# **Issue Analysis Form**

**Date:** June 23, 2020

School Revenue Sharing

Calculation - Public Safety

Item: "Carve Outs"

County Administration &

Lead Department(s): Finance

Contact Person(s): Betsy Drewry

## **Description and Current Status**

Prince George County currently calculates the local operating transfer to the school system using a revenue sharing calculation, transferring a portion of 5 local fund revenue streams.

Real Estate Tax Revenue
Personal Property Tax Revenue + PPTRA
Local Sales Tax
Consumer Utility Taxes
Motor Vehicle License Fees

The Prince George County Board of Supervisors approved an amended School Revenue Sharing Memorandum of Understanding (MOU) on August 13, 2019. This version has not been adopted by both boards (Board of Supervisors and School Board).

The modified calculation approved by Board of Supervisors on August 13, 2019 contained some "carve out" provisions (revenue increase amounts that can be excluded from the operating transfer to schools).

Staff requests specific direction from the Board on items to carve out from the school transfer for FY2022 and future budget cycles.

The Board gave consensus on school CIP and public safety items to carve out for the FY2021 budget during the April 22 budget work session and this document was used as a model for the discussion on June 23.

**Attachment 1** provides "carve out" excerpts of the School Revenue Sharing Calculation / MOU approved on August 13, 2019.

Attachment 2 provides a listing of the potential "carve out" expenditures / revenue losses for which staff is seeking guidance.



Eleven (11) Carve out areas identified are:			
1 Fire Apparatus per Ordinance §74-4 (2¢ Devoted	d RE Tax)		
School Capital Projects & Equipment			
3 Public Safety Capital Projects & Equipment			
4 Additional Police Personnel			
5 Additional Fire/EMS Personnel			
6 Additional Sheriff Personnel			
7 Public Safety Grant Revenue Losses			
8 Police Non-Salary Increases within the budget (c	contracted	services and	
equipment)	. 4 / 4	tad aamiiaaa amd	
9 Fire/EMS Non-Salary Increases within the budge	et (contrac	ted services and	
equipment) 10 Sheriff Non-Salary Increases within the budget (	contracted	I services and	
equipment)	Contracted	i services and	
11 Radio System Maintenance Contract Increase (a	anticinated	for FY2023)	
11 Madio Gystem Maintenance Contract moreace (c	intiolpatoa	1101112020)	
Government Path			
Does this require BZA action?	☐ Yes	⊠ No	
Does This require Planning Commission Action?	☐ Yes	⊠ No	
Does this require Board of Supervisors action?	⊠ Yes	□ No	
Does this require a public hearing?	☐ Yes	⊠ No	
If so, before what date?	☐ Yes	□ No	
Fiscal Impact Statement			
Board consensus on public safety school funding "carve	e outs" wil	l provide clear dir	ection
l t t t t t t t t t t t t t t t t t t t			
on tax increases / devotion of increased resources for p			nose
amount need to be included in the school revenue shar			nose

County Impact
Consensus will provide desired Board public safety carve outs from the school operating transfer for future budgets (FY2022 and beyond).

## Notes

Excerpts from School Revenue Sharing Calculation / MOU approved August 13, 2019

## **School Capital Exclusion / Carve Out**

- Funding for debt incurred after January 1, 2019 shall also be paid by the County General
   Fund; provided, however that
  - a. the Board of Supervisors may exclude from the operating budget transfer to the schools any additional revenue created by increased rates or changes in tax structure for real estate, personal property, local sales, consumer utility (gas, mobile phone, telephone and electric) taxes and motor vehicle licenses adopted after January 1, 2019 so long as such additional revenue is allocated to school capital expenditures, and

### **Public Safety Capital and Operating Exclusion / Carve Out**

b. the Board of Supervisors may exclude from the operating budget transfer to the schools any additional revenue created by increased rates or changes in tax structure for real estate, personal property, local sales, consumer utility (gas, mobile phone, telephone and electric) taxes and motor vehicle licenses adopted after January 1, 2019 so long as such additional revenue is allocated to operating and capital expenditures related to public safety.

	School Revenue Sharing Carve Out for Discussion & Guidance:		Carve	Carve Out - Yes/No	No	3	
#		품	AC	8	× ×	2	
1	Fire Apparatus per Ordinance §74-4 [Devoted 2¢ RE Tax]	Yes	Yes	Yes	Yes	Yes	<confirm; carved="" currently="" out<="" td=""></confirm;>
2	School Capital Projects & Purchases Funded by Debt or GF Transfer to CIP:						
2a	New School Construction	3 5 6				- V	Currently carved out (New Walton)
2b	School Renovation or Capital Improvement						Currently carved out (Technology)
,							Currently carved out (Generator &
22	Purchase of School Buses or Equipment						Buses)
				R			Maximum Annual Debt Service Proportion Attributable to Public Safety
m	Public Safety Capital Projects & Purchases Funded by Debt or GF Transfer to CIP:		P 15			The state	Projects currently carved out
За	Police Vehicles						
3b	Police Equipment						
3c	Fire/EMS Non-Apparatus Vehicles						
39	Fire/EMS Equipment & Life Saving Devices (SCBA, Zoll Monitors, Opticom System, etc.)						Zoll Monitors removed from carveout for FY21
3e	Construction / Renovation of Fire Stations or Crew Building						
3£	Construction / Renovation of Police Facilities						
3g	Construction / Renovation of ECC Facilities						
욺	Construction / Renovation of Animal Services Facilities					5 70 11	
4	Additional Police Personnel:						
4a	Additional Police Officers						
49	Additional Police Administrative Staff [Higher Ranking Officers and/or clerical support]						
4c	Additional Animal Control Officers						
4d	Additional Communications Officers						
5	Additional Fire/EMS Personnel:		Sec. 1				
5a	Additional Firefighters/EMTs						
5b	Additional Fire/EMS Administrative Personnel [Higher Ranking Personnel and/or clerical support]						
ی ا	Additional Denuty Sheriff Positions not funded by Connensation Board						Mid-Year Deputy position addition carved out for FY21
_	Public Safety Grant Losses:					20.00	
7a	SAFER Hiring Grant Loss [00412] - 100% Personnel 5 FF/EMT positions						Anticipated FY2022 Loss is \$62,623 (\$185,120 FY21 loss); expires 1/23/2021; FY21 loss currently carved out
d7	SAFER Recruitment Grant Loss [00318] - Personnel (1 FTE); Training, Uniforms, & Turnout Gear						Anticipated FY2022 Loss is \$182,907; then another \$31,369 in FY2023 [expires 11/2022]
							Will expire 6/30/2023; Total Revenue loss \$159,789 for FY2024 [3 SRO
ં ∞	Prizozs (no grant tunning for Prizoza)  Police / Aminal Services / ECC Non-Salary within Operating Budget:	N I				1 × 1	positions

	School Revenue Sharing Carve Out for Discussion & Guidance:		Carv	Carve Out - Yes/No	ON/		
#		НО	AC	FB	MM	WL	
8a	Police Contracted Services Increases; if Yes, Dollar Level?						
g8	Police Equipment Increases; if Yes, Dollar Level?			Tensor I			
သွ	Animal Services Contracted Services Increases; if Yes, Dollar Level?						
p8	Animal Services Equipment Increases; if Yes, Dollar Level?		E may			1	
							\$48,779 Increase in Service Contracts
8e	ECC Contracted Services Increases, If Yes, Dollar Level?						currently carved out
8f	ECC Equipment Increases, If Yes, Dellar Level?	No. of Lot			STILL SE		
6	Fire/EMS Non-Salary within Operating Budget:					IN SEC.	
9a	Fite/EMS Contracted Services Increases, If Yes, Bollar Level?						
q6	Fite/EMS Equipment or Gear Increases; If Yes, Dollar Level?						
10	Sheriff Department Non-Salary:						
	Sheriff Department Contracted Services Increase (not funded by non-tax sources); If Yes, Dollar						
10a	Level?						
10b	10b Sheriff Department Equipment Increase (not funded by non-tax sources); If Yes, Dollar Level?						
	Radio System Maintenance Contract Increase - FUTURE Est \$413,819 Increase [FY2023						
11	anticipated						