



BLUE RIBBON COMMISSION ON ADDRESSING PRINCE GEORGE'S COUNTY'S STRUCTURAL DEFICIT

AUGUST 2, 2016
MINUTES

The following Blue Ribbon Commission members were present at 10:20 a.m.

Blue Ribbon Commission Members:

Earl Adams, Jr.
Henry Mosley
David Harrington
Amber Hendricks
James R. Estepp
Desiree Callender
Turkessa Green

Jamal Miller
John Rogard Tabori
David Van Dyke
Sherman Ragland
Ron Watson
Gino Renne
Mark Tomassoni

Council Members and Staff:

Howard W. Stone
Colette R. Gresham
Maurice Simpson, Jr.

Other Attendees:

Dwayne Mingo

OPENING REMARKS/REVIEW OF MINUTES:

Chair Earl Adams, Jr. called the meeting to order at 10:20 a.m. The Commission reviewed and approved the minutes from the July 18th meeting. The Chair welcomed everyone and stated that for today's meeting there will be discussion on the final report outline and focusing on recommendations.

COMMISSION DISCUSSION (Outline for Final Report – Working Session):

The Commission discussed issues surrounding TRIM, Homestead Tax Credit, and Question I and the impact of each on the County's revenue. Commissioner Hendricks will provide an update from the Office of Management and Budget (OMB) on the County's financial progress at the next meeting. There was discussion surrounding whether the County will be able to balance revenues and expenditures overtime if certain statutory limitations are left in place, which ultimately impacts how the County's budget and economy works. The Commission discussed whether the County is meeting the basic fundamental needs of the community, i.e. economic development, education, public safety, health, and transportation, and the importance of identifying gaps and figuring out ways to expand revenues. There

was a consensus amongst the Commissioners that there needs to be a conversation around the future/vision of the County and what does the County ultimately want to be.

The Commission discussed the final report and recommendations. After discussion, it was decided they would break up into subgroups to refine the individual recommendations. Each subgroup will report back to the Commission at the next meeting. The Chair announced that the next meeting will be on September 19th and the third public hearing will be on September 29th.

Meeting adjourned - 1:31 p.m.

Next Meeting – Monday, September 19th at 11 a.m. at the County Administration Building, 14741 Governor Oden Bowie Dr., Room 2027, Upper Marlboro, MD 20772

Blue Ribbon Commission Recommendations for Budget Flexibility							
EXPENDITURE REDUCTIONS:							
	Initiative	Description	Influencers	Parties	Realization	Potential Cost Benefit	Point of Contact
1	Maintenance of Effort	Removing the constraint to fund School Systems at specific levels	Delegation	All county School Boards across the State	3 years	Provides flexibility for additional school funding during "good" years without the penalty of being required to provide that same level of funding during "bad" years	Ron Watson
2	Collective Bargaining Reform	Negotiating for shorter term contracts which protect revenue during down years. Accept CBA recommendations from Dent Report	County Council	Collective Bargaining Units	End of current negotiated contracts	Shorter term contracts which provide the Council flexibility	Gino Renne/James Estepp
2.1 (frm 8)	Establishing "Cost Reduction Incentive Program"	Establish "Cost Reduction Incentive Program" that incentivises all County employees to develop new ways of reducing costs	County Executive	All County employees	Immediate	TBD	Gino Renne/James Estepp/Howard Stone
3	County Procurement Reform	Moving the county to a "GSA Like" structure with fixed negotiated prices for all procured items. Accept procurement recommendations from Dent Report	County Agency Heads	Current County Vendors	As current contracts approach the end of their "period of performance"	Lower unit cost for all procured items. Reduced variance among similar products from the same vendor	David Harrington/Sherman Ragland
4	Implementation of County Audit Report Recommendations	Implementation of audit findings which seek to reduce waste among all county operations	County Agency Heads	County Agencies	1 year	Increased organizational efficiencies	
5	Infrastructure Reform	Modification to County provided services	County Council	Residents	1 year	Selected reduction of services for short-term benefit (i.e. changes to trash collection frequency)	
6	Modifications to Debt Service	Restructure of existing debt obligations with better terms	County Executive	County Council	2 years	More favorable terms	Amber Hendricks, Mark Tomassoni, David Harrington

7	Public Private Partnership - Financing of Public Facilities (formerly New Charter School Construction)	Expand use of charter schools to reduce Capital Expenditures by 50% from \$147M proposed for FY17.	County Executive, Council, Education Board	County taxpayers and students	Immediate	\$76 million savings in FY2017 Proposed Capital Budget. New charter school construction is being performed at 75%-80% less expensive than traditional County design/build or design/bid/build construction.	Amber Hendricks, Mark Tomassoni, Henry Mosley
REVENUE GENERATION:							
	<i>Initiative</i>	<i>Description</i>	<i>Influencers</i>	<i>Parties</i>	<i>Realization</i>	<i>Potential Benefit</i>	
1	Advertising on School Buses & Ball Fields	Allow for local businesses to advertise on school buses and ball fields similar to the Metro	Delegation	School Board	1 year	\$5K - \$10K per bus/yr	Ron Watson
2	County becomes Landlord and Mortgage Holder	Develop county owned land to create residual income as opposed to selling	County Council	County Council (Management)	2 years	unlimited	Ron Watson/Sherman Ragland
3	Modifications to TRIM	Remove the self-imposed constraint on taxing limits	County Executive & Council	Residents	2 years	ooodels and ooodles!!!	All
4	501c3 Sales Tax Alteration	Modifying state controlled exemptions for non-profits regarding sales tax	Delegation	Non-Profits	2 years	Average annual expenditures of non profits x sales tax	All
5	Homestead Tax Modifications	Reduction or modification of Homestead Tax benefits	Delegation?? County Council??	Home owners	??	???	All
6	Tracking small businesses						Sherman Ragland/John Tabori/David Harrington/Amber Hendricks
COUNTY BUDGET PROCESS - PROCEDURES							
	<i>Initiative</i>	<i>Description</i>	<i>Influencers</i>	<i>Impacted Parties</i>	<i>Time to Realization</i>	<i>Potential Benefit</i>	
1	Quarterly historic revenues and expenditures	Report quarterly on previous quarter revenues and expenditures	County Budget Office	County Executive	1 year	More rapid feedback on status of revenues & expenditures allowing for ability to make financial/operational course adjustments rapidly	
2	Quarterly projections of revenues and expenditures	Report quarterly on annual projections of county revenues and expenditures	County Budget Office	County Executive	1 year	More rapid feedback on projections of revenues & expenditures allowing for ability to make financial/operational course adjustments rapidly	