Association)	D	450	
PDCOA (Correctional Officers Association - Civilian Unit)	Q	71	
Sub-Total		528	8.5%
Fire/EMS			
Fire Officials	F-O	14	
International Association of Fire Fighters, AFL-CIO, Local 1619, Civilian	H	54	
International Association of Fire Fighters, AFL-CIO, Local 1619, Fire Fighters, Paramedics, and Fire Fighters/Medics	Y	749	
Sub-Total Fire/EMS		817	13.2%
Police			
Fraternal Order of Police Prince George's County, Lodge 87	L	1,609	
Police Civilian Employees Association (PCEA)	P	411	
Police Officials	P-O	56	
School Crossing Guards, AFL-CIO, Local 241, Council 67	X	123	
Sub-Total Police		2,199	35.4%
Sheriff			
Sheriff Official	S-O	7	
Deputy Sheriff's Association of Prince George's County	W	215	
Deputy Sheriff's Association of Prince George's County (Civilian Unit)	Z	75	
Sub-Total Sheriff		297	4.8%
Various			
American Federal of State, County, and Municipal Employees (AFSCME), AFL-CIO, Council 67, and its affiliates:	A	1,240	19.9%
• Local 1170: Health Department, DHCD, Dept. Family Services			
• Local 2462: Dept. Public Works and Transport, Dept. Environmental Regulation			
• Local 2735: DHCD, and OCS			
• Local 3389: Dept. Family Services and Health Dept.			
General Schedule Employee (Non-unionized)	G	1,127	18.1%
Grand Total # of Employees		6,208	100%
Total Represented by CBAs		5,081	81.8%

Source: Various CBA with Prince George's County

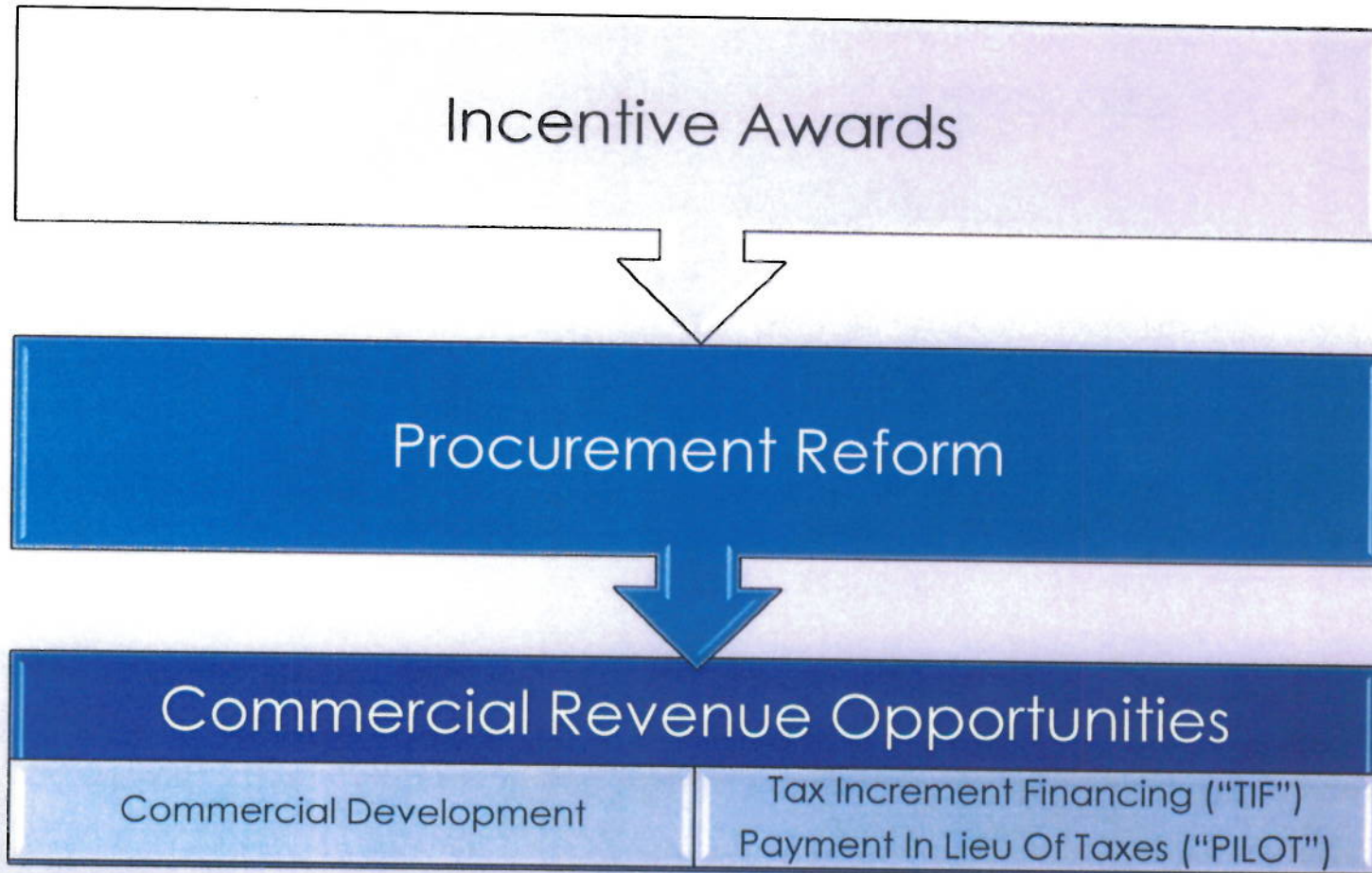
EMPLOYEES



Prince George's County CBAs by Type of Work Performed



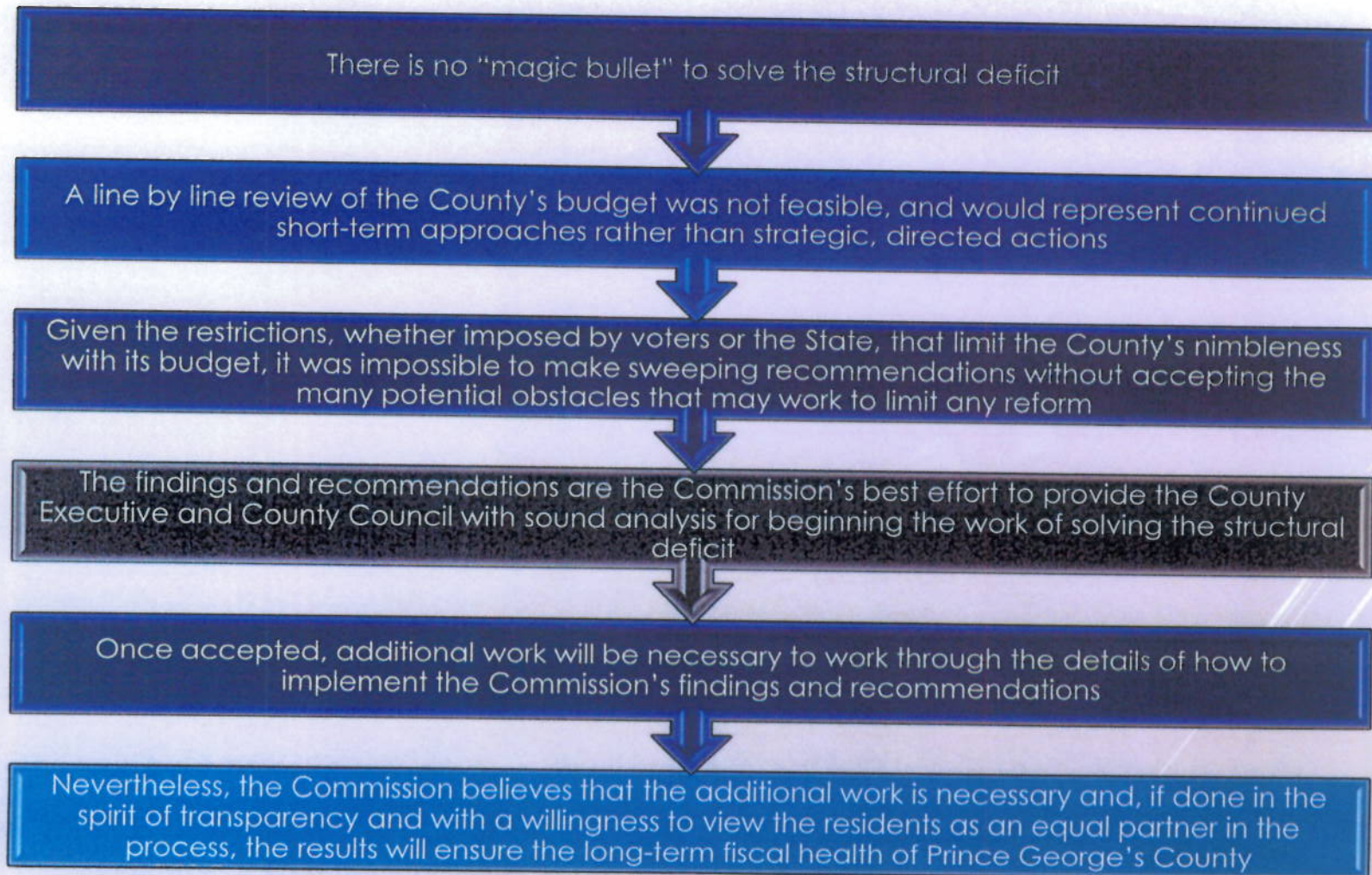
COST REDUCTION



CONCLUSION



CONCLUSIONS



QUESTIONS, ACKNOWLEDGEMENTS AND CONTACTS



BLUE RIBBON COMMISSION

We would like to thank and acknowledge all the Prince George's County Council and County Executive management and staff, as well as all those individuals who have provided their service and contributions to the Commission.

Commission Contacts

Howard Stone
Prince George's County Council
hwstone@co.pg.md.us

Colette Gresham
Prince George's County Council
CRGresham@co.pg.md.us

Maurice Simpson, Jr.
Prince George's County Council
Msimpson1@co.pg.md.us

Blue Ribbon Commission Task Force Link

<http://www.princegeorgescountymd.gov/sites/CountyCouncil/Services/CouncilTaskforces/Pages/Blue-Ribbon-Commission.aspx>