

Revenues

The Revenues section includes the following information:

Revenues at a Glance 66

Assessable Base 78

Property Tax Limitation 79

Constant Yield Data 80

Allocated General Fund Revenues 81

MGM Casino at National Harbor - Impact Summary 84

Consolidated Grant Program Summary 87

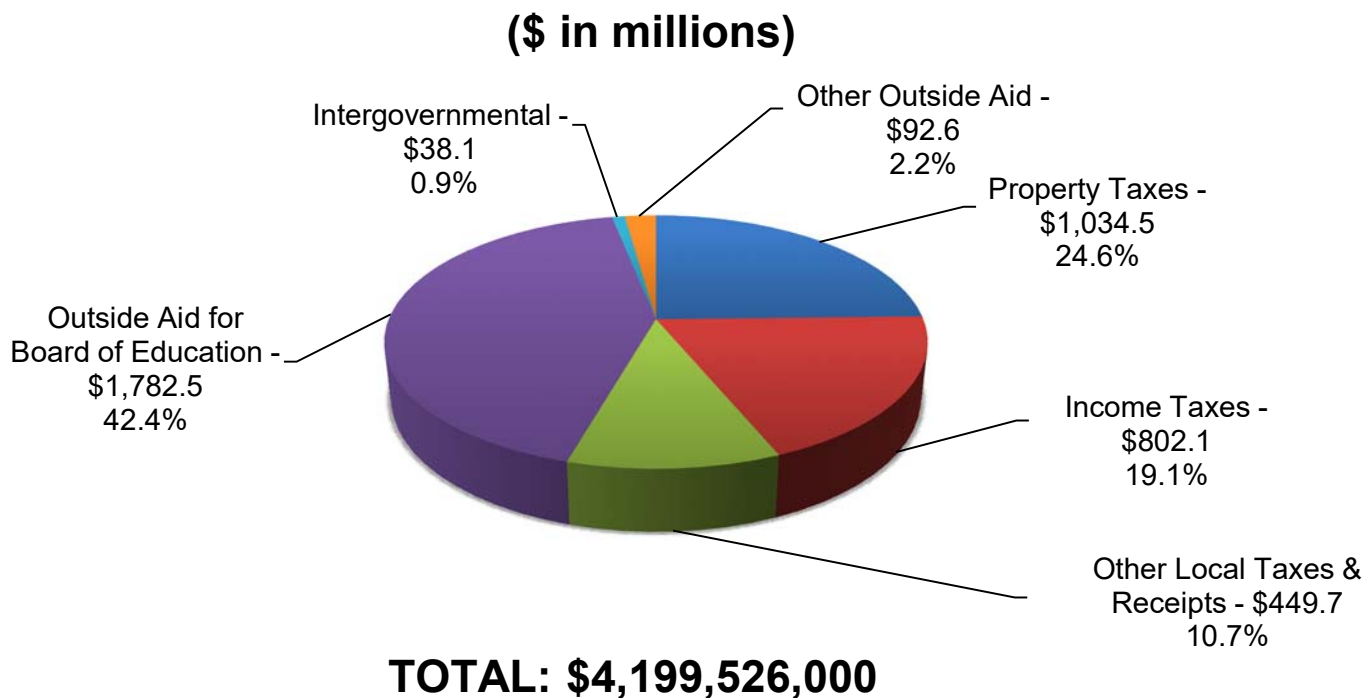
Education Revenue Detail 88

Municipal Tax Differential 90

REVENUES AT A GLANCE

General Fund Revenue Overview

- The proposed FY 2023 General Fund budget is \$4,199,526,000, an increase of \$404,890,200 or 10.7% over the FY 2022 approved budget.
- County source revenues total \$2.32 billion, an increase of \$146.9 million or 6.7% above the FY 2022 approved budget. Outside aid for the Board of Education, Community College and Memorial Library totals \$1.88 billion and increases by \$258.0 million, or 16.0% above the FY 2022 approved budget.



Internal Service Funds Revenue Overview

- The proposed FY 2023 Internal Service Fund budget is \$69,362,500, an increase of \$5.0 million or 7.8% over the FY 2022 approved budget.
- The Fleet Management Fund revenues total \$15.2 million, an increase of \$0.7 million or 5.1% over the FY 2022 approved budget.
- The Information Technology Fund totals \$54.2 million, an increase of \$4.3 million or 8.6% over the FY 2022 budget primarily due to an increase in agency charges for technology cost allocations.

Enterprise Funds Revenue Overview

- The proposed FY 2023 Enterprise Fund budget is \$242,891,000, an increase of \$22.7 million or 10.3% over the FY 2022 budget.
- The Stormwater Management Fund revenues total \$95.9 million, an increase of \$4.4 million or 4.9% over the FY 2022 approved budget. This is primarily due to growth in property taxes and permit revenues.
- The Solid Waste Fund revenues total \$126.4 million, an increase of \$18.9 million or 17.6% above the FY 2022 approved budget due to increased residential fees, the sale of recyclables, and the repayment of prior year debt.

- The Local Watershed Protection and Restoration Fund revenues total \$20.6 million, a decrease of \$0.6 million or -2.9% below the FY 2022 approved budget.

Special Revenue Funds Revenue Overview

- The proposed FY 2023 Special Revenue Fund budget is \$262,523,500, an increase of \$17.9 million or 7.3% over the FY 2022 budget.
- The Debt Service Fund revenues total \$239.8 million, an increase of 5.3% over the FY 2022 budget. The debt incurred by the County pays for various capital projects throughout the County, such as school construction and renovations, road improvements and repairs, among other projects.
- The Drug Enforcement Fund revenues total \$950,400 and will remain flat relative to the FY 2022 budget.
- The Property Management Fund revenues total \$600,000 in FY 2023 and will not change relative to the FY 2022 budget.
- The Domestic Violence Fund revenues total \$390,000 in FY 2023 and will remain unchanged relative to the FY 2022 budget.
- The Collington Center Fund revenues total \$5,000 and will not change relative to the FY 2022 budget.
- The Economic Development Fund revenues total \$9.0 million in FY 2023 and remains flat relative to the FY 2022 approved budget.
- The Housing Investment Trust Fund revenues total \$10.0 million, an increase of \$5.8 million or 140.7% above the FY 2022 budget. Legislation passed in 2021 dedicating 20% of the County's recordation tax, or at least \$10.0 million per year, to this fund.
- The Transportation Services Improvement Fund revenues total \$1.7 million and remains unchanged in FY 2023. This fund is derived the collection of the Lyft/Uber surcharge.

Grant Program Funds Overview

- The proposed FY 2023 Grant Program Fund budget is \$229,570,600, a decrease of \$905,600 or -0.4% below the FY 2022 budget.

GENERAL FUND REVENUE DISCUSSION

Introduction

The revenue table that accompanies each revenue source compares three years of data. In every instance, the dollar and percent change are from the prior year actual or approved amount. (Numbers in this document may not add due to rounding).

REAL PROPERTY TAXES are the taxes levied on both land and improvements of taxable real property. Taxes are levied annually, and each quarter of the fiscal year as new properties are added to the base. Real Property Tax is the largest tax revenue of the County. The revenue yield is dependent on the following variables:

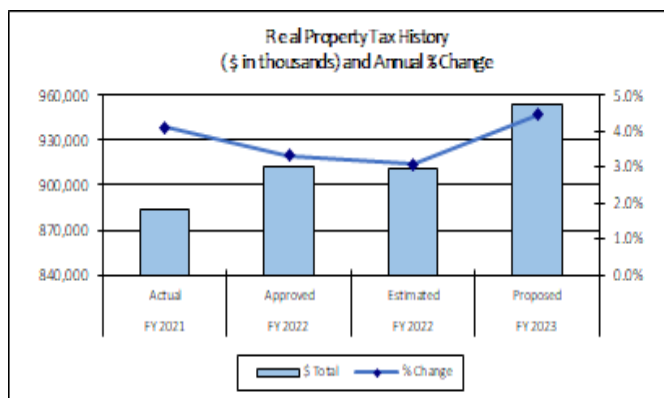
- The State's triennial assessment process
- Assessment growth caps for owner-occupied property (also called Homestead Tax Credit)
- The assessment percentage
- The housing market and the economy in general
- The tax rate including changes in the Municipal Tax Differential rates
- Delinquencies and the required reserves
- Appeals and adjustments in assessments
- State funding of State credits

The County is subject to the Tax Reform Initiative by Marylanders (TRIM). Based on this charter provision, the General Fund County Real Property Tax rate could not exceed \$2.40 per \$100 of assessable value before FY 2002 and cannot exceed \$0.96 per \$100 of assessable value since FY 2002, when the real property assessable value was adjusted from 40% to 100% of market value. In 2012, the Maryland Senate passed Bill 848 that provides for the property tax rate to be set higher than the rate authorized under the County's charter. Any additional revenue generated as a result of the higher property tax rate is for the sole purpose of funding the approved budget of the local school board. The Real Property Tax rate increased from \$0.96 to \$1.00 per \$100 of assessable value in FY 2016. The additional revenues

generated from the \$0.04 increase are dedicated to support the local school board.

In FY 2023, the County's Real Property Tax revenues are projected to be \$953.3 million, an increase of \$40.7 million or 4.5% over the FY 2022 budget. The projection is based on the tax rate, tax base and adjustments made to factor in reductions due to the homestead tax credit, municipal tax differential, delinquent tax payments and incremental tax revenues from Tax Increment Financing (TIF) districts that are designated for debt service. Additionally, the projection factors in an anticipated \$11.6 million of revenues to be generated from the MGM Casino at National Harbor.

REAL PROPERTY TAXES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$883,233	\$912,600	\$910,513	\$953,296
\$ CHG	34,855	29,367	27,280	40,696
% CHG	4.1%	3.3%	3.1%	4.5%



Excluding the dedicated revenue assigned to the Prince George's County Public Schools (PGCPS) system, the County's real property tax revenues are projected to increase by \$39.1 million or 4.5% in FY 2023 over the FY 2022 budget.

The State Department of Assessments and Taxation (SDAT) projected in February 2022 that the County's real property assessable base will grow by 5.9% in FY 2023 before the homestead tax credit cap and other deductions.

Each year, one third of each County's real property base is reassessed by the SDAT. The reassessment growth is phased in over the next three years; a decrease, however, is realized immediately. The upward reassessment experienced by the County in the previous fiscal year is expected to continue in FY 2023, with Group 1 of the County's real property base's reassessment value rising by 15.8%, according to the SDAT.

The County's real property tax revenue capacity is not fully realized due to the structure of the County's Homestead Tax Credit. The credit, tied to the Consumer Price Index growth for the 12 months ending in June, caps the growth of owner-occupied property assessment for tax purposes at 5% in FY 2023. According to the SDAT's estimate, this tax credit is estimated to cause a County revenue loss of approximately \$92.7 million in FY 2023.

The municipal tax differential also reduces the County's property tax revenues. Each year, the County reduces its property tax rates (both real and personal) to recognize governmental services and programs that municipal governments perform in lieu of similar County services, to the extent that such services are funded through property tax revenues. In FY 2023, the County's real property tax revenue is reduced by \$34.3 million for the municipal tax differential program, compared with \$34.0 million in FY 2022. FY 2023 marks the seventh straight year of the program that the value of the credit increased year-over-year. This is due to the rise in assessable value within the municipalities and the resultant expansion of municipal services.

PERSONAL PROPERTY TAXES are the taxes levied on tangible personal property, commercial and manufacturing inventory of businesses. The assessment is made annually at fair market value and determined from annual reports filed with the SDAT.

The Personal Property Tax base is influenced by the:

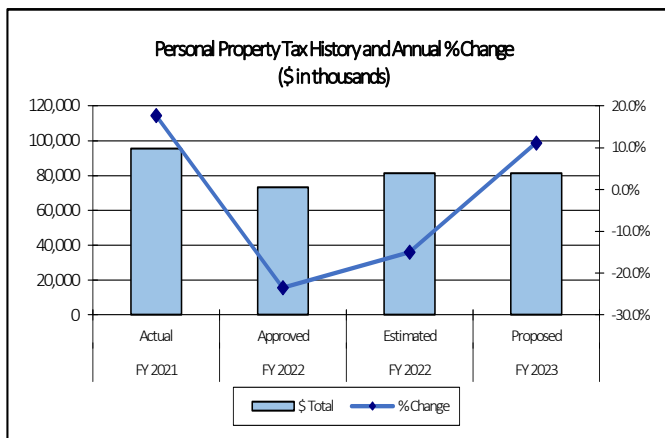
- Business cycle
- Availability of commercial credit
- Public utilities' income performance

- Replacement of equipment
- The State law on personal property assessment and depreciation
- Tax rate including changes in the Municipal Tax Differential rates

In accordance with State law, the County's Personal Property Tax rate shall be no more than 2.5 times the rate for real property. The Personal Property Tax rate increased from \$2.40 to \$2.50 per \$100 of assessable value in FY 2016, to align with the approved change in the Real Property Tax rate. The additional revenue generated as a result of the higher property tax rate is for the sole purpose of funding the approved budget of the local school board.

The FY 2023 Personal Property Tax revenue is expected to increase by \$8.1 million or 11.1% from the FY 2022 budget, as the expected impact of the COVID-19 pandemic did not result in the level of expected business closures due to federal stimulus funds. The projection includes anticipated revenue of \$0.8 million from the MGM Casino at National Harbor. Excluding the additional revenue assigned to the PGCPs system, the County's personal property tax revenues are projected to increase by \$7.8 million or 11.1% in FY 2023 from the FY 2022 budget.

PERSONAL PROPERTY TAXES				
(\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$95,609	\$73,093	\$81,215	\$81,215
\$ CHG	14,394	-22,516	-14,394	8,122
% CHG	17.7%	-23.5%	-15.1%	11.1%



The tax base has fluctuated over the last several years. Similar to real property revenue, the loss of Personal Property Tax revenues due to the municipal tax differential program increased for some years because of expanding municipal services (such as police patrol, public works, etc.).

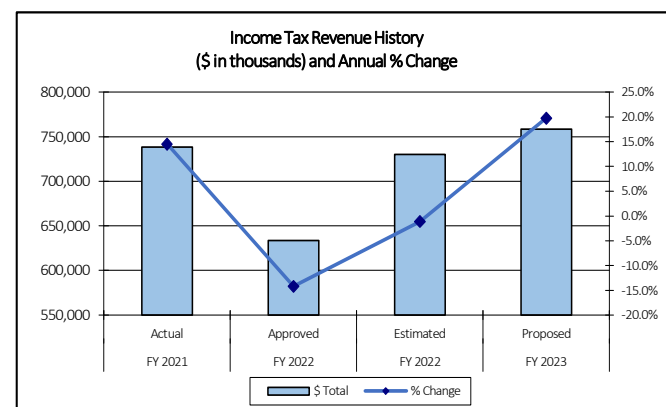
INDIVIDUAL INCOME TAXES are distributions made by the Maryland Comptroller's Office for the local tax on individual income. The State distributes the taxes to the County on a quarterly basis based on withholdings, declarations and estimated returns filed by employers and taxpayers. The State distributions are net of reserves for refunds, administrative costs, unallocated taxes (taxes for which no return has been filed) and municipal corporation shares. Municipalities receive a share of their residents' local income tax liability based on 28.3% of the county income tax liability or 3.1% of the Maryland taxable income of municipal residents. Tax tables are usually adjusted at the beginning of the calendar year when any tax law changes take effect. The following variables influence the annual tax yield:

- County income tax rate
- Economy
- Federal and State tax changes
- Employment growth
- Population growth
- The share to municipal governments
- Other State distribution policy changes
- Taxpayer behavior

- Capital gains realization rates
- Disparity Grant

The County's income tax revenue includes both income tax receipts and a State Income Disparity Grant. FY 2023 income tax receipts are projected to total \$802.1 million, an increase of 19.8% from the FY 2022 budget. High unemployment caused by the pandemic was expected to suppress income tax revenue, but multiple federal stimulus programs targeted to businesses and the unemployed maintained income. Moreover, average wages grew as the economy began to reopen and employers competed for workers. Higher inflation caused by supply chain disruptions also caused employees to demand higher wages. The growth in median household income boosted County income tax revenues to \$738.3 million in FY 2021. The revised FY 2022 estimate is now projected at \$730.0 million, which accounts for 2021 legislation that exempted unemployment compensation from the income tax.

INCOME TAXES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
TAX RECEIPTS	\$738,349	\$633,519	\$730,000	\$758,382
\$ CHG	93,475	-104,830	-8,349	124,863
% CHG	14.5%	-14.2%	-1.1%	19.7%
DISPARITY GRANT	\$35,943	\$36,273	\$36,273	\$43,704
TOTAL YIELD	\$774,292	\$669,792	\$766,273	\$802,086
\$ CHG	93,221	-104,500	-8,019	132,294
% CHG	13.7%	-13.5%	-1.0%	19.8%



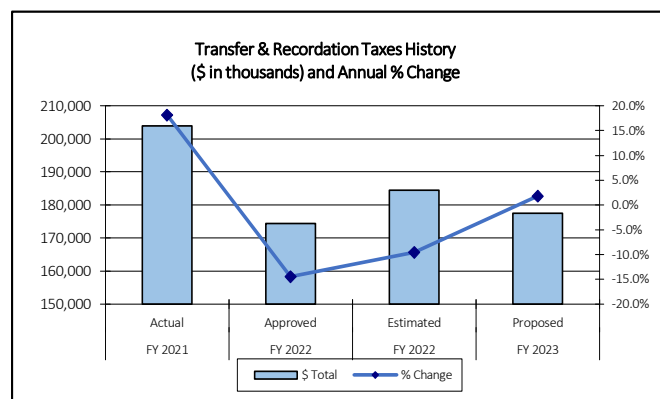
According to the Maryland Department of Labor, the County's average unemployment rate fell from 8.8% in FY 2021 to an average of 6.7% through the first six months of FY 2022. As of December 2021, the County unemployment rate stood at 5.0%. This is still higher than the statewide rate of 4.0%. The unemployment rate is expected to continue to decrease in FY 2023.

In FY 2023, the State aid to the County under the Income Disparity Grant is projected to be \$43.7 million, an increase of \$7.4 million or 20.5% from the FY 2022 budget. This grant is provided to counties where per capita local income tax revenue falls below 75% of the State average. The FY 2023 disparity grant is calculated by the State Department of Budget and Management based on calendar year 2020 income and population data. The grant amount increased above expectations because the formula incorporated actual population data from the 2020 census instead of using population estimates. As a result, the County population was found to be higher than estimated, which reduced the level of income taxes per capita; one of the key components of the formula.

TRANSFER AND RECORDATION TAXES are projected to increase slightly relative to the FY 2022 budget, to \$177.5 million. Transfer and recordation taxes are usually the most volatile major revenue source for the County due to the strong correlation between the revenue collected and local housing market activity. The variables influencing Transfer and Recordation Taxes include:

- Tax rate
- Business cycle
- Interest rates
- Availability of credit
- Real estate market

TRANSFER AND RECORDATION TAXES				
(\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$203,923	\$174,420	\$184,420	\$177,504
\$ CHG	31,298	-29,503	-19,503	3,084
% CHG	18.1%	-14.5%	-9.6%	1.8%

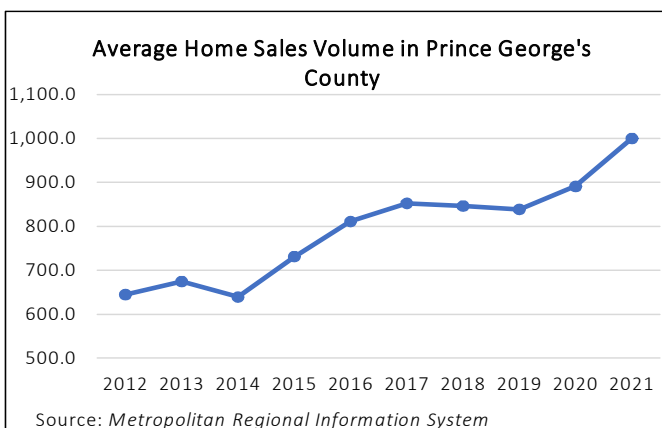
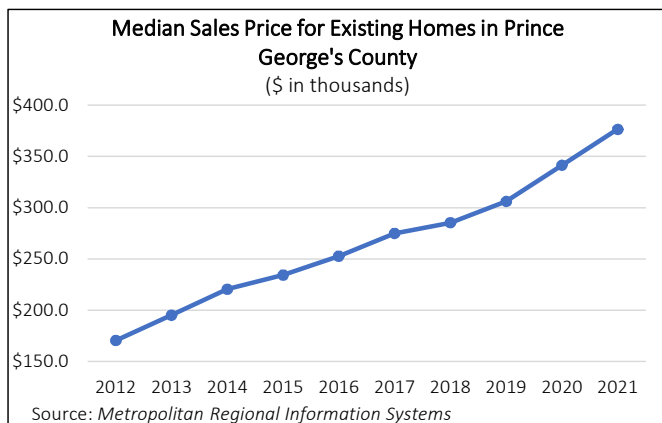


TRANSFER TAXES are taxes imposed upon recordation of instruments conveying title to real property, or any other interest in real property. All transfer tax revenue is dedicated to the Board of Education. The tax rate is unchanged at 1.4% for FY 2023. In FY 2023, transfer taxes are projected to total \$135.9 million, an increase of \$12.5 million or 10.1% from the FY 2022 budget. Although home sales and the median sale price have come down from peak levels during the pandemic, they remain strong.

RECORDATION TAXES are taxes on the recordation of written instruments conveying title to real or personal property, conveying leasehold interests in real property, or creating liens and encumbrances on real or personal property. In FY 2023, the recordation tax rate is unchanged at \$2.75 per \$500 of instrument of writing subject to this tax. CB-4-2021 dedicated 20% or at least \$10.0 million of recordation taxes to the Housing Investment Trust Fund, thus recordation tax revenue is projected to decrease by \$9.4 million to the \$41.6 million level; a decline of -18.4% compared to the FY 2022 budget.

Reports from the Metropolitan Regional Information Systems, Inc. indicate that the County's median home sales price in Calendar Year 2021 increased by 10.3%

from Calendar Year 2020 and reached \$376,500. Sales volume grew by 12.2% in the same period.



Due to the foreclosure moratorium that was put into place during the COVID-19 pandemic, the State Department of Housing and Community Development has not reported foreclosure data since the first quarter of 2020. The Office of Management and Budget will document County and State foreclosure trends when the data is made available.

OTHER LOCAL TAXES include Energy Taxes, Telecommunications Taxes, Hotel/Motel Taxes, Admissions and Amusement Taxes, Penalties and Interest on Delinquent Taxes, and Trailer Camp Taxes.

In FY 2023, the total revenue from Other Local Taxes is expected to grow by \$3.9 million or 3.7% above the FY 2022 budget, primarily due to rebounding Hotel/Motel taxes and Admissions & Amusement taxes. Both taxes experienced large declines during the pandemic. The economy has largely re-opened, and revenue from both sources is tracking higher in the current fiscal year than what was originally projected in the approved FY 2022

budget. Telecommunication taxes have been steadily declining for several years as many consumers continue to use texts and data, which is not taxed, instead of phone calls which are taxed.

OTHER LOCAL TAXES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$101,578	\$104,605	\$109,455	\$108,511
\$ CHG	-11,310	3,027	7,877	3,906
% CHG	-10.0%	3.0%	7.8%	3.7%

Energy Tax receipts comprises about two-thirds of the total FY 2023 Local Tax revenue. This revenue is projected to increase by 2.0% in FY 2023. Rising energy costs may be offset by decreased demand. Among the different energy tax components, 80% of the tax receipts are from the sale of electricity and approximately 18% of the receipts are from the sale of natural gas. Actual FY 2021 revenue was lower than projected due to the effects of the pandemic on business closures. Current year revenue appears on track with the approved budget.

ENERGY TAXES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$73,332	\$72,420	\$72,420	\$73,868
\$ CHG	1,601	-912	-912	1,448
% CHG	2.2%	-1.2%	-1.2%	2.0%

The Energy Tax unit rates for the proposed budget are determined by the total consumption and sales of the calendar year two years prior to that fiscal year. For example, the FY 2023 rates are based upon calendar year 2021 data. The formula divides total calendar year 2021 sales (by type of energy used) by total 2022 consumption, which is then multiplied by 7.5%, the current effective tax rate, to arrive at the FY 2023 unit charge per kilowatt hour, thermal, gallon or another unit. The FY 2023 rates compared to FY 2022 are shown here:

TELECOMMUNICATIONS TAXES				
(\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$14,845	\$13,500	\$13,500	\$10,935
\$ CHG	-3,051	-1,345	-1,345	-2,565
% CHG	-17.0%	-9.1%	-9.1%	-19.0%

ENERGY TAX COMPONENTS			
	FY 2022 Rates	FY 2023 Rates	% Change
Electricity (KWH)	0.009710	0.010728	10.5%
Natural Gas (Therm)	0.066208	0.070238	6.1%
Fuel Oil (Gal.)	0.208033	0.240382	15.5%
Propane (Gal)	0.133973	0.161182	20.3%

Fluctuations in energy usage due to weather conditions and price instability of fuels such as natural gas and oil can cause major deviations in rates between fiscal years. Rate changes granted to the major utilities by the Public Service Commission also influence the yield from this revenue source.

The law exempts energy tax payments for federal, State and local governments and provides a refund for certain qualifying residents based on income, age and other criteria. The entire Energy Tax is earmarked for the Board of Education.

Another major revenue item is the **Telecommunications Tax**, which represents 10.0% of the FY 2023 approved revenues generated by "Other Local Taxes." The telecommunication tax revenue has been declining for years due to a market shift in consumer communication preferences away from phone calls. In FY 2016, the telecommunications tax rate was increased to 9% on the gross receipts for telecommunication service in the County. The FY 2023 projection reflects a decrease of \$2.6 million or -19.0% under the FY 2022 budget

The State mandated that the net proceeds of this tax be used only for expenditures of the County's school system. An administrative fee of one percent of

collections remitted to the County is shared equally between vendors and the County to cover the cost of collecting, remitting and administering the tax.

Starting in FY 2005, the County started implementing the provisions of Chapter 187 of the 2004 Laws of Maryland (HB 589) that authorized the County to utilize up to 10% of the net proceeds from the Telecommunications Tax for school renovation and systemic replacement projects. As a result, the Telecommunications Tax revenue in the general fund does not include the up-to-10% of receipts dedicated for capital budget expenditures.

In FY 2023, **Hotel/Motel Taxes** are expected to grow by \$1.8 million over the FY 2022 budget, based on increased travel following the re-opening of the economy. The FY 2023 proposed budget assumes \$0.9 million of collections from the MGM facility. This is net of any hotel collections dedication to the Special Taxing District to fund bonds issued for infrastructure and the convention center. In FY 2016, the Hotel/Motel Tax rate increased from 5% to 7%. Municipalities will receive 50% of the revenue received from hotels located within their corporate limits.

HOTEL/MOTEL				
(\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$6,029	\$7,000	\$8,600	\$8,772
\$ CHG	-2,424	971	2,571	1,772
% CHG	-28.7%	16.1%	42.6%	25.3%

Admissions and Amusement Taxes are to increase by \$3.3 million over the FY 2022 budget, based on the year-to-date collections in the current fiscal year and the expectation that activity will continue at current levels. The FY 2023 budget includes anticipated collections of \$1.6 million from the MGM Casino at the National

Harbor. The Admissions and Amusement Tax rate will remain at 10%.

ADMISSIONS AND AMUSEMENT (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$3,624	\$8,250	\$11,500	\$11,500
\$ CHG	-7,611	4,626	7,876	3,250
% CHG	-67.7%	127.7%	217.3%	39.4%

STATE SHARED TAXES consist of highway user and corporate transfer taxes that are shared between the State and the County.

STATE SHARED TAXES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$7,623	\$7,254	\$7,722	\$7,987
\$ CHG	592	-368	100	732
% CHG	8.4%	-4.8%	1.3%	10.1%

State-Shared Taxes, primarily Highway User Revenue, used to be one of the major resources of the County. In FY 2009, the County received \$24.8 million in highway user revenues. Since 2009, the counties' share of funding was reduced to 9.6% of the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund. Chapters 330 and 331 of 2018 increased the local share to 13.5% for FY 2020 through FY 2024. In the proposed FY 2023 budget, Highway User Revenues are projected at \$7.2 million, which is \$0.5 million above the FY 2022 budget. This is based on the current forecast of State Transportation Trust Fund revenues. Highway user revenues are restricted State monies and can only be used to construct or maintain roads, including the payment of road debt.

LICENSES AND PERMITS include revenue derived from several licenses and permits issued for regulatory purposes. They include Building Permits, Street Use Permits, Business Licenses, Liquor Licenses and Permits (authorized by the State), Animal Licenses, Health Permits and various other permits. This category also

reflects video lottery terminal and table game revenues generated from the MGM at National Harbor facility.

LICENSES AND PERMITS (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$58,296	\$70,512	\$67,937	\$69,018
\$ CHG	6,657	12,216	9,641	-1,494
% CHG	12.9%	21.0%	16.5%	-2.1%

License and permit revenue decreases by approximately \$1.5 million primarily due to a projected decrease in Building & Grading Permit revenue. The number of building permits has decreased since July 2021, influenced by labor shortages and construction inflation. Gaming revenue continues to grow, particularly since the State repealed the "hold harmless" provision at the 2021 legislative session.

Gaming Revenues are expected to increase by 9.1% over the FY 2022 budget as both Video Lottery Terminal (VLT) and table game activity has continued to perform at high levels since casinos fully reopened in June 2020. The FY 2023 budget includes \$16.4 million of table games revenues to be generated from the MGM Casino at National Harbor. VLT revenue is estimated at \$16.3 million, an increase of \$1.9 million over FY 2022. In accordance with State law, 40% of VLT taxes are restricted for Maryland route 210 improvements. The remaining 60% of VLT taxes are restricted to improvements in the immediate proximity of the MGM casino.

GAMING REVENUES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
VIDEO LOTTERY TERMINAL	\$4,977	\$14,422	\$15,864	\$16,303
\$ CHG	-1,970	9,445	10,886	1,881
% CHG	-28.4%	189.8%	218.7%	13.0%
TABLE GAMES	\$15,282	\$15,581	\$16,112	\$16,435
\$ CHG	3,708	299	830	853
% CHG	32.0%	2.0%	5.4%	5.5%
TOTAL YIELD	\$20,259	\$30,003	\$31,976	\$32,738
\$ CHG	1,738	9,744	11,717	2,735
% CHG	9.4%	48.1%	57.8%	9.1%

USE OF MONEY AND PROPERTY includes revenue derived from the investment of available County cash and the lease of certain County owned or leased properties. Most of the County's available cash is invested in short-term vehicles in the money market. A smaller portion is for intermediate term investments.

USE OF MONEY AND PROPERTY (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$3,321	\$8,530	\$5,530	\$5,601
\$ CHG	-14,017	5,209	2,209	-2,929
% CHG	-80.8%	156.8%	66.5%	-34.3%

In FY 2023, receipts from Use of Money and Property will total \$5.6 million, a decrease of -\$2.9 million from the FY 2022 budget. Interest income is the largest component of this category. In FY 2023, interest income is estimated to total \$4.0 million, as interest rates remain at historically low levels. Although the Federal Reserve Board is expected to increase interest rates during Calendar Year 2022, short-term yields will likely take some time to increase based on the near-term economic outlook.

CHARGES FOR SERVICES are typically known as user fees. These include fees from tax collection services provided to various agencies for whom the County levies taxes, animal control charges such as fines and user fees related to the County shelter and animal control services, fees and charges levied by the Health Department for health-related services, Cable Franchise Charges from cable providers, the 9-1-1 fees allocated to the 9-1-1 emergency system costs, emergency transportation fee, and contractual police service fees for additional police services for events and entities.

CHARGES FOR SERVICES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$46,744	\$59,909	\$59,743	\$71,301
\$ CHG	-8,333	13,165	12,999	11,392
% CHG	-15.1%	28.2%	27.8%	19.0%

In FY 2023, Charges for Services are expected to grow by \$11.4 million or 19.0% relative to the FY 2022 budget. The increase is primarily related to Emergency Transportation Fees, which were approved for a higher federal Medicaid reimbursement rate under the American Rescue Plan Act. These fees grow by \$14.7 million, or 94.6% in FY 2023. 9-1-1 fees also grow by \$3.6 million, or 25.2% in the proposed budget based on legislation that will be introduced to increase the fee per line by 65 cents, to a total of \$1.40 per line. State legislation passed at the 2019 session allows counties to increase their 9-1-1 fees to recover the full cost of operations up to \$1.50 per line. The proposed increase to \$1.40 per line will fully recover the County's cost based on audited FY 2020 spending.

INTERGOVERNMENTAL REVENUES include State restricted grants, transfers and reimbursement from the Maryland-National Capital Park and Planning Commission (M-NCPPC) for services provided by the County, along with a small portion of federal monies related to emergency preparedness.

Intergovernmental Revenues are anticipated to decrease by \$2.3 million, -5.6% below the FY 2022 budget. The Police Aid Grant is projected to grow by \$5.1 million, or 44.7%, due mainly to enhanced funding included in the Governor's Allowance for all jurisdictions. This amount is offset by one-time State aid that was provided by COVID-19 relief legislation that was passed at the 2021 session. Other reductions total -\$2.0 million from the federal State Criminal Alien Assistance Program and other intergovernmental revenues based on FY 2021 actual attainment. The County will continue to receive \$9.6 million in a Teacher Retirement Supplemental Grant from the State to partially offset the impact of the cost sharing of teachers' pension costs that started in FY 2013.

INTERGOVERNMENTAL REVENUES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$39,999	\$40,374	\$33,915	\$38,103
\$ CHG	6,993	375	-6,084	-2,271
% CHG	21.2%	0.9%	-15.2%	-5.6%

MISCELLANEOUS RECEIPTS are used to encompass several relatively smaller County revenues. The principal sources are fines and forfeitures primarily from red-light cameras and speed camera programs.

MISCELLANEOUS RECEIPTS (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$10,646	\$13,160	\$10,040	\$9,800
\$ CHG	-324	2,514	-606	-3,361
% CHG	-3.0%	23.6%	-5.7%	-25.5%

Total miscellaneous receipts are projected to decrease by \$3.4 million or -25.5% in FY 2023 below the FY 2022 budget. In FY 2012, the County started implementing an Automated Speed Enforcement (ASE) program to help reduce speed-related traffic accidents. The program took a phased-in approach and installed 72 speed cameras. The ASE program is estimated to provide \$4.1 million gross revenues in FY 2023, a decrease of -10.7% below the FY 2022 budget. The revenues generated from the red-light camera program and other fine revenue is expected to be \$4.2 million, a 35.4% decrease relative to the FY 2022 budget. Both revenue sources are based on FY 2021 actual data, less adjustments to reflect that drivers have been modifying their behavior to avoid fines. These totals are net of deductions for vendor and administrative expense.

OTHER FINANCING SOURCES include the use of fund balance and transfers-in from other County funds. Improved revenue performance has obviated the need for the use of fund balance in the current fiscal year. No use of fund balance is planned for FY 2023.

OTHER FINANCING SOURCES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$0	\$43,300	\$0	\$0
\$ CHG	0	43,300	0	-43,300
% CHG	NA	NA	NA	-100.0%

The County will maintain the Charter mandated 5% (restricted) reserve and fiscal policy required 2% (committed) reserve in FY 2020 and FY 2021.

BOARD OF EDUCATION SOURCES are expected to increase by \$256.2 million or 16.8% in FY 2023 from the FY 2022 budget. State aid, which is the major source of outside aid to the Board of Education, is \$63.8 million over the FY 2022 budget. Federal aid totals \$303.7 million and is projected at \$177.3 million above the FY 2022 budget. The Board's own sources and use of fund balance account for the remaining difference.

BOARD OF EDUCATION SOURCES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$1,418,268	\$1,526,285	\$1,958,230	\$1,782,489
\$ CHG	95,142	108,017	539,962	256,204
% CHG	7.2%	7.6%	38.1%	16.8%

COMMUNITY COLLEGE SOURCES are projected to increase by \$1.4 million or 1.7% from the FY 2022 budget. The revenue mostly comes from State aid, which grows by \$5.6 million in FY 2023 due to the final year of a phased enhancement to 29% of State aid per Full-Time Equivalent Student at public colleges and universities. Tuition and fees revenues are projected to decrease by -0.6%. The College is expected to receive \$0.7 million from project charges from the M-NCPPC in FY 2023, unchanged from the FY 2022 budget. The FY 2023 proposed budget also assumes a \$3.0 million reduction in the use of fund balance of the College.

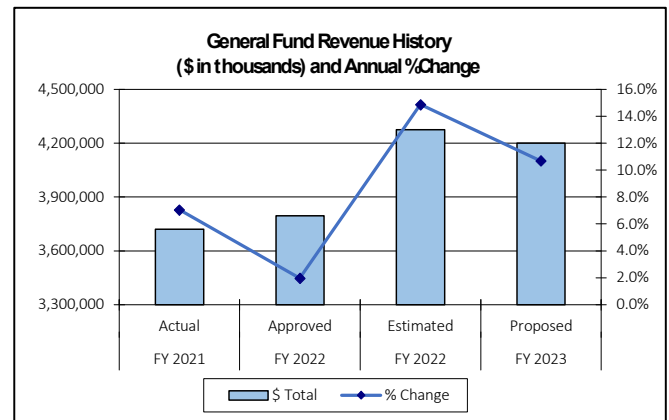
COMMUNITY COLLEGE SOURCES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$70,202	\$81,469	\$70,801	\$82,886
\$ CHG	-4,054	11,267	599	1,417
% CHG	-5.5%	16.0%	0.9%	1.7%

LIBRARY SOURCES in the FY 2023 proposed budget are projected to increase by 4.3% from the FY 2022 budget. The majority of this revenue comes from an increase in State aid, offset by a decreased reliance on fund balance. State aid for the library is projected to increase 10.5% in FY 2023 due to population growth in the 2020 census. Library aid is provided on a per capita basis.

LIBRARY SOURCES (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
YIELD	\$8,170	\$9,332	\$9,041	\$9,731
\$ CHG	-563	1,162	871	399
% CHG	-6.4%	14.2%	10.7%	4.3%

SUMMARY: In FY 2023, the County's General Fund revenues total \$4.12 billion, a projected increase of \$404.9 million or 10.7% over the FY 2022 budget. The increase is primarily due to the growth Outside Sources for the Board of Education, at \$256.2 million. Other increases are largely accounted for by growth in income and real property taxes. To a lesser extent there is also positive growth in transfer, other local, and State shared taxes, Charges for Services and outside aid for the Community College and Memorial Library. The increases are offset by decreases in Licenses & Permits, Use of Money & Property, Intergovernmental Revenue and Miscellaneous revenue sources

TOTAL GENERAL FUND (\$ in thousands)				
	FY 2021 ACTUAL	FY 2022 APPROVED	FY 2022 ESTIMATED	FY 2023 PROPOSED
COUNTY SOURCE	\$2,225,265	\$2,177,550	\$2,236,763	\$2,324,421
\$ CHG	154,026	-47,714	11,499	146,870
% CHG	7.4%	-2.1%	0.5%	6.7%
OUTSIDE AID	\$1,496,640	\$1,617,086	\$2,038,071	\$1,875,106
\$ CHG	90,525	120,446	541,431	258,020
% CHG	6.4%	8.0%	36.2%	16.0%
TOTAL YIELD	\$3,721,904	\$3,794,636	\$4,274,835	\$4,199,526
\$ CHG	244,551	72,731	552,930	404,890
% CHG	7.0%	2.0%	14.9%	10.7%



Despite higher unemployment as the County was still addressing the effects of the pandemic on the economy, FY 2021 revenue from County sources performed better than expected due to federal stimulus and additional State aid. Wage growth was driven by employers competing for labor as well as greater than expected inflation brought on by supply chain problems. County-sourced revenue is estimated to grow by 3.9% in FY 2023. Better than expected revenue attainment has allowed the County to forego the planned use of fund balance in FY 2021 and FY 2022, as well as to balance the FY 2023 proposed budget without the need to tap this one-time revenue source. The proposed budget also maintains the required 5% and administrative 2% reserve levels.

ASSESSABLE BASE

Real and Personal Property
(\$ in millions)

Location	REAL PROPERTY 2022	PERSONAL PROPERTY 2022	TOTAL BASE 2022	REAL PROPERTY 2023	PERSONAL PROPERTY 2023	TOTAL BASE 2023
Berwyn Heights	\$ 328.09	\$ 18.27	\$ 346.37	\$ 350.84	\$ 16.78	\$ 367.62
Bladensburg	508.11	18.20	526.32	522.56	23.72	546.28
Bowie	7,189.60	128.07	7,317.67	7,547.56	135.66	7,683.23
Brentwood	293.78	4.04	297.82	316.85	4.39	321.25
Capitol Heights	311.42	15.21	326.63	336.10	18.81	354.92
Cheverly	654.47	17.03	671.50	692.77	18.54	711.31
College Park	3,200.26	96.46	3,296.72	3,340.63	97.25	3,437.88
Colmar Manor	105.06	1.91	106.97	110.83	1.98	112.81
Cottage City	108.43	3.67	112.10	116.74	4.18	120.92
District Heights	402.97	7.29	410.27	421.23	8.05	429.27
Eagle Harbor	9.56	0.19	9.75	10.44	0.20	10.64
Edmonston	173.00	6.82	179.82	184.53	6.93	191.46
Fairmount Heights	119.58	1.66	121.24	128.94	1.78	130.72
Forest Heights	192.27	4.40	196.67	208.14	4.14	212.28
Glenarden	568.79	10.15	578.94	608.41	11.01	619.42
Greenbelt	2,292.25	68.88	2,361.14	2,435.11	61.06	2,496.17
Hyattsville	2,136.15	106.70	2,242.85	2,322.23	112.37	2,434.59
Landover Hills	167.97	3.01	170.98	177.50	3.50	181.01
Laurel	3,345.82	85.47	3,431.28	3,527.03	82.79	3,609.82
Morningside	105.81	2.12	107.93	110.81	2.33	113.15
Mount Rainier	496.74	5.87	502.60	548.02	6.42	554.44
New Carrollton	845.72	14.15	859.87	886.38	15.79	902.17
North Brentwood	59.64	0.82	60.47	61.91	0.84	62.75
Riverdale Park	831.90	36.57	868.47	859.28	31.83	891.11
Seat Pleasant	327.93	7.53	335.46	346.65	7.57	354.22
University Park	361.81	2.28	364.09	381.72	2.54	384.26
Upper Marlboro	99.56	49.60	149.16	105.70	33.03	138.72
SubTotal	\$ 25,236.72	\$ 716.36	\$ 25,953.08	\$ 26,658.91	\$ 713.50	\$ 27,372.41
Unincorporated Area	\$ 69,356.31	\$ 2,559.58	\$ 71,915.89	\$ 73,476.46	\$ 2,514.38	\$ 75,990.84
TOTAL COUNTY WIDE	\$ 94,593.03	\$ 3,275.94	\$ 97,868.97	\$ 100,135.37	\$ 3,227.88	\$ 103,363.25

Notes:

- (1) Numbers may not add due to rounding.
- (2) Starting in FY 2002, real property in Maryland has been assessed at 100% of market value rather than 40% in most cases under prior law. Assessed value of personal property remains unchanged at 100% of market value.
- (3) Numbers have not factored in certain adjustments such as new construction.

Source: State Department of Assessments and Taxation (SDAT)

PROPERTY TAX LIMITATION

At the 1978 general election, the voters of the County adopted an amendment to Section 817, Article VIII, of the Prince George's County Charter limiting future collections of real property taxes. The amendment, which became effective in December 1978, added Section 817B to the Charter. It is generally referred to in the County as "TRIM" (TRIM is an acronym for "Tax Reform Initiative by Marylanders"). The amendment forbade the County Council to "levy a real property tax which would result in a total collection of real property taxes greater than the amount collected in FY 1979," or \$143.9 million. At the 1984 general election, an amendment to TRIM was approved by the voters of the County authorizing the County Council to levy taxes on a maximum rate of \$2.40 for each \$100 of assessed value. The County passed legislation capping taxable assessment growth in FY 1994 and future years for owner-occupied residences at the lesser of the change in the Consumer Price Index (CPI) or 5% of the prior year's taxable assessment. For FY 2023, the cap is set at 5%. This limitation is a charter mandated computation passed by the voters in November 1994 and is permitted by the Tax Property Article, Section 9-105 of the Annotated Code of Maryland.

In 2000, Maryland Senate Bill 626 provided that beginning in tax year 2001, property tax rates shall be applied to 100%, instead of 40%, of the value of real property, and that the real property tax rate be adjusted to make the impact revenue neutral. The bill also stipulated that any limit on a local real property tax rate in a local law or charter provision shall be constructed to mean a rate equal to 40% times the rate stated in the local law or charter provision. As a result, the nominal real property rate of the County was adjusted to \$0.96/\$100 of assessed value in FY 2002. Chapter 6 of 2012, (Maryland Senate Bill 848) provided, under certain circumstances, for the property tax rate to be set higher than the rate authorized under the County's charter. Additional revenue as a result of the increase in the property tax rate is for the sole purpose of funding the budget of the local school board. The proposed FY 2023 Budget sets the County's nominal real property rate at \$1.00/\$100 of assessed value.

FY 2023 PROPERTY TAX YIELD CALCULATION

	FY 2023 Tax Base	FY 2023 Tax Yield
REAL PROPERTY BASE (July 1, 2022)	\$ 100,135,373,694	
Adjustments	(300,000,000)	
TOTAL REAL PROPERTY BASE (FY 2023)	\$ 99,835,373,694	
Nominal Real Property Tax Rate (per \$100)	\$1.00	
REAL PROPERTY YIELD		\$998,353,737
PERSONAL PROPERTY BASE (July 1, 2022)	\$ 3,227,879,890	
Adjustments	-	
TOTAL PERSONAL PROPERTY BASE (FY 2023)	\$ 3,227,879,890	
Nominal Personal Property Tax Rate (per \$100)	\$2.50	
PERSONAL PROPERTY YIELD		\$80,696,997
TOTAL PROPERTY BASE (FY 2023)		\$1,079,050,734
Less: Collection Allowance		(7,279,613)
Municipal Tax Differential		(36,626,181)
Other Adjustments		(634,340)
TOTAL GENERAL FUND PROPERTY TAX YIELD		\$1,034,510,600
Total County Real Property Nominal Tax Rate (per \$100)	\$1.00	
Total County Personal Property Nominal Tax Rate (per \$100)	\$2.50	

CONSTANT YIELD DATA

The real property tax rates for municipalities and the unincorporated area of the County are detailed below, along with the constant yield tax rates as certified by the State Department of Assessments and Taxation. In accordance with Title 6, Subtitle 6-308 of the Tax-Property Article of the Annotated Code of Maryland, a rate which exceeds the constant yield rate is subject to certain advertising and public hearing requirements. Per Chapter 80, Acts of 2000 (Senate Bill 626), the real property tax rate was adjusted to reflect the conversion to full value assessments of real property, effective October 1, 2000. Starting from February 2001, personal property has been excluded from the constant yield tax rate as reported by the State Department of Assessments and Taxation. The personal property tax rate shall be no more than 2.5 times the rate on real property.

LOCATION	Approved 2022 CONSTANT YIELD			Proposed 2023 CONSTANT YIELD		
	TAX RATE	TAX RATE	OVER (UNDER)	TAX RATE	TAX RATE	OVER (UNDER)
Berwyn Heights	\$ 0.8580	\$ 0.8237	\$ 0.0343	\$0.8580	\$0.8049	\$0.0531
Bladensburg	0.8580	0.8308	0.0272	0.8560	0.8293	0.0267
Bowie	0.8440	0.8182	0.0258	0.8480	0.8104	0.0376
Brentwood	0.9170	0.8819	0.0351	0.9140	0.8604	0.0536
Capitol Heights	0.8710	0.8542	0.0168	0.8610	0.8173	0.0437
Cheverly	0.8600	0.8253	0.0347	0.8610	0.8169	0.0441
College Park	0.9650	0.9267	0.0383	0.9650	0.9233	0.0417
Colmar Manor	0.8840	0.8551	0.0289	0.8730	0.8283	0.0447
Cottage City	0.9090	0.8894	0.0196	0.9060	0.8593	0.0467
District Heights	0.8600	0.8341	0.0259	0.8590	0.8239	0.0351
Eagle Harbor	0.9970	0.9198	0.0772	0.9980	0.9157	0.0823
Edmonston	0.8970	0.8602	0.0368	0.8970	0.8447	0.0523
Fairmount Heights	0.9160	0.8623	0.0537	0.9190	0.8595	0.0595
Forest Heights	0.9080	0.8807	0.0273	0.8900	0.8192	0.0708
Glenarden	0.8800	0.8665	0.0135	0.8880	0.8497	0.0383
Greenbelt	0.8360	0.8083	0.0277	0.8470	0.7974	0.0496
Hyattsville	0.8440	0.8267	0.0173	0.8430	0.7939	0.0491
Landover Hills	0.9110	0.8915	0.0195	0.9130	0.8759	0.0371
Laurel	0.8140	0.7811	0.0329	0.8150	0.7794	0.0356
Morningside	0.9180	0.8847	0.0333	0.9160	0.8777	0.0383
Mount Rainier	0.8540	0.8322	0.0218	0.8550	0.7982	0.0568
New Carrollton	0.8640	0.8337	0.0303	0.8620	0.8243	0.0377
North Brentwood	0.9960	0.9534	0.0426	0.9960	0.9702	0.0258
Riverdale Park	0.8590	0.8291	0.0299	0.8700	0.8745	-0.0045
Seat Pleasant	0.8760	0.8526	0.0234	0.8740	0.8356	0.0384
University Park	0.8600	0.8334	0.0266	0.8600	0.8150	0.0450
Upper Marlboro	0.9280	0.8805	0.0475	0.9440	0.8901	0.0539
Unincorporated Area	1.0000	0.9705	0.0295	1.0000	0.9584	0.0416

ALLOCATED GENERAL FUND REVENUES

Some County revenues are allocated to cover some or all costs of specific services. Listed below are the allocated General Fund revenues.

Agency/Department	Revenue Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Proposed
Board of Education	Energy Tax	\$ 93,304,400	\$ 72,420,000	\$ 73,868,400
	Personal Property Tax	3,403,600	2,923,700	3,248,600
	Real Property Tax	38,629,300	36,504,000	38,131,800
	State & Federal Aid/Board Sources	1,462,069,500	1,526,285,100	1,755,858,700
	Teacher Retirement Supplemental Grant	9,628,700	9,628,700	9,628,700
	Telecommunications Tax	19,842,000	13,365,000	10,935,000
	Transfer Tax	132,594,300	123,420,000	135,888,400
	Total Board of Education	\$ 1,759,471,800	\$ 1,784,546,500	\$ 2,027,559,600
Board of Elections	Sale of Voter Material	\$ 11,000	\$ 2,400	\$ 1,439
	Total Board of Elections	\$ 11,000	\$ 2,400	\$ 1,439
Board of License Commissioners	Liquor Licenses	\$ 2,724,100	\$ 2,250,900	\$ 2,295,900
	Total Board of License Commissioners	\$ 2,724,100	\$ 2,250,900	\$ 2,295,900
Circuit Court	Bail Bondsman	\$ 662,300	\$ 349,400	89,070
	Circuit Court Marriage Certificate	31,600	18,000	7,100
	Court Appearance Fees	206,200	133,000	112,100
	Jury Fees Reimbursement	769,900	334,300	77,300
	Miscellaneous	22,000	16,800	11,600
	Total Circuit Court	\$ 1,692,000	\$ 851,500	\$ 297,170
Community College	Recreational Activities (M-NCPPC)	\$ 700,000	\$ -	\$ -
	State Aid/Tuition/Other Revenues	85,698,500	81,468,600	82,886,000
	Total Community College	\$ 86,398,500	\$ 81,468,600	\$ 82,886,000
County Council	Zoning Fees - Board of Appeals	\$ 32,000	\$ 64,200	\$ 15,900
	Total County Council	\$ 32,000	\$ 64,200	\$ 15,900
Department of Corrections	Charges for Services - Community Service Program fees	\$ 152,600	\$ 77,910	\$ 79,470
	Total Corrections	\$ 152,600	\$ 77,910	\$ 79,470
Department of the Environment	Animal Licenses	\$ 107,200	\$ 94,100	\$ 96,000
	Water and Sewer Planning (M-NCPPC)	155,300	155,300	155,300
	Total Environment	\$ 262,500	\$ 249,400	\$ 251,300
Department of Housing and Community Development	Redevelopment Division (M-NCPPC)	\$ 544,000	\$ 544,000	\$ 544,000
	Total Housing and Community Development	\$ 544,000	\$ 544,000	\$ 544,000

REVENUES

Allocated General Fund Revenues

(continued)

Agency/Department	Revenue Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Proposed
Department of Permitting, Inspections, and Enforcement	Building and Grading Permits	\$ 23,625,200	\$ 23,251,872	\$ 19,600,000
	Business Licenses (Apt., SF & MF Rental)	4,003,000	3,874,967	3,952,499
	Business Licenses (Other)	958,400	927,809	946,373
	Enforcement (M-NCPPC)	1,537,100	1,537,100	1,537,099
	Permitting and Licensing/Inspections (M-NCPPC)	376,200	376,200	376,200
	Short Term Rental	480,000	44,300	64,700
	Street Use Permits	5,404,900	4,974,300	5,073,800
	Total Permitting, Inspections, and Enforcement	\$ 36,384,800	\$ 34,986,548	\$ 31,550,671
Department of Public Works and Transportation	Office of Engineering and Project Management (M-NCPPC)	\$ 205,600	\$ 205,600	\$ 205,600
	Total Public Works	\$ 205,600	\$ 205,600	\$ 205,600
Department of Social Services	State DHR DSS Grant	\$ 242,100	\$ 100,000	\$ 100,000
	Total Social Services	\$ 242,100	\$ 100,000	\$ 100,000
Fire/EMS Department	Contractual Fire Services	\$ 400,000	\$ 400,000	\$ 140,100
	Fees for Emergency Transportation & Related Services (General)	11,003,400	9,910,382	19,288,360
	Fees for Emergency Transportation & Related Services (Volunteer)	6,270,400	5,647,518	10,991,640
	Miscellaneous Sales	5,000	5,000	2,300
	Speed Cameras	1,620,000	1,239,300	1,107,000
	Total Fire	\$ 19,298,800	\$ 17,202,200	\$ 31,529,400
Health Department	Health Fees	\$ 4,701,600	\$ 4,719,900	\$ 4,814,300
	Health Permits	3,034,300	3,021,700	2,244,000
	State Health Grant	6,819,000	6,885,700	6,885,700
	Total Health	\$ 14,554,900	\$ 14,627,300	\$ 13,944,000
Memorial Library	State Aid/Fines	\$ 8,941,800	\$ 9,331,800	\$ 9,730,800
	Total Library	\$ 8,941,800	\$ 9,331,800	\$ 9,730,800
Non-Departmental	Economic Development Corporation (M-NCPPC)	\$ 315,400	\$ 250,400	\$ 250,400
	Hotel Tax - Conference & Visitors Bureau	531,600	350,000	438,600
	Public Safety Surcharge	1,600,000	21,597	1,530,495
	Total Non-Departmental	\$ 2,447,000	\$ 621,997	\$ 2,219,495
Office of Central Services	Leased Space (M-NCPPC)	\$ 834,600	\$ -	\$ -
	Property Rental	644,600	170,600	1,020,000
	Total Central Services	\$ 1,479,200	\$ 170,600	\$ 1,020,000

(continued)

Agency/Department	Revenue Description	FY 2021 Budget	FY 2022 Budget	FY 2023 Proposed
Office of Finance	Tax Collection (M-NCPPC)	\$ 34,400	\$ 34,400	\$ 34,400
	Telecommunications Tax	160,000	135,000	109,350
	Total Finance	\$ 194,400	\$ 169,400	\$ 143,750
Office of Homeland Security	911 Fees	\$ 13,819,900	\$ 14,378,200	\$ 18,000,000
	Total Office of Homeland Security	\$ 13,819,900	\$ 14,378,200	\$ 18,000,000
Office of Information Technology	Geographic Information Systems (M-NCPPC)	\$ 340,500	\$ 340,500	\$ 340,500
	Total Information Technology	\$ 340,500	\$ 340,500	\$ 340,500
Office of the Sheriff	Circuit Court & District Court	\$ 521,400	\$ 203,100	\$ 530,400
	Evictions Revenue	3,015,200	2,540,500	1,081,200
	Miscellaneous Fees	19,400	288,000	428,400
	Total Sheriff	\$ 3,556,000	\$ 3,031,600	\$ 2,040,000
Police Department	Contractual Police Services	1,540,000	2,069,400	1,162,000
	Speed Cameras	4,380,000	3,350,700	2,993,000
	State Police Aid Grant	14,875,000	11,437,000	16,551,400
	Total Police	\$ 20,795,000	\$ 16,857,100	\$ 20,706,400
People Zoning Counsel	People Zoning Counsel (M-NCPPC)	\$ 250,000	\$ 250,000	\$ 250,000
	Total People Zoning Counsel	\$ 250,000	\$ 250,000	\$ 250,000
Sub-total		\$ 1,973,798,500	\$ 1,982,328,255	\$ 2,245,711,395
Debt	Highway User Revenues	\$ 6,900,200	\$ 6,654,200	\$ 7,186,500
	Total Debt	\$ 6,900,200	\$ 6,654,200	\$ 7,186,500
Total		\$ 1,980,698,700	\$ 1,988,982,455	\$ 2,252,897,895

Notes:

- Highway user revenue is mainly used to retire debt on County General Obligation (GO) Bonds, State Participation Bonds and fund regular road maintenance projects.
- Revenue items in Allocated Revenues do not match revenues in Revenue Summary, which shows revenue groups instead of individual revenue accounts

MGM CASINO AT NATIONAL HARBOR - IMPACT SUMMARY

	FY2021 Actual	FY2022 Budget	FY2022 Estimate	FY 2023 Proposed	Change FY22 - FY23
SOURCES					
Real Property Tax - Non-Education (\$0.96 per \$100)	\$ 10,738,759	\$ 10,972,000	\$ 10,972,000	\$ 11,170,600	1.8%
Real Property Tax - Education (\$0.04 per \$100)	447,448	457,200	457,200	465,500	1.8%
Personal Property Tax - Non-Education (\$2.40 per \$100)	886,744	858,900	818,500	818,500	-4.7%
Personal Property Tax - Education (\$0.10 per \$100)	36,948	35,700	100	100	-99.7%
Admissions and Amusement Taxes (10%)	-	1,212,800	1,600,000	1,600,000	31.9%
Hotel Taxes (7%)	501,868	525,000	850,000	900,000	71.4%
Video Lottery Terminal (VLT) Revenues (5.5%)	4,977,387	14,422,100	15,863,800	16,303,300	13.0%
Table Game Revenues (5%)	15,281,993	15,581,200	16,112,400	16,434,600	5.5%
Use of Fund Balance - VLT	-	-	-	-	0.0%
Total Sources	\$ 32,871,147	\$ 44,064,900	\$ 46,674,000	\$ 47,692,600	8.2%

USES**Video Lottery Terminal (VLT) Uses****Non-Departmental - Grants and Transfers**

Maryland 210 Improvements	\$ 1,990,955	\$ 5,768,800	\$ 6,345,500	\$ 6,521,300	13.0%
Employ Prince George's Inc.	337,700	437,700	437,700	637,700	45.7%
Excellence in Education Foundation for PGCPs, Inc. - Scholarships for High School Students in Impact Area	150,000	200,000	200,000	200,000	0.0%
Community Impact Grants - Local Development Council	458,567	850,000	850,000	850,000	0.0%
Grant to support community 2.5 miles northeast of VLT Facility	-	125,000	125,000	125,000	0.0%
Board of Education - Transfers to the Capital Improvement Program	-	2,854,100	2,854,100	3,400,600	19.1%
Subtotal	\$ 2,937,222	\$ 10,235,600	\$ 10,812,300	\$ 11,734,600	14.6%

Non-Departmental - Other

Summer Youth Employment Program	\$ -	\$ 400,000	\$ 400,000	\$ 400,000	0.0%
Subtotal	\$ -	\$ 400,000	\$ 400,000	\$ 400,000	0.0%

Public Safety

Police - Officers at Police District 7	\$ -	\$ 855,500	\$ 855,500	\$ 969,000	13.3%
Fire/EMS - Fire/EMS staff dedicated to facilities in the immediate proximity of the VLT facility	-	767,700	767,700	767,700	0.0%
Subtotal	\$ -	\$ 1,623,200	\$ 1,623,200	\$ 1,736,700	1.8%

Board of Education

Board of Education - Crossland High School program	\$ 746,608	\$ 2,163,300	\$ 2,379,600	\$ 2,432,000	12.4%
Subtotal	\$ 746,608	\$ 2,163,300	\$ 2,379,600	\$ 2,432,000	12.4%
VLT - Sub-Total	\$ 3,683,830	\$ 14,422,100	\$ 15,215,100	\$ 16,303,300	13.0%

MGM CASINO AT NATIONAL HARBOR - IMPACT SUMMARY

	FY2021 Actual	FY2022 Budget	FY2022 Estimate	FY 2023 Proposed	Change FY22 - FY23
Non-Video Lottery Terminal Uses					
Board of Education					
Board of Education - Funding supports operations and reflected under the County's Contribution	\$ 12,563,500	\$ 12,563,500	\$ 13,730,900	\$ 13,730,900	9.3%
Subtotal	\$ 12,563,500	\$ 12,563,500	\$ 13,730,900	\$ 13,730,900	9.3%
Community College					
Community College - Funding for Institutional Support	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	0.0%
Promise Scholarships Initiative	1,700,000	1,700,000	1,700,000	1,700,000	0.0%
Subtotal	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	0.0%
Library					
Library - Funding provides for evening hours, materials and programming	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	0.0%
Books from Birth Initiative	272,300	272,300	272,300	272,300	0.0%
Subtotal	\$ 972,300	\$ 972,300	\$ 972,300	\$ 972,300	0.0%
Non-Departmental - Other					
Summer Youth Employment Program	\$ -	\$ 453,600	\$ 453,600	\$ 453,600	0.0%
Subtotal	\$ -	\$ 453,600	\$ 453,600	\$ 453,600	0.0%
Public Safety					
Police - FY 2021 - 40 sworn positions including new recruits/ FY 2022 - 55 sworn staff/ FY 2023 - 54 sworn staff	\$ 4,799,760	\$ 4,624,700	\$ 4,624,700	\$ 5,052,900	9.3%
Fire/EMS - FY 2021 - 50 sworn staff including new recruits, FY 2022 - 75 sworn staff, FY 2023 - 75 sworn staff	4,650,300	5,697,200	\$ 5,697,200	5,828,000	2.3%
Sheriff - FY 2021 - 0 sworn positions/ FY 2022 - 10 sworn staff / FY 2023 - 10 sworn staff	407,900	831,500	\$ 831,500	851,600	2.4%
Subtotal	\$ 9,857,960	\$ 11,153,400	\$ 11,153,400	\$ 11,732,500	5.2%
Non-VLT - Sub-Total	\$ 27,893,760	\$ 29,642,800	\$ 30,810,200	\$ 31,389,300	5.9%
Total Uses	\$ 31,577,590	\$ 44,064,900	\$ 46,025,300	\$ 47,692,600	8.2%
Excess (Deficit)	\$ 1,293,557	\$ -	\$ 648,700	\$ -	
CB-33-2015 Requirement - 50% for Education					
Board of Education	\$13,310,108	\$17,580,900	\$18,964,600	\$19,563,500	11.3%
Library	972,300	972,300	972,300	972,300	0.0%
College	4,500,000	4,500,000	4,500,000	4,500,000	0.0%
Total	\$18,782,408	\$23,053,200	\$24,436,900	\$25,035,800	8.6%
VLT Summary (Includes use of Fund Balance)					
Revenues	\$ 4,977,387	\$ 14,422,100	\$ 15,863,800	\$ 16,303,300	13.0%
Expenses	3,683,830	14,422,100	15,215,100	16,303,300	13.0%
Surplus (Deficit)	\$ 1,293,557	\$ -	\$ 648,700	\$ -	

MGM CASINO AT NATIONAL HARBOR - IMPACT SUMMARY

	FY2021 Actual	FY2022 Budget	FY2022 Estimate	FY 2023 Proposed	Change FY22 - FY23
Non-VLT Summary					
Revenues	\$ 27,893,760	\$ 29,642,800	\$ 30,810,200	\$ 31,389,300	5.9%
Expenses	27,893,760	29,642,800	30,810,200	31,389,300	5.9%
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	
All Summary					
Revenues	\$ 32,871,147	\$ 44,064,900	\$ 46,674,000	\$ 47,692,600	8.2%
Expenses	31,577,590	44,064,900	46,025,300	47,692,600	8.2%
Surplus (Deficit)	\$ 1,293,557	\$ -	\$ 648,700	\$ -	

CONSOLIDATED GRANT PROGRAM SUMMARY

PROGRAM NAME	FEDERAL CASH	STATE CASH	OTHER CASH	TOTAL OUTSIDE SOURCES	COUNTY CASH	TOTAL PROGRAM SPENDING
GENERAL GOVERNMENT						
OFFICE OF HUMAN RIGHTS	\$ 60,000	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000
COURTS						
CIRCUIT COURT	\$ 1,255,800	\$ 3,831,500	\$ -	\$ 5,087,300	\$ 360,900	\$ 5,448,200
PUBLIC SAFETY						
OFFICE OF THE STATE'S ATTORNEY	\$ -	\$ 2,428,500	\$ -	\$ 2,428,500	\$ 58,800	\$ 2,487,300
POLICE DEPARTMENT	\$ 1,412,800	\$ 4,205,300	\$ -	\$ 5,618,100	\$ -	\$ 5,618,100
FIRE/EMS DEPARTMENT	\$ 7,707,000	\$ 2,075,100	\$ -	\$ 9,782,100	\$ 483,200	\$ 10,265,300
OFFICE OF THE SHERIFF	\$ -	\$ 1,879,300	\$ -	\$ 1,879,300	\$ 945,400	\$ 2,824,700
DEPARTMENT OF CORRECTIONS	\$ 200,000	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000
OFFICE OF HOMELAND SECURITY	\$ 1,130,100	\$ 980,700	\$ -	\$ 2,110,800	\$ -	\$ 2,110,800
ENVIRONMENT						
DEPARTMENT OF THE ENVIRONMENT	\$ -	\$ 25,200	\$ 36,000	\$ 61,200	\$ -	\$ 61,200
HUMAN SERVICES						
DEPARTMENT OF FAMILY SERVICES	\$ 4,740,900	\$ 4,832,100	\$ 1,877,100	\$ 11,450,100	\$ 384,200	\$ 11,834,300
HEALTH DEPARTMENT	\$ 22,881,300	\$ 30,943,200	\$ 1,150,000	\$ 54,974,500	\$ 422,300	\$ 55,396,800
DEPARTMENT OF SOCIAL SERVICES	\$ 12,685,400	\$ 4,424,600	\$ 2,472,800	\$ 19,582,800	\$ 740,600	\$ 20,323,400
INFRASTRUCTURE AND DEVELOPMENT						
DEPARTMENT OF PUBLIC WORKS & TRANSPORTATION	\$ -	\$ 1,001,900	\$ -	\$ 1,001,900	\$ 117,500	\$ 1,119,400
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT/HOUSING AUTHORITY	\$ 103,584,000	\$ -	\$ 2,750,000	\$ 106,334,000	\$ -	\$ 106,334,000
NON-DEPARTMENTAL						
NON-DEPARTMENTAL	\$ -	\$ -	\$ 9,000,000	\$ 9,000,000	\$ -	\$ 9,000,000
TOTAL FY 2023 GRANTS	\$ 155,657,300	\$ 56,627,400	\$ 17,285,900	\$ 229,570,600	\$ 3,512,900	\$ 233,083,500

Total Program Spending is the total of County Cash and Total Outside Sources.

EDUCATION REVENUE DETAIL

	FY 2021 Actual	FY 2022 Budget	FY 2022 Estimated	FY 2023 Proposed	Change FY22 - FY23
BOARD OF EDUCATION					
Federal Sources					
Unrestricted Federal Aid	\$ 70,046	\$ 98,100	\$ 98,100	\$ 98,100	0.0%
Restricted Federal Aid	136,472,480	126,315,300	574,180,000	303,583,000	140.3%
Total - Federal Sources	\$ 136,542,526	\$ 126,413,400	\$ 574,278,100	\$ 303,681,100	140.2%
Board Sources					
Board Sources	\$ 7,813,725	\$ 18,231,500	\$ 18,231,500	\$ 12,931,400	-29.1%
Board of Education Fund Balance	-	83,935,700	83,935,700	104,396,200	24.4%
Total - Board Sources	\$ 7,813,725	\$ 102,167,200	\$ 102,167,200	\$ 117,327,600	14.8%
State Aid					
Foundation Program	\$ 567,228,429	\$ 555,666,200	\$ 555,666,200	\$627,698,000	13.0%
Geographic Cost of Education Index	45,949,535	45,228,500	45,228,500	\$48,808,000	7.9%
Special Education	47,383,106	46,343,700	46,875,100	\$56,217,700	21.3%
Nonpublic Placements	21,432,897	22,770,300	22,770,300	\$21,432,900	-5.9%
Transportation Aid	45,665,360	41,502,000	41,502,000	\$50,289,300	21.2%
Compensatory Education	298,753,795	254,510,200	254,469,300	\$254,469,300	0.0%
English Learners	126,626,576	117,340,000	117,340,000	\$143,635,500	22.4%
Net Taxable Income	29,900,219	17,202,200	17,209,800	-	-100.0%
Supplemental Grant	20,505,652	20,505,700	20,505,700	-	-100.0%
Tax Increment Financing	880,030	700,800	605,400	-	-100.0%
Other State Aid	91,432	-	-	-	0.0%
Transition Grant	-	-	-	20,505,700	0.0%
Educational Effort	-	-	-	26,525,600	0.0%
Career Ladder	-	-	-	1,699,600	0.0%
College and Career Ready	-	-	-	1,402,000	0.0%
Blueprint for Maryland's Future Act - Prekindergarten	15,555,578	12,381,100	12,381,100	20,612,900	66.5%
Blueprint for Maryland's Future Act - Teacher Salary Incentives	13,386,052	13,386,100	13,386,100	-	-100.0%
Blueprint for Maryland's Future Act - Concentration of Poverty	17,686,962	18,164,800	27,029,400	54,717,400	201.2%
Blue Print for Maryland's Future Act - Mental Health Coordinators	83,333	83,300	83,300	-	-100.0%
Blueprint for Maryland's Future Act - Special Education	10,114,897	10,114,900	10,114,900	-	-100.0%
Blueprint for Maryland's Future Act - Transitional Supplemental Instruction	5,487,088	4,819,600	4,819,600	10,110,600	109.8%
Blueprint for Maryland's Future Act - Supplemental Instruction/Tutoring	-	24,336,100	692,900	-	-100.0%
Blueprint for Maryland's Future Act - Hold Harmless Grants - Declining Enrollment	-	79,612,500	79,209,800	-	-100.0%
Blueprint for Maryland's Future Act - Hold Harmless Grants - Disabled Transportation	-	4,563,000	4,563,000	-	-100.0%
Maryland Safe Schools Grant	747,960	-	-	-	-
Miscellaneous Revenue	(658,309)	-	-	-	-
Other Restricted Grants	7,091,034	8,473,500	7,331,800	\$23,355,500	175.6%
Total - State Sources	\$ 1,273,911,626	\$ 1,297,704,500	\$ 1,281,784,200	\$ 1,361,480,000	4.9%
Total - Outside Aid	\$ 1,418,267,877	\$ 1,526,285,100	\$ 1,958,229,500	\$ 1,782,488,700	16.8%

EDUCATION REVENUE DETAIL *(continued)*

	FY 2021 Actual	FY 2022 Budget	FY 2022 Estimated	FY 2023 Proposed	Change FY22 - FY23
County Revenue					
General County Sources	\$ 539,074,451	\$ 568,179,600	\$ 557,938,100	\$ 584,925,100	2.9%
Real Property/BOE -Tax Increase	41,092,795	36,504,000	36,420,600	38,131,800	4.5%
Personal Property/BOE -Tax Increase	3,807,023	2,923,700	3,248,600	3,248,600	11.1%
Telecommunications Tax	14,845,333	13,500,000	13,500,000	10,935,000	-19.0%
Energy Tax	73,332,473	72,420,000	72,420,000	73,868,400	2.0%
Transfer Tax	143,642,925	123,420,000	133,420,000	135,888,400	10.1%
Total - County Revenue	\$ 815,795,000	\$ 816,947,300	\$ 816,947,300	\$ 846,997,300	3.7%
TOTAL BOARD OF EDUCATION	\$ 2,234,062,877	\$ 2,343,232,400	\$ 2,775,176,800	\$ 2,629,486,000	12.2%
COMMUNITY COLLEGE					
County Contribution	\$ 43,922,330	\$ 41,726,200	\$ 43,926,200	\$ 43,927,200	5.3%
State Aid	31,245,262	37,072,500	37,072,500	42,694,600	15.2%
Tuition and Fees	37,383,476	36,076,200	32,164,000	35,842,800	-0.6%
Other Revenues	1,573,275	8,319,900	1,564,900	4,348,600	-47.7%
Fund Balance	-	-	-	-	0.0%
TOTAL COMMUNITY COLLEGE	\$ 114,124,343	\$ 123,194,800	\$ 114,727,600	\$ 126,813,200	2.9%
LIBRARY					
County Contribution	\$ 24,802,000	\$ 24,029,800	\$ 24,029,800	\$ 25,094,100	4.4%
State Aid	7,641,122	7,722,000	7,722,000	8,529,600	10.5%
Interest	559	1,200	-	1,200	0.0%
Fines/Fees	-	-	-	-	0.0%
Miscellaneous	110,069	800,000	510,100	800,000	0.0%
Fund Balance	400,400	808,600	808,600	400,000	100%
TOTAL LIBRARY	\$ 32,953,650	\$ 33,361,600	\$ 33,075,500	\$ 34,824,900	4.4%

Notes:

- (1) Numbers may not add due to rounding.
- (2) The County contributions to the Board of Education, Community College and Library include MGM related revenues. Please refer to the MGM Casino at National Harbor Impact Summary page for further details.

MUNICIPAL TAX DIFFERENTIAL

Program Information

The Tax Property Article of the Annotated Code of Maryland (Title 6, Subtitle 6-305) mandates that the County recognize, through either a reduced County tax rate or direct grant payment, those governmental services and programs that municipal governments perform in lieu of similar County services, to the extent that these similar services are funded through the property tax rate.

Financial Summary

Under the provisions of Title 17, Subtitle 10, Division 6, of the Public Local Laws of Prince George's County, each town's cost of each service identified in the prior-year County budget is assigned a tax rate equivalency value after adjustments are made to offset revenue directly allocable to a specific service. The aggregate town requests for "in lieu of" service credit, as certified by the County, are translated into a dollar value, which is the sum of the products of the tax rate equivalent cost of the service multiplied by each town's tax base. Each of these net service values is then reduced to reflect the portion of the levy. The sum of the tax rate values of the services constitutes the tax rate differential accruing to each town, i.e., the amount by which the County unincorporated area property tax rate will be reduced in each respective town.

Beginning with FY 1999, County legislation set a five-year rolling average for changes in municipal differential rates. Beginning in FY 2004 and each year thereafter, this changed to a three-year rolling average. The purpose of this modification is to provide stability to municipal residents' County tax rates, smoothing what could otherwise be a large rate change that could be triggered by a reorganization of County services, economic fluctuations, changes in municipal service levels or other factors.

In 2000, Chapter 80, Acts of 2000 (Senate Bill 626) provided that, beginning in FY 2001, property tax rates shall be applied to 100% of the market value of real property, rather than the 40% for most real property under previous law. Also, the law mandates that the County real property tax rates and municipal tax differentials be adjusted to make the impact revenue neutral. As a result, starting from FY 2002, a separate real property tax rate and a separate personal property rate have been applied. Also a real property tax differential and a separate personal property tax differential have been applied, in accordance with State law and County code (CB-1-2001).

FY 2023 Tax Differential Rates

Municipality	FY 2023 TAX DIFFERENTIAL		FY 2023 VALUE		TOTAL
	PERSONAL PROPERTY	REAL PROPERTY	PERSONAL PROPERTY	REAL PROPERTY	
Berwyn Heights	0.365	0.138	\$ 61,246	\$ 465,894	\$ 484,156
Bladensburg	0.360	0.137	85,395	731,684	715,904
Bowie	0.386	0.146	523,656	10,928,199	11,019,445
Brentwood	0.216	0.082	9,491	252,655	259,820
Capitol Heights	0.352	0.132	66,224	432,871	443,654
Cheverly	0.352	0.133	65,265	909,718	921,386
College Park	0.096	0.036	93,362	1,120,092	1,202,627
Colmar Manor	0.326	0.123	6,469	133,427	136,318
Cottage City	0.244	0.091	10,194	101,927	106,233
District Heights	0.362	0.137	29,139	568,193	577,078
Eagle Harbor	0.004	0.002	8	191	209
Edmonston	0.261	0.099	18,090	178,193	182,687
Fairmount Heights	0.182	0.068	3,241	96,859	87,681
Forest Heights	0.295	0.110	12,210	211,493	228,950
Glenarden	0.288	0.110	31,705	637,049	669,256
Greenbelt	0.380	0.144	232,015	3,507,150	3,506,562
Hyattsville	0.396	0.149	444,979	3,353,756	3,460,116
Landover Hills	0.228	0.088	7,988	146,135	156,204
Laurel	0.460	0.173	380,824	6,189,759	6,101,757
Morningside	0.221	0.084	5,160	88,880	93,081
Mount Rainier	0.367	0.138	23,559	720,266	756,269
New Carrollton	0.354	0.133	55,888	1,167,095	1,178,883
North Brentwood	0.009	0.004	76	2,386	2,476
Riverdale Park	0.305	0.115	97,084	1,081,473	988,171
Seat Pleasant	0.327	0.124	24,761	413,186	429,849
University Park	0.357	0.134	9,078	506,536	511,507
Upper Marlboro	0.147	0.057	48,547	55,752	60,248
Total			\$ 2,345,654	\$ 34,000,817	\$ 34,280,527

NOTE: Numbers may not add due to rounding.

