

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2023 Legislative Session

Reference No.: LTR 02132023

Draft No.: 1

Committee: Education & Workforce Development

Date: February 13, 2023

Action: FAVORABLE

REPORT:

Committee Vote: Favorable, 3-0 in favor: Burroughs, Olson, and Watson: Absent: Oriadha and Fisher

The Education & Workforce Development (EWD) Committee met on June 12, 2023, to consider the Board of Education's First Financial Review and Transfer Request. The Prince George's County Public Schools (PGCPS) forwarded their First Financial Review and Transfer Request to the Council on May 31, 2023, which the Board of Education approved on March 23, 2023.

March 23, 2023, Financial Review and Transfer Request included budget realignments and transfers between existing major state categories, ensuring fiscal stability through June 30, 2023. Arian Albear, Budget & Policy Analyst, provided an overview of the realignment of funds based on the CEO's transmitted. This FY 2023 Financial Review includes savings from a salary lapse of approximately \$33 million, of which \$15 million will be redirected to support early payment of the FY 2024 portion of the Other Post Employee Benefits (OPED) annual contribution. \$11.9 million of the salary lapse would go toward part-time and overtime payments needed due to the vacancies, primarily in Student Transportation Services. An additional \$5 million would go toward increases in utility costs, and smaller amounts are allocated toward two (2) principal positions and start-up supplies for new schools, vehicle fuel, and the replacement of a modular building.

The transfer request maintains a balanced budget and ensures fiscal stability through June 30, 2023, and it further assists in the comprehensive plan to reconcile the FY 2023 Operating Budget. Total revenue and expenditures remain at the Board of Education Approved Budget level of \$2,659,688,770.

Council Member Burroughs asked how much was allocated to the fund balance in FY 2023. Lisa Howell, Acting Chief Financial Officer of PGCPS, indicated they could better respond after the books are closed in the fall.

The Education & Workforce Development Committee voted 3 – 0 on the Board of Education's First Financial Review.