

Rushern L. Baker, III  
County Executive

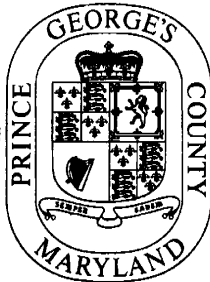
# PRINCE GEORGE'S COUNTY, MARYLAND

## BUDGET IN BRIEF

### FISCAL YEAR 2012



**APPROVED**  
**FISCAL YEAR 2012**  
**OPERATING BUDGET**  
**PRINCE GEORGE'S COUNTY, MARYLAND**



**COUNTY EXECUTIVE**  
**RUSHERN L. BAKER, III**

**COUNTY COUNCIL**  
**INGRID M. TURNER - CHAIR**  
**ERIC OLSON - VICE CHAIR**

**WILL CAMPOS**  
**MEL FRANKLIN**  
**ANDREA HARRISON**

**MARY A. LEHMAN**  
**OBIE PATTERSON**  
**KAREN R. TOLES**

**ACTING CHIEF ADMINISTRATIVE OFFICER**  
**P. MICHAEL ERRICO**

**CHIEF OF STAFF**  
**GLEND A. R. WILSON**

**OFFICE OF THE COUNTY EXECUTIVE**  
**DOUGLAS A. BROWN**  
**BRADLEY W. FROME**  
**BRADFORD L. SEAMON**  
**CARLA A. REID**  
**BARRY L. STANTON**

**OFFICE OF MANAGEMENT AND BUDGET**  
**THOMAS M. HIMLER, DIRECTOR**



# Prince George's County Elected Officials

Rushern L. Baker, III  
County Executive

Rushern L. Baker, III  
County Executive



Ingrid M. Turner  
Chair, District 4



Eric Olson  
Vice Chair, District 3



Mary A. Lehman  
District 1



Will Campos  
District 2



Andrea Harrison  
District 5



Special  
Election  
Pending

District 6



Karen R. Toles  
District 7



Obie Patterson  
District 8



Mel Franklin  
District 9

## ***Operating Budget Overview***

The FY 2012 Approved Budget for All Funds totals \$3.17 billion, an increase of \$27.2 million or 0.9% over the FY 2011 Approved Budget.

In order to move Prince George's County along the ***Path to Greatness***, we had to make difficult decisions in the FY 2012 budget process due to these challenging economic times at all levels – national, regional, and local. Despite these challenges, we are committed to making critical investments that will move the County forward in FY 2012, and generate positive returns in the future.

Our most critical investment in FY 2012 is the creation of the Economic Development Incentive (EDI) fund<sup>1</sup> that will assist us in expanding our economy – commercial property base, job base, and income base – to provide additional resources for our two major priorities – K-12 education and public safety. The budget contains a \$50.0 million one-time investment from the General Fund into the EDI fund.

The FY 2012 budget also makes investments in our two top priorities – K-12 education and public safety. The budget provides \$1.61 billion for K-12 education, including \$617.5 million in County funds – an increase of \$18.5 million over the FY 2011 Approved Budget. Our public safety agencies will receive \$533.5 million in FY 2012, including funds to recruit new sworn personnel in the Police Department, Fire/EMS Department, and Department of Corrections.

Other major priorities in FY 2012 include:

- ❖ Protecting Our Environment
- ❖ Improving Healthcare and Human Services
- ❖ Investing in Our Lifetime Learning Assets
- ❖ Adding Greater Accountability and Performance
- ❖ Maintaining Sound Fiscal Management Policies and Strategies

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<sup>1</sup> Contingent upon the enactment of CB-4-2011.

## ***Budget at a Glance – All Funds Summary***

The FY 2012 Approved Budget for All funds totals \$3.17 billion, an increase of \$27.2 million or 0.9% over the FY 2011 Approved Budget.

The General Fund (\$2.65 billion) accounts for approximately 83.7% of all operating spending in FY 2012, an increase of \$31.2 million or 1.2% over the FY 2011 Approved Budget.

Grant Program Funds account for the second largest share of spending in FY 2012 with approximately \$197.3 million or 6.2% of the total.

Enterprise Funds – Solid Waste Management and Stormwater Management – account for approximately 4.7% of all spending in FY 2012 at \$150.0 million.

Special Revenue Funds, including the new EDI fund, account for \$126.9 million or 4.0% of all spending in FY 2012.

Internal Services Funds account for the remaining 1.3% of spending in FY 2012 at \$40.9 million.

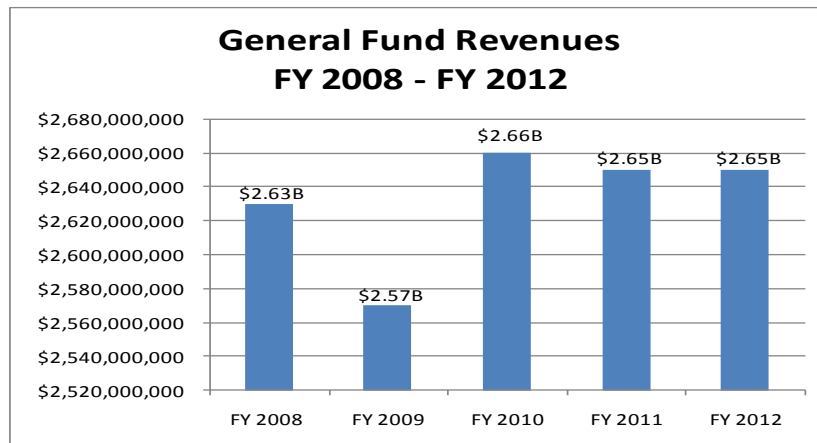
	<b>FY 2010 ACTUAL</b>	<b>FY 2011 APPROVED</b>	<b>FY 2011 ESTIMATED</b>	<b>FY 2012 APPROVED</b>	<b>CHANGE FY11 - FY12</b>
<b>REVENUES</b>					
General Fund	\$2,658,651,642	\$2,619,453,600	\$2,649,756,400	\$2,650,676,800	1.2%
Internal Services Funds	40,810,350	38,476,900	38,454,500	40,918,400	6.3%
Enterprise Funds	152,390,198	159,482,400	146,708,500	150,010,600	-5.9%
Special Revenue Funds	117,132,673	123,140,100	121,979,500	126,925,000	3.1%
Grant Program Funds	191,099,743	198,055,900	192,897,300	197,303,700	-0.4%
<b>TOTAL</b>	<b>\$3,160,084,606</b>	<b>\$3,138,608,900</b>	<b>\$3,149,796,200</b>	<b>\$3,165,834,500</b>	<b>0.9%</b>
<b>EXPENDITURES</b>					
General Fund	\$2,597,192,973	\$2,619,453,600	\$2,628,408,000	\$2,650,676,800	0.4%
Internal Services Funds	35,504,686	38,476,900	38,193,400	40,918,400	6.3%
Enterprise Funds	136,967,499	159,482,400	140,059,900	150,010,600	-5.9%
Special Revenue Funds	114,801,093	123,140,100	120,698,400	126,925,000	3.1%
Grant Program Funds	191,099,743	198,055,900	192,897,300	197,303,700	-0.4%
<b>TOTAL</b>	<b>\$3,075,565,994</b>	<b>\$3,138,608,900</b>	<b>\$3,120,257,000</b>	<b>\$3,165,834,500</b>	<b>0.9%</b>

\*FY11 Estimate reflects updated preliminary year-end figures

## General Fund Revenues

The FY 2012 Approved Budget for the General Fund is \$2.65 billion, an increase of \$31.2 million or 0.9% from the FY 2011 Approved Budget. Excluding the use of fund balance, the FY 2012 Approved Budget for the General Fund is \$2.58 billion, a decrease of \$30.7 million or 1.2% from the FY 2011 Approved Budget. As shown below, General Fund revenues in FY 2012 are projected to be essentially at FY 2010 actual levels.

County Sources comprise \$1.58 billion or 59.5% of General Fund revenues. Outside Sources account for \$1.07 billion or 40.5% of the General Fund.



FY 2012 Approved Budget - General Fund - Revenues

	FY 2010 Actual	FY 2011 Budget	FY 2011 Estimated	FY 2012 Approved	Change FY 2011-FY 2012
<b>County Sources</b>					
Property Taxes	\$ 725,543,571	\$ 724,019,200	\$ 727,800,000	\$ 720,561,200	-0.5%
Income Taxes	\$ 428,141,810	\$ 400,689,200	\$ 448,242,000	\$ 443,234,000	10.6%
Income Disparity Grant	\$ 21,694,767	\$ 21,694,800	\$ 21,694,800	\$ 15,595,900	-28.1%
Transfer and Recordation Taxes	\$ 95,796,348	\$ 98,555,700	\$ 90,655,800	\$ 90,385,900	-8.3%
Energy Taxes	\$ 71,280,769	\$ 56,807,400	\$ 62,919,000	\$ 66,192,700	16.5%
Telecommunications Taxes	\$ 44,357,561	\$ 45,292,200	\$ 42,075,300	\$ 42,841,000	-5.4%
Other Local Taxes	\$ 21,402,101	\$ 19,684,600	\$ 19,446,700	\$ 20,050,400	1.9%
State Shared Taxes	\$ 2,428,789	\$ 1,123,800	\$ 1,588,700	\$ 1,416,700	26.1%
Licenses and Permits	\$ 17,204,938	\$ 16,107,200	\$ 16,323,400	\$ 17,204,900	6.8%
Use of Money and Property	\$ 9,834,420	\$ 9,500,000	\$ 3,700,000	\$ 9,780,000	2.9%
Charges for Services	\$ 34,866,520	\$ 30,892,400	\$ 35,361,200	\$ 34,207,100	10.7%
Intergovernmental Revenues	\$ 65,231,690	\$ 77,297,200	\$ 64,692,000	\$ 32,316,600	-58.2%
Miscellaneous	\$ 3,908,975	\$ 3,176,900	\$ 2,362,900	\$ 7,527,500	136.9%
Other Financing Sources	\$ -	\$ 13,000,000	\$ -	\$ 74,935,000	476.4%
<b>Total County Sources</b>	<b>\$ 1,541,692,259</b>	<b>\$ 1,517,840,600</b>	<b>\$ 1,536,861,800</b>	<b>\$ 1,576,248,900</b>	<b>3.8%</b>
<b>Outside Sources</b>					
Board of Education	\$ 1,042,322,603	\$ 1,028,473,100	\$ 1,037,427,500	\$ 996,644,100	-3.1%
Community College	\$ 66,830,518	\$ 64,896,900	\$ 67,224,100	\$ 71,007,300	9.4%
Library	\$ 7,806,262	\$ 8,243,000	\$ 8,243,000	\$ 6,776,500	-17.8%
<b>Total Outside Sources</b>	<b>\$ 1,116,959,383</b>	<b>\$ 1,101,613,000</b>	<b>\$ 1,112,894,600</b>	<b>\$ 1,074,427,900</b>	<b>-2.5%</b>
<b>Total General Fund</b>	<b>\$ 2,658,651,642</b>	<b>\$ 2,619,453,600</b>	<b>\$ 2,649,756,400</b>	<b>\$ 2,650,676,800</b>	<b>1.2%</b>
<b>Total General Fund Without Other Financing Sources</b>	<b>\$ 2,658,651,642</b>	<b>\$ 2,606,453,600</b>	<b>\$ 2,649,756,400</b>	<b>\$ 2,575,741,800</b>	<b>-1.2%</b>

Major General Fund revenue highlights include:

**Property Taxes**

- ❖ Real Property Taxes (\$655.6 million) – a decrease of \$5.9 million or 0.9% due to the significant downward reassessments in December 2010 for Group 2 (eastern portion of the County from the far north to the far south) of 28.7%. Group 2 real property values will decrease from \$45.1 billion to \$32.2 billion in FY 2012. In total, the County's real property tax base is projected to decrease from \$96.0 billion in FY 2011 to \$83.8 billion, excluding the impact of the Homestead Tax Credit.
- ❖ Personal Property Taxes (\$65.0 million) – an increase of \$2.4 million or 3.9% due to an increase in personal property valuation for businesses and corporations.

**Income Taxes**

- ❖ Income Taxes (\$443.2 million) – an increase of \$42.5 million or 10.6% in FY 2012 due to an under-estimation of income tax revenues in FY 2011 Approved Budget, and the County's stable income base.

**Income Disparity Grant**

- ❖ Income Disparity grant (\$15.6 million) – a decrease of \$6.1 million or 28.1% in FY 2012 due to the County out-performing the State average in local income tax collections on a per capita basis for calendar Year 2009.

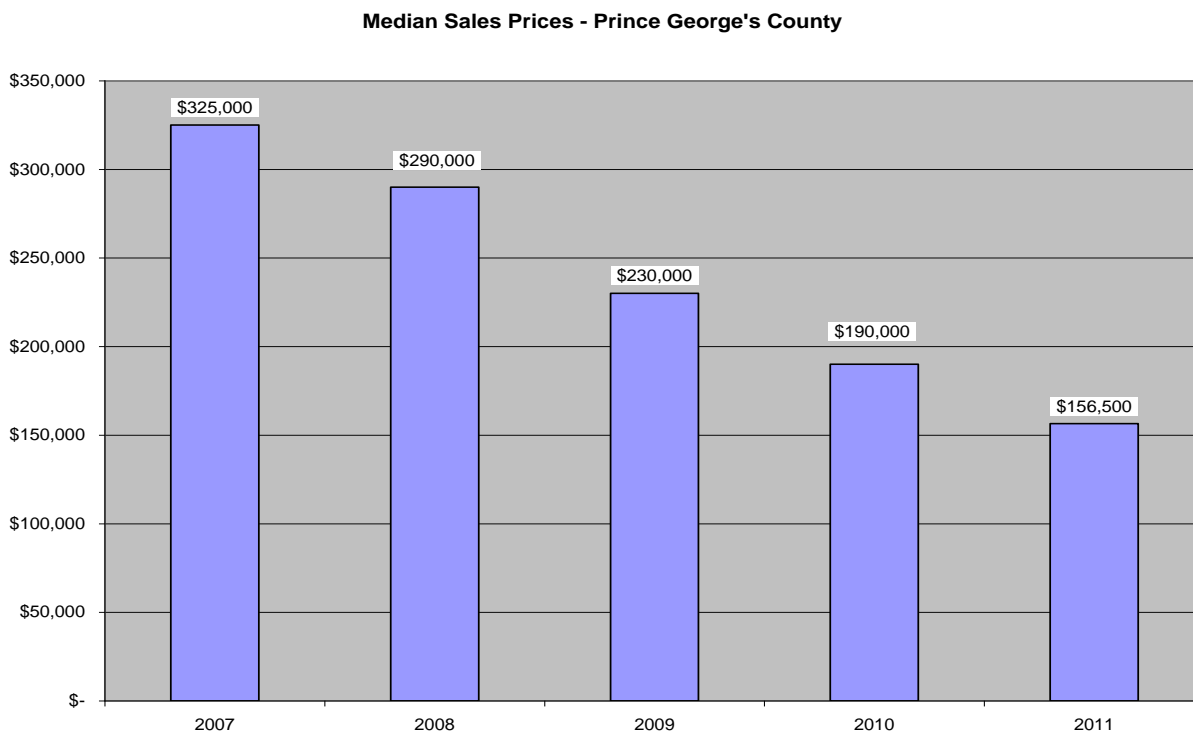
**Telecommunication Taxes**

- ❖ Telecommunications Taxes (\$42.8 million) – a decrease of \$2.5 million or 5.4% in FY 2012 based upon FY 2011 performance.

**Recordation and Transfer Taxes**

- ❖ Recordation Taxes (\$24.6 million) – a decrease of \$2.4 million or 8.8% in FY 2012 due to the slow real estate market. The budget maintains the existing tax rate of \$2.50 per \$500 in value of transaction.
- ❖ Transfer Taxes (\$65.8 million) – a decrease of \$5.8 million or 8.1% in FY 2012 due to the slow real estate market.

- ❖ The chart below shows the declining median home sales prices from January 2007 through January 2011.



### Other Local Taxes

- ❖ Admissions and Amusement Taxes (\$10.7 million) – an increase of \$0.2 million or 1.5% in FY 2012.
- ❖ Hotel-Motel Taxes (\$5.2 million) – an increase of \$0.1 million or 2.5% in FY 2012.
- ❖ Penalties and Interest on Property Taxes (\$4.1 million) – an increase of \$0.1 million or 2.0% in FY 2012.

### State Shared Taxes

- ❖ Highway User Revenues (\$1.4 million) – an increase of \$0.3 million or 27.0% due to a one-time increase implemented by the State. In FY 2009, highway user revenues were approximately \$25.1 million.

### Licenses and Permits

- ❖ Licenses and Permits (\$17.2 million) – an increase of \$1.1 million in FY 2012 due to higher volumes in building and grading permits, and street use permits.

### **Use of Money and Property**

- ❖ Interest Income (\$8.3 million) – an increase of \$0.3 million or 3.5% due to higher investment returns.

### **Charges for Services**

- ❖ Charges for Services (\$34.2 million) – an increase of \$3.3 million or 10.7% in FY 2012 due to higher cable franchise fee collections and emergency transport fees.

### **Intergovernmental Revenues**

- ❖ State Aid (\$15.2 million) – a decrease of \$0.1 million or 0.7% from the FY 2011 Approved Budget.
- ❖ Federal Aid (\$0.8 million) – unchanged from the FY 2011 Approved Budget.
- ❖ Maryland-National Capital Park and Planning Commission (\$15.3 million) – a decrease of \$45.9 million or 75.0% in FY 2012 due to the elimination of various one-time transfers from the commission.

### **Miscellaneous Revenues**

- ❖ Fines and Forfeitures (\$6.5 million) – an increase of \$4.3 million or 199.9% in FY 2012 due to the implementation of a speed camera program.

### **Other Financing Sources**

- ❖ Use of Fund Balance (\$74.9 million) – an increase of \$61.9 million or 476.4% in FY 2012 due to the use of fund balance for the Economic Development Incentive (EDI) fund (\$50.0 million), the Board of Education (\$18.5 million), The Alice Ferguson Foundation (\$2.0 million), National Children's Museum (\$2 million) and \$2.4 million for various other items.

## ***Expanding Our Local Economy***

The FY 2012 approved budget will begin the transformation of Prince George's County into a major force in the economic development world from both a regional and national perspective.

Approximately 57.5% of the County's residents leave Prince George's County daily for their employment. In contrast, only 39.6% of the residents in Montgomery County commute to a job outside of their county. In addition, only 40.7% of the jobs in Prince George's County are held by County residents.

We are working hard to shift these trends so that more of our residents work in Prince George's County through expanding job opportunities. The FY 2012 Approved General Fund Budget contains a one-time investment of \$50.0 million from fund balance into a new Economic Development Incentive (EDI) fund<sup>2</sup> that will assist the County in:

- ❖ Expanding Our Commercial Tax Base
- ❖ Creating Additional Jobs
- ❖ Increasing Our Income Tax Base

The fund will provide loans, grants, guarantees, equity investments, etc. to small businesses, mid-sized businesses, large corporations, transit-oriented development projects, and commercial developments. This investment will transform our ability to attract new businesses and retain existing businesses. In addition, the fund will give the County an unprecedented opportunity to garner matching funds from the Maryland Department of Business and Economic Development (DBED) and from other sources.

The table below shows a preliminary projection of the potential programmatic activities of the EDI fund over the next five years (FY 2012-FY 2016). The out-year figures are for illustrative purposes only, and are subject to change.

Economic Development Fund - Summary - FY 2012 - FY 2016  
Preliminary Estimates - Subject to Change - For Illustrative Purposes Only

	FY 2012 BUDGET	FY 2013 BUDGET	FY 2014 BUDGET	FY 2015 BUDGET	FY 2016 BUDGET
<b>Beginning Balance - July 1st</b>	\$ -	\$ 43,491,400	\$ 34,442,500	\$ 25,240,400	\$ 17,880,100
<b>Revenues</b>					
Transfers In - General Fund	\$ 50,000,000	\$ -	\$ -	\$ -	\$ -
Interest Income	230,000	200,000	165,000	125,000	90,000
Loan Repayments	261,400	1,751,100	3,632,900	5,514,700	7,396,500
Equity Investment Returns	-	-	-	-	160,000
Federal Aid	-	-	-	-	-
State Aid	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-
Appropriation from Fund Balance	-	-	-	-	-
<b>Total Revenues</b>	<b>\$50,491,400</b>	<b>\$1,951,100</b>	<b>\$3,797,900</b>	<b>\$5,639,700</b>	<b>\$7,646,500</b>
<b>Expenditures</b>					
Direct Grants	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Small Business Loans	2,000,000	3,600,000	3,600,000	3,600,000	3,600,000
Major Project Loans	3,000,000	5,400,000	5,400,000	5,400,000	5,400,000
Equity Investments	-	-	2,000,000	2,000,000	2,000,000
<b>Total Expenditures</b>	<b>\$ 7,000,000</b>	<b>\$ 11,000,000</b>	<b>\$ 13,000,000</b>	<b>\$ 13,000,000</b>	<b>\$ 13,000,000</b>
Surplus (Deficit) - Annual	\$43,491,400	(\$9,048,900)	(\$9,202,100)	(\$7,360,300)	(\$5,353,500)
<b>Ending Fund Balance</b>	<b>\$ 43,491,400</b>	<b>\$ 34,442,500</b>	<b>\$ 25,240,400</b>	<b>\$ 17,880,100</b>	<b>\$ 12,526,600</b>

Assumptions:

- (1) \$9.0 million in annual loan activity at 1.5% interest rate, 5-year term, and staggered quarterly throughout each year. The loans are distributed as follows: small business loans (40%) and major project loans (60%).
- (2) \$2.0 million in annual grant activity with no interest.
- (3) \$2.0 million in annual equity investments starting in FY 2014, an average rate of return of 8.0%, and returns starting in Year 3.
- (4) Excess cash balance invested annually at a rate of 0.5%.
- (5) As the EDI Fund develops, there may be additional opportunities to receive both State and Federal grants for economic development projects.

<sup>2</sup> Contingent upon enactment of CB-4-2011.

The FY 2012 Approved Budget also includes \$4.2 million for the County's three economic development agencies – Prince George's County Economic Development Corporation, the Prince George's Financial Services Corporation, and the Prince George's County Conference and Visitors Bureau.

## ***Expanding Our Academic Success***

An essential partner in our economic development success is a highly performing school system. Our school system is making academic strides despite these challenging times. For example, Prince George's County led the State of Maryland in the number of new National Board Certified Teachers in 2010 with 76 teachers. In 2010, the County ranked among the top 20 school districts in the nation based upon the number of new teachers achieving this certification.

The FY 2012 Approved Budget contains \$1.61 billion in spending for K-12 education, a decrease of \$13.3 million from the FY 2011 Approved Budget due to reductions in Federal Aid and Board Sources. K-12 education spending accounts for approximately 60.9% of all General Fund spending in FY 2012.

The County will provide \$617.5 million in local funds for K-12 education in FY 2012, an increase of \$18.5 million over FY 2011 or 3.1%. In FY 2012, the County's portion accounts for approximately 38.3% of K-12 resources.

### **FY 2012 Approved Budget - K-12 Education**

	<b>FY 2010 ACTUAL</b>	<b>FY 2011 APPROVED</b>	<b>FY 2011 ESTIMATED</b>	<b>FY 2012 APPROVED</b>	<b>% CHANGE FY 2011 - FY 2012</b>
<b>REVENUES</b>					
Federal Sources	\$ 149,303,938	\$ 181,864,800	\$ 213,639,100	\$ 110,639,400	-39.2%
Board Sources	\$ 32,714,050	\$ 14,250,500	\$ 17,877,600	\$ 11,655,200	-18.2%
State Sources	\$ 860,304,615	\$ 832,357,900	\$ 805,910,800	\$ 874,349,500	5.0%
County Sources	\$ 615,503,900	\$ 599,014,400	\$ 599,014,400	\$ 617,514,500	3.1%
<b>Total</b>	<b>\$ 1,657,826,503</b>	<b>\$ 1,627,487,600</b>	<b>\$ 1,636,441,900</b>	<b>\$ 1,614,158,600</b>	<b>-0.8%</b>

<b>% From County</b>	<b>37.1%</b>	<b>36.8%</b>	<b>36.6%</b>	<b>38.3%</b>
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The FY 2012 Approved Budget also includes \$2.0 million for the Alice Ferguson Foundation for the construction of an innovative environmental education facility in southern Prince George's County. The center is located along the Potomac River, and provides hands-on environmental and agricultural education for K-12 students. In addition, the budget contains \$2 million for the National Children's Museum.

## ***Ensuring Safe Communities***

The other critical element to our economic development success is providing safe communities for our citizens and residents. Despite limited General Fund growth (1.2% decrease without the use of fund balance), we are able to provide \$533.5 million in funding for our public safety agencies and departments. Highlights include:

### **Police Department**

- ❖ \$257.6 million in General Fund spending in FY 2012, including three (3) new recruit classes that will add 150 new officers. The number of sworn officers will increase to 1,610 in FY 2012.
- ❖ The budget also contains funding for the acquisition of 220 new police vehicles.
- ❖ In the capital program, the budget contains \$8.3 million in funding for the new District 7 Police Station in Fort Washington (completion in FY 2013).
- ❖ The capital program also contains funding for three new police stations – District 6 (north County), District 5 (Route 301/Brandywine area), and District 8 (Woodmore/Glen Dale area) – that will allow for more efficient police coverage throughout the County.

### **Fire/EMS Department**

- ❖ \$115.0 million in General Fund spending in FY 2012, including sixty (60) new recruits. Total sworn staffing will increase to 771 in FY 2012.
- ❖ The budget also contains funding for the acquisition of seven (7) new fire suppression vehicles and equipment, and fifteen (15) new ambulance/EMS units.
- ❖ In the capital program, the budget contains funds for the completion of renovations at the Capitol Heights Station, the start of the Central Avenue Special Operations/EMS facility (\$5.4 million) and the Brandywine Fire/EMS project (\$5.4 million), and critical roof renovation projects (\$0.7 million) – Brandywine, Forestville, Beltsville, Chillum, and Bladensburg.

### **Department of Corrections**

- ❖ \$67.7 million in General Fund spending in FY 2012, including thirty-two (32) new correctional officers.
- ❖ During FY 2012, the County will open two (2) new housing units in October 2011.

**Office of the Sheriff**

- ❖ \$31.7 million in General Fund spending in FY 2012, including ten (10) new deputy sheriffs that will focus on reducing the number of outstanding warrants.
- ❖ In addition, the warrant unit will be expanded by an additional twenty (20) deputy sheriffs due to the transfer of the School Resource Officer (SRO) function to the Police Department in FY 2012.

**Circuit Court**

- ❖ \$13.9 million in General Fund spending in FY 2012, including funds for the drug court and the court's expanding foreclosure caseloads.

**State's Attorney**

- ❖ \$13.5 million in General Fund spending in FY 2012, including the addition of a deputy state's attorney and a training director that will focus on improving the courtroom performance of assistant state's attorneys.
- ❖ The budget also provides funds for expanded subpoena and witness services.

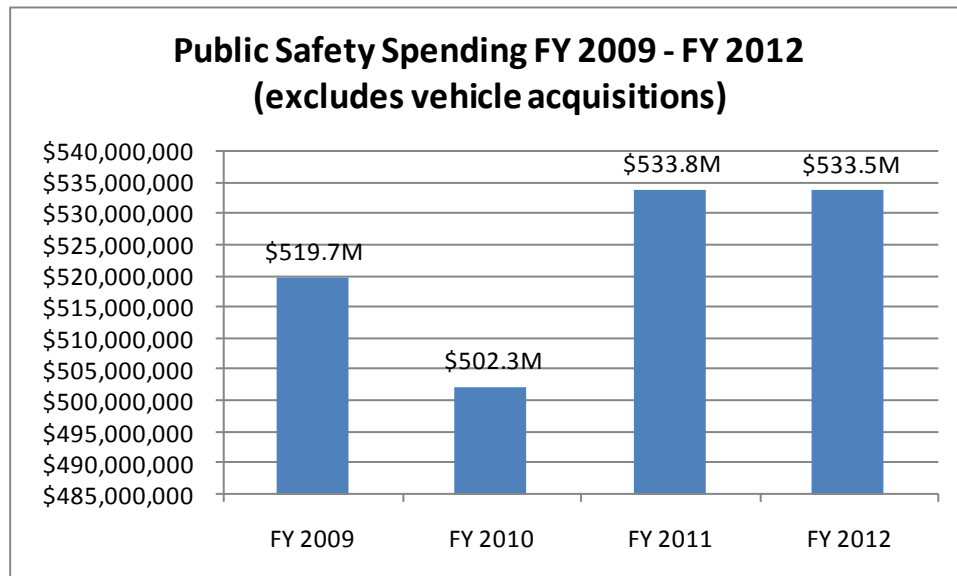
**Volunteer Fire**

- ❖ \$12.0 million in General Fund spending in FY 2012.
- ❖ The capital budget contains approximately \$1.7 million for various renovation projects at eighteen (18) fire stations – both career and volunteer. Over the new six-year program, funding for fire station renovations will increase by over 250% compared to the previous six-year program.

**Homeland Security**

- ❖ \$22.0 million in General Fund spending in FY 2012, including funds for the annual communication system maintenance contract and language translation services.

The chart below shows public safety spending for the past four (4) years - FY 2009 through FY 2010 Actual, FY 2011 Estimated, and FY 2012 Approved Budget. The FY 2012 Approved Budget maintains public safety spending at FY 2011 Estimated levels.



## ***Protecting Our Environment***

On our ***Path to Greatness***, we will continue to protect the environment. The FY 2012 Approved Budget includes \$150.0 million for various stormwater management and solid waste activities.

Major highlights include:

- ❖ \$1.9 million in operating funds to limit water pollution and improve water quality through the National Pollutant Discharge Elimination System (NPDES).
- ❖ The capital budget also includes \$11.1 million in spending to improve stormwater management systems as part of our NPDES efforts.
- ❖ In our transportation capital program, the program contains \$17.5 million in funding for *Green Street* improvements that will incorporate bicycle-friendly roadway features, bio-retention facilities, and various pedestrian and vehicle safety improvements.
- ❖ The capital program also contains funds for the conversion of streetlights to more energy-efficient high-pressure sodium streetlights.

## ***Improving Healthcare and Human Services***

Another basic foundation of a thriving community is a *Community that Cares*. The FY 2012 Approved Budget contains funds for various health and human services activities, programs, and projects. Major highlights include:

- ❖ \$15.0 million for the Dimensions Healthcare System to assist in providing critical care throughout Prince George's County as we continue to work on a long-term solution. We appreciate the State's operating support (\$15.0 million) and capital support (\$4.0 million) as Approved by the Governor in FY 2012.
- ❖ \$28.8 million in General Funds for the Health Department, and the departments of Social Services and Family Services, including funds:
  - To provide mammograms for approximately 500 low-income women in order to assist in the prevention and early detection of breast cancer.
  - To expand mental health services for the school-based wellness centers.
  - For youth shelters.
- ❖ The capital program contains funding for a new homeless shelter (\$6.6 million) that will assist in improving services to homeless individuals and families.
- ❖ The capital program also contains funding for a new Regional Health and Human Services Center (\$8.3 million) that is envisioned as a "one-stop-shop" for health/human services.

## ***Investing in Our Lifetime Learning Assets***

Prince George's County has two superior lifetime learning assets – the Prince George's Community College and the Memorial Library System. Major highlights include:

### **Prince George's Community College**

- ❖ \$100.3 million in General Fund spending in FY 2012, an increase of \$5.1 million or 5.4% over the FY 2011 Approved Budget due to a rapidly growing enrollment. Between FY 2011 and FY 2012, full-time equivalent enrollment is expected to increase by 16.6%, the highest in the State.
- ❖ In the capital program, the college will open the Center for Health Studies (\$43.9 million) in April 2012.
- ❖ The program also contains funds for the Culinary Arts Centre (\$6.9 million) and a Health and Wellness Center (\$43.7 million).

### **Memorial Library System**

- ❖ \$23.8 million in General Fund spending in FY 2012, including operating funds for the new South Bowie Library branch. The County will contribute \$17.1 million in County operating funds in FY 2012.
- ❖ In the capital budget, highlights include the opening of the South Bowie Library branch (\$14.7 million), the start of renovations at the Hyattsville Library branch (\$11.1 million), and the start of the expansion/replacement of the Laurel Library branch (\$11.2 million).

## ***Adding Greater Accountability/Performance***

Through our CountyStat performance management program, we will continue to improve government operations and performance through the continuous monitoring of County programs and services. This effort will result in enhanced service delivery to our residents.

In addition, we are working diligently to save costs by transitioning County personnel from leased-facilities into County-owned facilities, and maximizing the use of our existing office space. We expect these efforts to save approximately \$495,000 in FY 2012, with significantly greater savings in future years.

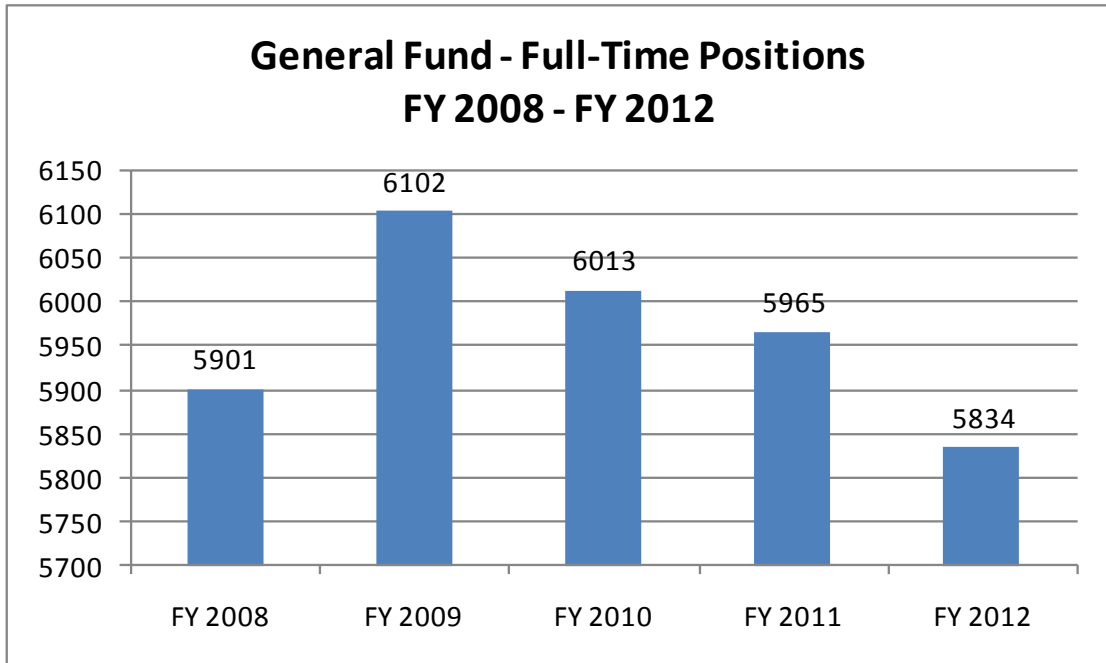
In the capital program, the County will begin the implementation of a new Enterprise Resource Planning (ERP) system (\$26.0 million) that will enhance government efficiency across functional areas of budget, finance, human resources, and procurement.

## ***Maintaining Sound Fiscal Management Policies and Strategies***

The FY 2012 Approved Budget continues the implementation of the County's sound fiscal management policies and strategies. These policies and strategies include:

- ❖ The elimination of the structural imbalance of on-going expenditures exceeding on-going revenues of recent years.
- ❖ The strengthening of our oversight of County spending across all agencies and departments.
- ❖ The on-going examination of ways to reduce costs through streamlining of programs and services, and increasing our operational efficiencies. The Office of Management and Budget (OMB) will be conducting an extensive review of all programs and services across the entire government in order to jump-start the FY 2013 Budget process.

- ❖ More effective realignment of staffing levels and compensation costs with today's fiscal climate. As such, the FY 2012 Approved General Fund Budget eliminates 131 full-time positions and an additional ten (10) part-time positions in the General Fund. All of these positions are currently vacant.



- ❖ The budget also contains no additional funds for cost-of-living adjustments (COLAs) and merits.
- ❖ The County will continue to limit the use of fund balance to one-time costs and investments. The budget maintains our County Charter-mandated 5.0% and policy-required 2.0% reserve limits in order to preserve our Triple-A bond rating.

## General Fund Expenditures – Detail

The table below shows the FY 2012 Approved Budget for the General Fund by agency, department, and non-departmental categories.

FY 2012 Approved Budget - General Fund

AGENCY	FY 2011 Approved	FY 2012 Approved	\$ Change FY 2011-2012	% Change FY 2011-2012	% of Total
Board of Education	\$ 1,627,487,600	\$ 1,614,158,600	\$ (13,329,000)	-0.8%	60.9%
Police Department	\$ 258,559,200	\$ 257,560,200	\$ (999,000)	-0.4%	9.7%
Fire/EMS Department	\$ 117,483,300	\$ 115,044,300	\$ (2,439,000)	-2.1%	4.3%
Community College	\$ 95,142,100	\$ 100,252,500	\$ 5,110,400	5.4%	3.8%
Non-Departmental - Other	\$ 90,724,600	\$ 87,466,800	\$ (3,257,800)	-3.6%	3.3%
Non-Departmental - Debt Service	\$ 90,459,100	\$ 94,872,700	\$ 4,413,600	4.9%	3.6%
Non-Departmental - Grants and Transfers	\$ 15,305,300	\$ 29,861,700	\$ 14,556,400	95.1%	1.1%
Department of Corrections	\$ 69,829,500	\$ 67,710,900	\$ (2,118,600)	-3.0%	2.6%
Office of the Sheriff	\$ 33,236,300	\$ 31,720,200	\$ (1,516,100)	-4.6%	1.2%
Library	\$ 25,013,000	\$ 23,837,400	\$ (1,175,600)	-4.7%	0.9%
Health Department	\$ 22,559,700	\$ 22,700,300	\$ 140,600	0.6%	0.9%
Office of Homeland Security	\$ 18,685,500	\$ 22,039,000	\$ 3,353,500	17.9%	0.8%
Office of Central Services	\$ 15,076,300	\$ 14,766,700	\$ (309,600)	-2.1%	0.6%
Circuit Court	\$ 14,077,500	\$ 13,944,500	\$ (133,000)	-0.9%	0.5%
Office of the State's Attorney	\$ 13,361,400	\$ 13,461,800	\$ 100,400	0.8%	0.5%
County Council	\$ 13,181,800	\$ 12,914,600	\$ (267,200)	-2.0%	0.5%
Volunteer Fire Companies	\$ 12,314,000	\$ 11,975,200	\$ (338,800)	-2.8%	0.5%
Public Works & Transportation	\$ 12,373,400	\$ 11,548,900	\$ (824,500)	-6.7%	0.4%
Department of Environmental Resources	\$ 10,563,000	\$ 10,226,900	\$ (336,100)	-3.2%	0.4%
Office of Info. Tech. & Communications	\$ 7,112,500	\$ 6,786,400	\$ (326,100)	-4.6%	0.3%
Office of Human Resources Management	\$ 5,662,900	\$ 5,700,300	\$ 37,400	0.7%	0.2%
County Executive	\$ 5,206,600	\$ 4,950,000	\$ (256,600)	-4.9%	0.2%
Office of Finance	\$ 4,144,200	\$ 4,004,400	\$ (139,800)	-3.4%	0.2%
Board of Elections	\$ 5,083,400	\$ 3,706,200	\$ (1,377,200)	-27.1%	0.1%
Office of Law	\$ 3,708,800	\$ 3,572,100	\$ (136,700)	-3.7%	0.1%
Department of Family Services	\$ 4,299,500	\$ 3,364,700	\$ (934,800)	-21.7%	0.1%
Department of Social Services	\$ 2,889,600	\$ 2,757,300	\$ (132,300)	-4.6%	0.1%
Office of Management and Budget	\$ 1,967,700	\$ 2,550,700	\$ 583,000	29.6%	0.1%
Housing & Community Development	\$ 2,183,900	\$ 2,216,200	\$ 32,300	1.5%	0.1%
Office of Community Relations	\$ 1,906,700	\$ 2,004,400	\$ 97,700	5.1%	0.1%
Board of License Commissioners	\$ 1,160,300	\$ 1,190,000	\$ 29,700	2.6%	0.0%
Human Relations Commission	\$ 930,800	\$ 722,000	\$ (208,800)	-22.4%	0.0%
Orphans' Court	\$ 387,000	\$ 393,900	\$ 6,900	1.8%	0.0%
Personnel Board	\$ 277,100	\$ 282,400	\$ 5,300	1.9%	0.0%
Citizen Complaint Oversight Panel	\$ 243,700	\$ 246,100	\$ 2,400	1.0%	0.0%
Board of Ethics	\$ -	\$ 166,500	\$ 166,500	0.0%	0.0%
Non-Departmental - Contingency	\$ 16,856,300	\$ 50,000,000	\$ 33,143,700	196.6%	1.9%
Soil Conservation District	\$ -	\$ -	\$ -	0.0%	0.0%
Peoples Zoning Counsel	\$ -	\$ -	\$ -	0.0%	0.0%
<b>Total General Fund</b>	<b>\$ 2,619,453,600</b>	<b>\$ 2,650,676,800</b>	<b>\$ 31,223,200</b>	<b>1.2%</b>	<b>100.0%</b>

## General Fund – Full-Time Positions - Summary

The table below shows a summary of the full-time positions in the General Fund under the FY 2012 Approved Budget by agency or department. The table excludes full-time positions in the Board of Education, Community College, and Library.

The number of full-time positions decreases by 131 – from 5,965 in FY 2011 to 5,834 in FY 2012.

### General Fund - Full-Time Positions - Summary

FUNCTION/AGENCY	FY 2011	FY 2012	Change
	Budget	Approved	
County Executive	45	45	-
County Council	101	108	7
Human Relations Commission	13	11	(2)
Personnel Board	2	2	-
Citizen Complaint Oversight Panel	1	1	-
Office of Finance	73	67	(6)
Office of Community Relations	25	24	(1)
Office of Management and Budget	26	25	(1)
Board of License Commissioners	7	7	-
Office of Law	60	54	(6)
Office of Human Resources Management	70	66	(4)
Office of Info. Tech. & Communications	-	-	-
Board of Elections	19	18	(1)
Office of Central Services	170	151	(19)
Circuit Court	130	130	-
Orphans' Court	6	6	-
Office of the State's Attorney	149	151	2
Office of the Sheriff	335	333	(2)
Department of Corrections	644	639	(5)
Police Department	2,122	2,097	(25)
Fire/EMS Department	846	848	2
Office of Homeland Security	211	210	(1)
Public Works & Transportation	319	294	(25)
Department of Environmental Resources	251	236	(15)
Soil Conservation District	13	13	-
Department of Family Services	31	28	(3)
Health Department	261	238	(23)
Housing & Community Development	21	18	(3)
Department of Social Services	14	14	-
<b>GRAND TOTAL</b>	<b>5,965</b>	<b>5,834</b>	<b>(131)</b>

## ***FY 2012-2017 Capital Improvement Program***

The FY 2012-FY 2017 Capital Improvement Program (CIP) contains 417 projects totaling \$1.8 billion, including projects for the Maryland-National Capital Park and Planning Commission and the Redevelopment Authority.

The table below shows the FY 2012 Capital Budget and the FY 2012-2017 CIP by program:

**FY 2012-2017 Approved Capital Improvement Program - Summary - Expenditures - By Agency/Program**

<b>Agency/Program</b>	<b>FY 2012 Approved</b>		<b>FY 2012-2017</b>	
	<b>Capital Budget</b>	<b>% of Total</b>	<b>Approved Capital Program</b>	<b>% of Total</b>
Board of Education	\$ 83,728,000	27%	\$ 573,921,000	32%
Public Works and Transportation	\$ 57,799,000	19%	\$ 333,599,000	19%
Stormwater Management	\$ 29,265,000	10%	\$ 209,273,000	12%
Parks and Recreation	\$ 55,070,000	18%	\$ 139,285,000	8%
Community College	\$ 6,937,000	2%	\$ 135,250,000	8%
Police	\$ 3,600,000	1%	\$ 65,903,000	4%
Solid Waste Management	\$ 25,295,000	8%	\$ 63,874,000	4%
Central Services	\$ 10,400,000	3%	\$ 60,045,000	3%
Library	\$ 8,273,000	3%	\$ 56,238,000	3%
Fire/EMS	\$ 4,200,000	1%	\$ 39,895,000	2%
Corrections	\$ 6,000,000	2%	\$ 34,854,000	2%
Redevelopment Authority	\$ 7,000,000	2%	\$ 33,136,000	2%
Health	\$ -	0%	\$ 12,500,000	1%
Hospital	\$ 4,000,000	1%	\$ 24,000,000	1%
Federal Programs	\$ 5,457,000	2%	\$ 5,457,000	0%
<b>Total</b>	<b>\$ 307,024,000</b>	<b>100%</b>	<b>\$ 1,787,230,000</b>	<b>100%</b>

## ***Capital Improvement Program - Highlights***

Highlights within the FY 2012-2017 Capital Improvement Program (CIP) include:

### **Board of Education**

- ❖ Oxon Hill High School Replacement (\$82.2 million) – a new 1,200-seat high school.
- ❖ Avalon Elementary School Replacement (\$17.9 million) – a new 439-seat elementary school.
- ❖ Hyattsville Elementary School (\$27.1 million) – a new 788-seat elementary school.
- ❖ Systemic Replacements (\$56.9 million) – replacement of old and failing mechanical, electrical, building envelope, and structural systems.

### **Public Safety**

- ❖ District 7 Police Station (\$10.8 million) – a new police station in Fort Washington.

- ❖ Fire Station Renovations (\$12.2 million) – design and replacement of electrical, mechanical, structural, and plumbing systems at various fire stations.
- ❖ Fire Station Roof Renovations (\$5.5 million) – design and construction of replacement roofs on various fire stations.
- ❖ Central Avenue Special Operations/EMS Station (\$5.4 million) – a new station, the highest priority in the Approved Public Safety Facilities Master Plan.
- ❖ Housing Unit Expansion (\$19.9 million) – two new housing units at the Correctional center that will add 192 beds to the Upper Marlboro facility.
- ❖ Kitchen Facility Replacement (\$11.4 million) – a modern-day kitchen in the Correctional Center.

### **Library**

- ❖ South Bowie Branch library (\$14.7 million) – a new 45,000-square foot library located along Central Avenue.
- ❖ Laurel Library Expansion (\$11.2 million) – a new 32,000-square foot library with a large community room and public service area.
- ❖ Hyattsville Branch Renovations (\$11.1 million) – renovation of the existing space and the construction of a 20,000-square foot addition.

### **Department of Public Works and Transportation**

- ❖ *Green Street* Improvements (\$17.5 million) – roadway and intersection modifications, tree planting, bio-retention facilities or stormwater management-related water quality and quantity measures, bicycle lane installation, and sidewalks and paths construction.
- ❖ Streetlight and Traffic Signals (\$15.6 million) – includes conversion of old mercury vapor streetlights to high-pressure sodium streetlights.
- ❖ Stormwater Management Restoration (\$58.7 million) – design and improve stormwater systems and infrastructures.

### **Stormwater Management**

- ❖ Environmental Protection Program (\$58.6 million) – retrofit multiple facilities within County watersheds with water quality control devices, and rehabilitate streams and wetlands to limit pollutant discharges.

- ❖ Environmental Restoration (\$95.1 million) – restore, monitor, and protect the environment in urbanized settings with an emphasis on pollution prevention, water quality improvement, flood control, wetland creation, and meet National Pollutant Discharge Elimination System (NPDES).

**Solid Waste Management**

- ❖ Sandy Hill Sanitary Landfill (\$35.4 million) – closure costs associated with closing the Sandy Hill landfill, and the construction of facilities to maintain the landfill after closure.

**Community College**

- ❖ Center for Health Studies (\$43.9 million) – an 110,075-square foot academic building to support the college's health programs.

**Health**

- ❖ Regional Health and Human Services Center (\$8.3 million) – a new one-stop full-service health and human services facility.

**Other County Facilities**

- ❖ Administrative Information Systems (e.g. Enterprise Resource Planning) (\$26.0 million) – automation and modernization of the budget, finance, human resources, and procurement processes.





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County Executive

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