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# Finance

## MISSION STATEMENT

The mission of the Department of Finance is to prudently manage financial operations, recommend and implement sound fiscal policies, safeguard public assets, and encourage a safe environment on public property.

## BUDGET OVERVIEW

The total approved FY11 Operating Budget for the Department of Finance is \$57,488,960, a decrease of \$830,450 or 1.4 percent from the FY10 Approved Budget of \$58,319,410. Personnel Costs comprise 21.6 percent of the budget for 112 full-time positions and two part-time positions for 102.9 workyears. Operating Expenses account for the remaining 78.4 percent of the FY11 budget.

The Finance Operating Budget is comprised of a General Fund component (the Director's Office and the Divisions of Treasury and Controller) and the Risk Management Division, which is funded by the Liability and Property Coverage Self-Insurance Fund. The total FY11 Operating Budget for the General Fund component is \$9,596,890 a decrease of \$155,040 or 1.6 percent from the FY10 approved budget of \$9,751,930. Personnel Costs comprise 88.1 percent of the General Fund budget for 101 full-time and 2 part-time positions for 73.7 workyears. Operating Expenses account for the remaining 11.9 percent of the budget.

The total FY11 Operating Budget for the Self-Insurance Fund component of Finance (Risk Management) is \$47,892,070, a decrease of \$675,410 or 1.4 percent from the FY10 approved budget of \$48,567,480. Personnel Costs comprise approximately 8.3 percent of the Self-Insurance Fund budget for 11 full-time positions for 29.2 workyears. Operating Expenses account for the remaining 91.7 percent of the budget. Included in the total workyears are 17.7 workyears charged to the Self-Insurance Fund by the Office of the County Attorney and 0.4 workyear charged by the General Fund component of Finance (Controller Division) for services provided in support of Risk Management.

## LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***A Responsive, Accountable County Government***
- ❖ ***Strong and Vibrant Economy***

## DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY10 estimates incorporate the effect of the FY10 savings plan. FY11 and FY12 targets assume the approved FY11 budget and FY12 funding for comparable service levels.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Successfully retained the County's AAA bond rating from the three major credit rating agencies; in the fall of 2009:***
  - ***refunded \$165 million of general obligation bonds, which generated over \$8.1 million in debt service savings in FY10 and FY11; and***
  - ***issued \$232 million in taxable Build America Bonds (BABs) in accordance with the American Recovery and Reinvestment Act of 2009 (ARRA), at a net true interest cost (TIC), after consideration of federal subsidy, of 3.1708%, the lowest TIC ever for long-term debt.***
- ❖ ***Continue Business Process Reengineering and Enterprise Resource Planning implementation. The "go live" date for core financials and purchasing is July 6, 2010 followed by core human resources and payroll on January 1, 2011. Expanded functionality will continue through fiscal year 2012.***
- ❖ ***Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 39th year, longer than any other government in the USA and Canada.***
- ❖ ***Implemented "green" initiatives designed to reduce paper, printing, and mail costs, and deliver information more efficiently, including: etimesheets (Mctime), and epay advices.***

## PROGRAM CONTACTS

Contact Nancy Moseley of the Department of Finance at 240.777.8886 or Bryan Hunt of the Office of Management and Budget at 240.777.2770 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### Debt and Cash Management

This program provides effective debt and cash management with the goal of maintaining the County's AAA General Obligation Bond debt rating, and the active investment of the County's working capital to minimize risk while generating the maximum investment income. Program objectives include managing the timely and economic issuance of short- and long-term financial obligations; developing and maintaining strong rating agency and investor relations; preparing accurate and timely financing documents, including the County's Annual Information Statement; ensuring strict compliance with disclosure requirements; coordinating bond counsel review; providing high-quality consulting services for County agencies, managers, staff, elected officials, and residents on issues related to debt and cash management; and managing the County's relationship with the banking community.

Program Performance Measures	Actual FY08	Actual FY09	Estimated FY10	Target FY11	Target FY12
Bond Rating - Rating given to Montgomery County by Fitch, Moody's, and Standard and Poor's (Bond ratings are a measure of the quality and safety of a bond and are based on the issuer's financial condition)	AAA	AAA	AAA	Expected	Expected
Investment Return Benchmarking – County Return vs. S&P Local Government Investment Pool Index (basis point spread)	66.0	50.0	20.0	20.0	20.0
Interest Rate - Montgomery County General Obligation Bond true interest cost (The interest rate of Montgomery County's most common type of bond) <sup>1</sup>	NA	4.18	2.86	5.0	5.0
Interest Rate Benchmarking – County GO vs. Municipal Market Data Index (basis point spread) <sup>2</sup>	NA	27.0	(17.0)	25.0	25.0
Investment Return - Rate of return on Montgomery County's investments	4.41%	1.71%	1.10%	1.65%	2.55%

<sup>1</sup> The County did not issue GO bonds in FY08.

<sup>2</sup> For FY10 - actual spread at 11/3/09 bond sale.

FY11 Approved Changes	Expenditures	WYs
<b>FY10 Approved</b>	<b>570,380</b>	<b>4.0</b>
Increase Cost: Debt Analysis and Special Debt Financings	100,000	0.8
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-8,310	-0.2
<b>FY11 Approved</b>	<b>662,070</b>	<b>4.6</b>

### Information Technology

This program provides planning, direction, and support for finance and core business systems, technology, and business processes to support effective and efficient achievement of the Department's mission. Activities are proactively coordinated with the Department of Technology Services, other County departments, vendors, and Department staff to ensure consistency of Department systems and financial controls with countywide automation policies and standards and with appropriate financial control standards. The program oversees and coordinates business requirements analysis, development, selection, procurement, implementation, maintenance, administration, security, and training on and reporting from, the Finance Department's automated systems and applications. This program is also responsible for managing data integrity associated with daily and year-end processing, providing timely response to customer questions and proactive trouble shooting of financial transaction issues, supporting continuity of Finance Department business operations, managing service contracts and vendor relationships, and providing responses to FOIA-related and auditor requests of Finance.

Program Performance Measures	Actual FY08	Actual FY09	Estimated FY10	Target FY11	Target FY12
Requests for assistance with computer systems, i.e. Service Tickets (average number of days to close) <sup>1</sup>	1.50	1.8	1.9	TBD	TBD
County Core Business Systems: User service requests processed <sup>2</sup>	780	820	820	TBD	TBD

<sup>1</sup> ERP implementation - no data on which to base FY11 and FY12 estimates.

<sup>2</sup> ERP implementation - no data on which to base FY11 and FY12 estimates.

FY11 Approved Changes	Expenditures	WYs
<b>FY10 Approved</b>	<b>1,382,520</b>	<b>4.9</b>
Increase Cost: MCtime - JAVA Application Upgrade	250,000	0.0
Shift: MC311 IT Position from CIP to Finance General Fund	129,430	1.0

	<b>Expenditures</b>	<b>WYs</b>
Increase Cost: IT Maintenance and Licenses Contracts	15,660	0.0
Technical Adj: MCtime Project Implementation	0	1.0
Shift: MC311 IT Position to Public Information Office from Finance	-129,430	-1.0
Decrease Cost: MCtime - Master Lease Payments	-142,680	0.0
Decrease Cost: Timesheet Data Entry Key punch Contract	-255,000	0.0
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	215,260	0.5
<b>FY11 Approved</b>	<b>1,465,760</b>	<b>6.4</b>

## Accounts Payable

This program is responsible for timely and accurate payments to vendors for goods and services provided to the County; complying with County policies and procedures; and carrying out State and Federal reporting requirements. Payments to vendors are initiated and approved by individual departments. The Accounts Payable program is responsible for review and final approval of payments of \$5,000 or more, as well as most refunds and other non-expenditure disbursements. Payments under \$5,000 are individually reviewed and approved by operating departments and potentially subject to post-payment audit by Accounts Payable. The Accounts Payable program is also responsible for administration of the County's Purchasing Card Program which incorporates both purchasing and travel related expenditures.

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>562,560</b>	<b>7.0</b>
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	25,570	-0.2
<b>FY11 Approved</b>	<b>588,130</b>	<b>6.8</b>

## General Accounting

This program is responsible for the analysis, interpretation, and presentation of the County's financial position and results of operations through timely, accurate, and professional financial reports. These reports provide public assurance as to the accountability and integrity of the use of County resources; adherence to budgetary policies established by management; and compliance with Federal, State, and County mandates. The program prepares the Comprehensive Annual Financial Report, Debt Service Booklet, as well as numerous other standardized and specialized reports. This program also provides high quality, timely service to County departments through analysis and technical assistance; and through preparation, review, and approval of County financial transactions.

<b>Program Performance Measures</b>	<b>Actual FY08</b>	<b>Actual FY09</b>	<b>Estimated FY10</b>	<b>Target FY11</b>	<b>Target FY12</b>
Receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting <sup>1</sup>	Received	Expected	Expected	Expected	Expected

<sup>1</sup> The County is continuing practices necessary to qualify for the GFOA Certificate of Achievement. The County has been awarded this certificate more times than any other county in the nation (39 times).

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>1,942,220</b>	<b>18.3</b>
Increase Cost: ERP Implementation: Overtime	47,000	0.0
Shift: To Grants Accounting	-551,920	-5.0
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	25,330	-0.5
<b>FY11 Approved</b>	<b>1,462,630</b>	<b>12.8</b>

## Grants Accounting

This program is responsible for the analysis, interpretation, and presentation of the County's financial position relating to grants through timely, accurate, and professional financial reports. These reports provide public assurance as to the accountability and integrity of the use of federal, state, and other outside resources; adherence to budgetary policies established by management; and compliance with Federal, State, and County mandates. The program prepares the Single Audit Report on expenditures of Federal awards, and State Uniform Financial Report, as well as numerous other standardized and specialized reports. This program also provides high quality, timely service to County departments through analysis and technical assistance; and through preparation, review, and approval of grant financial transactions.

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>0</b>	<b>0.0</b>
Shift: From General Accounting	551,920	5.0
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-8,300	-0.2
<b>FY11 Approved</b>	<b>543,620</b>	<b>4.8</b>

## Payroll

This program is responsible for managing and maintaining the County's payroll system and functions as prescribed by Federal, State, and County laws, and local regulations. The program provides timely and accurate payroll disbursements to County employees, accounts for payroll deductions, issues W-2 statements to account for pre-tax and post-tax benefits, maintains official payroll and leave records, and responds to internal and external inquiries. The program proactively operates in conjunction with other County departments to maintain and develop efficient and effective improvements to the personnel/payroll and electronic timekeeping systems.

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>681,030</b>	<b>7.0</b>
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-14,240	-0.2
<b>FY11 Approved</b>	<b>666,790</b>	<b>6.8</b>

## Tax Operations

This program is responsible for the timely and accurate collection and processing of all County administered taxes, including property taxes (which are the County's largest revenue source), transfer and recordation taxes (relating to real property transfers and recordation of instruments of writing), and several excise taxes (fuel/energy, telephone, hotel/motel). The program is also responsible for the administration of the County's Working Families Income Supplement program, the Public Advocate for Assessments and Taxation (Public Advocate) program, and numerous tax credit, deferral, and assistance programs. The property tax portion of this program provides the calculation and distribution of tax bills; accounting and distribution of tax collections to the State of Maryland, municipalities, and other entities; collection of delinquent accounts through the tax lien sale process; and communication of and access to tax and account information by attorneys and title companies for preparation of property settlements, and customer service assistance to the public for complex tax-related matters and issues. The transfer and recordation tax portion of this program ensures that all other taxes, fees, and charges associated with the property tax account are paid in full prior to recording of the deed for that property by the State of Maryland. The Public Advocate program provides an independent review of State-determined property tax assessment valuations for fairness and accuracy and, therefore, protects the public interest by acting on behalf of the taxpayers and the County.

<b>Program Performance Measures</b>	<b>Actual FY08</b>	<b>Actual FY09</b>	<b>Estimated FY10</b>	<b>Target FY11</b>	<b>Target FY12</b>
Average number of seconds to answer customer calls to the Treasury Call Center <sup>1</sup>	72	116	130	NA	NA

<sup>1</sup> Function will transfer to the MC311 Call Center.

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>2,046,610</b>	<b>22.1</b>
Increase Cost: Charges from County Attorney	14,130	0.0
Shift: Chargeback to Parking Districts, Solid Waste Services, Water Quality Protection and Leaf Vacuuming for Billing, Collection and Processing Services	-18,600	0.0
Reduce: Position in Tax Operations	-96,200	-1.0
Shift: CRM MC311 Call Takers to Public Information Office from Finance	-291,350	-4.0
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	24,870	-0.9
<b>FY11 Approved</b>	<b>1,679,460</b>	<b>16.2</b>

## Treasury Operations

This program is responsible for providing coordination and oversight of treasury operations and customer services through the cashing function. All money received by the County, directly through the cashing operation, or through the internet and bank lockbox operation, is processed, administered, and recorded in a timely fashion in the County's accounting system. This program handles property, transfer and recordation, and excise taxes; fines and fees; and offers specific employee services, such as the fare media pass. Functioning as a banking operation, the tellers are a primary provider of person-to-person customer service to County residents.

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>278,130</b>	<b>3.7</b>
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	30,920	0.2
<b>FY11 Approved</b>	<b>309,050</b>	<b>3.9</b>

## Insurance

The Montgomery County Self-Insurance Program, established under County Code 20-37, provides comprehensive property and casualty insurance for the County and participating agencies. The program is funded through contributions from the agencies, which are based upon an annual actuarial analysis of outstanding and projected future claims filed against the participants. The program provides accurate and timely insurance and risk management advice to participating agencies and reduces County and participating agency exposure to risk by: comparing the cost of commercially available coverage to evaluate the best method of funding exposure to loss; transferring contractual risk under indemnification/hold harmless agreements; avoiding risk; operating proactive safety programs; and purchasing commercial insurance policies.

<b>Program Performance Measures</b>	<b>Actual FY08</b>	<b>Actual FY09</b>	<b>Estimated FY10</b>	<b>Target FY11</b>	<b>Target FY12</b>
Number of Workers' Compensation claims resulting in lost work time	554	603	579	579	579
Workers' Compensation Cost per \$100 of Payroll	\$2.29	\$2.47	\$2.87	\$2.95	\$3.07

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>44,775,870</b>	<b>4.0</b>
Increase Cost: Claims Expense	2,003,000	0.0
Increase Cost: Claims Administration Fee	147,710	0.0
Increase Cost: Workers' Compensation Payroll Assessment	5,510	0.0
Decrease Cost: Payroll Tax Expenses for Municipalities leaving County's Insurance Program	-13,880	0.0
Decrease Cost: Commercial Property Insurance	-14,500	0.0
Decrease Cost: Consultant Contract	-35,800	0.0
Decrease Cost: Biennial Claims Audit	-40,000	0.0
Decrease Cost: Risk Management Information System	-55,000	0.0
Decrease Cost: Commercial Insurance Expenses for Municipalities leaving County's Insurance Program	-84,250	0.0
Decrease Cost: Fleet Repair Costs for Buses	-145,500	0.0
Decrease Cost: Transit Insurance Cost for Buses	-590,000	0.0
Decrease Cost: Adjustment to Claims Reserves	-651,000	0.0
Decrease Cost: Claims Expenses for Municipalities leaving County's Insurance Program	-1,196,000	0.0
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-32,760	-0.1
<b>FY11 Approved</b>	<b>44,073,400</b>	<b>3.9</b>

## Occupational Safety and Health

This program coordinates reporting to Federal and State regulatory agencies on health and safety issues. The State-required injury reports and the mandated safety training and record keeping are completed on schedule. The program responds promptly to inspections and queries from the Maryland Occupational Safety and Health Administration. Accident prevention programs are conducted, and training is provided continuously in loss prevention and loss control to promote a safe and healthy work environment for County employees.

<b>Program Performance Measures</b>	<b>Actual FY08</b>	<b>Actual FY09</b>	<b>Estimated FY10</b>	<b>Target FY11</b>	<b>Target FY12</b>
Workers Compensation - Cost per \$100 of payroll	\$2.29	\$2.38	\$2.87	\$2.95	\$3.07
Workers Compensation - Number of cases resulting in lost work time	609	603	526	521	521

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>806,250</b>	<b>5.0</b>
Decrease Cost: Motor Pool Rate Adjustment	-5,290	0.0
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-74,300	-0.1
<b>FY11 Approved</b>	<b>726,660</b>	<b>4.9</b>

## Policy and Fiscal Projects

This program provides issue management and fiscal analysis associated with economic development policies and initiatives; proactive development of intergovernmental policy alternatives and recommendations, including necessary local and state legislation and regulations; fiscal and economic impact analysis for local and state legislation; fiscal impact analysis and effective management

associated with the financing and implementation aspects of Master and Sector Plans; and high quality financial consulting services for County agencies, managers, staff, elected officials, and residents.

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>0</b>	<b>0.0</b>
Shift: From Operations and Administration	266,380	2.0
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-3,650	-0.1
<b>FY11 Approved</b>	<b>262,730</b>	<b>1.9</b>

### **Legal Services**

This program funds activities of the Office of the County Attorney, which provides legal services including investigation, negotiation, and litigation on behalf of the County and agencies that participate in the Self-Insurance Program.

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>2,398,660</b>	<b>19.0</b>
Increase Cost: Office of County Attorney Chargeback	64,530	0.0
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-66,260	-0.9
<b>FY11 Approved</b>	<b>2,396,930</b>	<b>18.1</b>

### **Operations and Administration**

This program includes operational support for the Department as well as the administrative portions of the Director's Office, the Division of the Controller, the Treasury Division, and the Division of Risk Management. The program provides support for efficient, effective, and timely accomplishment of the Department's mission, including budget development and oversight, personnel administration, strategic planning, and contract administration. It is also responsible for accurate revenue and economic forecasting, and publishing reports on economic and revenue analysis on a monthly and quarterly basis for dissemination to the County Council and public. The program provides high quality consulting services for County agencies, managers, staff, elected officials, and residents.

<b>Program Performance Measures</b>	<b>Actual FY08</b>	<b>Actual FY09</b>	<b>Estimated FY10</b>	<b>Target FY11</b>	<b>Target FY12</b>
Revenue forecasting - Percent variance between actual revenue and projected revenue	-2%	-2.9%	TBD	TBD	TBD

<b>FY11 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>2,875,180</b>	<b>14.4</b>
Decrease Cost: Printing and Mail Reduction Initiative (Self-Insurance Fund)	-9,400	0.0
Decrease Cost: Printing and Mail Reduction Initiative (General Fund)	-85,290	0.0
Shift: To Policy and Fiscal Projects	-266,380	-2.0
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	137,620	-0.6
<b>FY11 Approved</b>	<b>2,651,730</b>	<b>11.8</b>

# BUDGET SUMMARY

	Actual FY09	Budget FY10	Estimated FY10	Approved FY11	% Chg Bud/App
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	6,248,750	6,201,810	6,167,080	5,965,270	-3.8%
Employee Benefits	2,105,574	2,253,960	2,166,390	2,491,900	10.6%
<b>County General Fund Personnel Costs</b>	<b>8,354,324</b>	<b>8,455,770</b>	<b>8,333,470</b>	<b>8,457,170</b>	<b>0.0%</b>
Operating Expenses	1,238,594	1,296,160	139,080	1,139,720	-12.1%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>9,592,918</b>	<b>9,751,930</b>	<b>8,472,550</b>	<b>9,596,890</b>	<b>-1.6%</b>
<b>PERSONNEL</b>					
Full-Time	119	113	113	101	-10.6%
Part-Time	2	2	2	2	—
Workyears	84.5	79.0	79.0	73.7	-6.7%
<b>REVENUES</b>					
Miscellaneous	3,099	0	0	0	—
Development District Fees	28,860	45,150	45,150	148,330	228.5%
Procurement Card Rebate	7,368	22,600	23,000	23,000	1.8%
WSSC Reimb.: Benefit Charge on Tax Bill	92,702	86,580	86,580	78,220	-9.7%
Municipalities Reimb.: Property Tax Services	52,883	53,680	53,680	55,510	3.4%
State Reimb.: Bay Restoration Fund	23,391	22,500	22,500	22,500	—
Bad / Dishonored Check Fees	58,716	60,000	50,000	50,000	-16.7%
Tax Certification Fee	2,280	4,000	4,000	4,000	—
Tax Sale Fee	38,050	90,000	90,000	90,000	—
Child Support Payment Fees	20,257	20,540	22,260	22,260	8.4%
Conduit Bond Fees	109,627	109,500	109,960	109,500	—
<b>County General Fund Revenues</b>	<b>437,233</b>	<b>514,550</b>	<b>507,130</b>	<b>603,320</b>	<b>17.3%</b>
<b>SELF INSURANCE INTERNAL SERVICE FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	2,610,161	3,052,830	2,639,620	2,973,170	-2.6%
Employee Benefits	779,670	950,830	796,900	994,580	4.6%
<b>Self Insurance Internal Service Fund Personnel Costs</b>	<b>3,389,831</b>	<b>4,003,660</b>	<b>3,436,520</b>	<b>3,967,750</b>	<b>-0.9%</b>
Operating Expenses	37,427,976	44,563,820	44,341,000	43,924,320	-1.4%
Capital Outlay	0	0	0	0	—
<b>Self Insurance Internal Service Fund Expenditures</b>	<b>40,817,807</b>	<b>48,567,480</b>	<b>47,777,520</b>	<b>47,892,070</b>	<b>-1.4%</b>
<b>PERSONNEL</b>					
Full-Time	12	11	11	11	—
Part-Time	0	0	0	0	—
Workyears	31.0	30.4	30.4	29.2	-3.9%
<b>REVENUES</b>					
Montgomery County (Special, Entpr. & Int. Serv.)	4,191,290	5,513,350	5,513,350	6,078,410	10.2%
Montgomery County General Fund NDA	10,079,490	11,628,570	11,628,570	16,861,890	45.0%
Fire and Rescue Services	6,450,048	8,408,840	8,408,840	12,088,110	43.8%
Board of Education	7,800,400	9,752,270	9,752,270	13,605,620	39.5%
Montgomery College	402,080	456,450	456,450	622,100	36.3%
M-NCPPC	1,269,800	1,421,220	1,421,220	1,047,640	-26.3%
Housing Opportunities Commission	231,070	290,780	290,780	473,170	62.7%
Revenue Authority	158,800	198,360	198,360	203,230	2.5%
City of Gaithersburg	159,820	233,300	233,300	0	—
City of Rockville	1,077,990	1,329,910	1,329,910	0	—
Takoma Park	197,480	334,730	334,730	0	—
Housing Authority-City of Rockville	16,340	18,030	18,030	17,070	-5.3%
Other Municipal Income	19,320	24,800	24,800	38,780	56.4%
Other - Recovered Losses	737,847	1,100,000	1,100,000	1,100,000	—
Investment Income - Pooled and Non-Pooled	1,740,520	1,180,000	260,000	740,000	-37.3%
Bethesda Urban Partnership	7,660	9,020	9,020	12,410	37.6%
<b>Self Insurance Internal Service Fund Revenues</b>	<b>34,539,955</b>	<b>41,899,630</b>	<b>40,979,630</b>	<b>52,888,430</b>	<b>26.2%</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>50,410,725</b>	<b>58,319,410</b>	<b>56,250,070</b>	<b>57,488,960</b>	<b>-1.4%</b>
<b>Total Full-Time Positions</b>	<b>131</b>	<b>124</b>	<b>124</b>	<b>112</b>	<b>-9.7%</b>
<b>Total Part-Time Positions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>—</b>
<b>Total Workyears</b>	<b>115.5</b>	<b>109.4</b>	<b>109.4</b>	<b>102.9</b>	<b>-5.9%</b>
<b>Total Revenues</b>	<b>34,977,188</b>	<b>42,414,180</b>	<b>41,486,760</b>	<b>53,491,750</b>	<b>26.1%</b>

# FY11 APPROVED CHANGES

	Expenditures	WYs
<b>COUNTY GENERAL FUND</b>		
<b>FY10 ORIGINAL APPROPRIATION</b>	<b>9,751,930</b>	<b>79.0</b>
<b><u>Changes (with service impacts)</u></b>		
Reduce: Position in Tax Operations [Tax Operations]	-96,200	-1.0
<b><u>Other Adjustments (with no service impacts)</u></b>		
Shift: From General Accounting [Grants Accounting]	551,920	5.0
Shift: MCtime Project Implementation - Operating Budget Impact	366,420	0.8
Shift: From Operations and Administration [Policy and Fiscal Projects]	266,380	2.0
Increase Cost: MCtime - JAVA Application Upgrade [Information Technology]	250,000	0.0
Shift: MC311 IT Position from CIP to Finance General Fund [Information Technology]	129,430	1.0
Increase Cost: Debt Analysis and Special Debt Financings [Debt and Cash Management]	100,000	0.8
Increase Cost: Retirement Adjustment	94,870	0.0
Increase Cost: Group Insurance Adjustment	65,590	0.0
Increase Cost: ERP Implementation: Overtime [General Accounting]	47,000	0.0
Increase Cost: IT Maintenance and Licenses Contracts [Information Technology]	15,660	0.0
Increase Cost: Charges from County Attorney [Tax Operations]	14,130	0.0
Increase Cost: Annualization of FY10 Personnel Costs	11,390	0.0
Technical Adj: MCtime Project Implementation [Information Technology]	0	1.0
Decrease Cost: Turnover Savings	-15,010	0.0
Shift: Chargeback to Parking Districts, Solid Waste Services, Water Quality Protection and Leaf Vacuuming for Billing, Collection and Processing Services [Tax Operations]	-18,600	0.0
Decrease Cost: Expedited Bill 16-10 - Imputed Compensation Limit	-45,670	0.0
Decrease Cost: Printing and Mail Reduction Initiative (General Fund) [Operations and Administration]	-85,290	0.0
Shift: MC311 IT Position to Public Information Office from Finance [Information Technology]	-129,430	-1.0
Decrease Cost: MCtime - Master Lease Payments [Information Technology]	-142,680	0.0
Decrease Cost: Furlough Days	-170,300	-2.9
Decrease Cost: Timesheet Data Entry Key punch Contract [Information Technology]	-255,000	0.0
Shift: To Policy and Fiscal Projects [Operations and Administration]	-266,380	-2.0
Shift: CRM MC311 Call Takers to Public Information Office from Finance [Tax Operations]	-291,350	-4.0
Shift: To Grants Accounting [General Accounting]	-551,920	-5.0
<b>FY11 APPROVED:</b>	<b>9,596,890</b>	<b>73.7</b>
<b>SELF INSURANCE INTERNAL SERVICE FUND</b>		
<b>FY10 ORIGINAL APPROPRIATION</b>	<b>48,567,480</b>	<b>30.4</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Claims Expense [Insurance]	2,003,000	0.0
Increase Cost: Claims Administration Fee [Insurance]	147,710	0.0
Increase Cost: Office of County Attorney Chargeback [Legal Services]	64,530	0.0
Increase Cost: Retirement Adjustment	52,100	0.0
Increase Cost: Retiree Health Insurance Pre-Funding	44,900	0.0
Increase Cost: Group Insurance Adjustment	24,720	0.0
Increase Cost: Workers' Compensation Payroll Assessment [Insurance]	5,510	0.0
Decrease Cost: Annualization of FY10 Personnel Costs	-480	0.0
Decrease Cost: Motor Pool Rate Adjustment [Occupational Safety and Health]	-5,290	0.0
Decrease Cost: Printing and Mail Reduction Initiative (Self-Insurance Fund) [Operations and Administration]	-9,400	0.0
Decrease Cost: Payroll Tax Expenses for Municipalities leaving County's Insurance Program [Insurance]	-13,880	0.0
Decrease Cost: Commercial Property Insurance [Insurance]	-14,500	0.0
Decrease Cost: Expedited Bill 16-10 - Imputed Compensation Limit	-23,650	0.0
Decrease Cost: Consultant Contract [Insurance]	-35,800	0.0
Decrease Cost: Annualization of FY10 Personnel Costs	-35,960	0.0
Decrease Cost: Biennial Claims Audit [Insurance]	-40,000	0.0
Decrease Cost: Risk Management Information System [Insurance]	-55,000	0.0
Decrease Cost: Commercial Insurance Expenses for Municipalities leaving County's Insurance Program [Insurance]	-84,250	0.0
Decrease Cost: Furlough Days	-117,170	-1.2
Decrease Cost: Fleet Repair Costs for Buses [Insurance]	-145,500	0.0
Decrease Cost: Transit Insurance Cost for Buses [Insurance]	-590,000	0.0
Decrease Cost: Adjustment to Claims Reserves [Insurance]	-651,000	0.0
Decrease Cost: Claims Expenses for Municipalities leaving County's Insurance Program [Insurance]	-1,196,000	0.0
<b>FY11 APPROVED:</b>	<b>47,892,070</b>	<b>29.2</b>

## PROGRAM SUMMARY

Program Name	FY10 Approved		FY11 Approved	
	Expenditures	WYs	Expenditures	WYs
Debt and Cash Management	570,380	4.0	662,070	4.6
Information Technology	1,382,520	4.9	1,465,760	6.4
Accounts Payable	562,560	7.0	588,130	6.8
General Accounting	1,942,220	18.3	1,462,630	12.8
Grants Accounting	0	0.0	543,620	4.8
Payroll	681,030	7.0	666,790	6.8
Tax Operations	2,046,610	22.1	1,679,460	16.2
Treasury Operations	278,130	3.7	309,050	3.9
Insurance	44,775,870	4.0	44,073,400	3.9
Occupational Safety and Health	806,250	5.0	726,660	4.9
Policy and Fiscal Projects	0	0.0	262,730	1.9
Legal Services	2,398,660	19.0	2,396,930	18.1
Operations and Administration	2,875,180	14.4	2,651,730	11.8
<b>Total</b>	<b>58,319,410</b>	<b>109.4</b>	<b>57,488,960</b>	<b>102.9</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY10		FY11	
		Total\$	WYs	Total\$	WYs
<b>COUNTY GENERAL FUND</b>					
Board of Investment Trustees	BIT 457 Deferred Comp. Plan	22,620	0.1	23,230	0.1
Board of Investment Trustees	Employee Retirement System	48,260	0.3	49,560	0.3
Board of Investment Trustees	Retiree Health Benefits	37,710	0.3	38,720	0.3
Board of Investment Trustees	Retirement Savings Plan	24,130	0.2	24,780	0.2
CIP	CIP	2,559,920	20.6	1,837,580	14.3
Community Use of Public Facilities	Community Use of Public Facilities	4,830	0.1	5,090	0.1
Environmental Protection	Water Quality Protection Fund	256,740	2.2	271,430	2.2
Finance	Self Insurance Internal Service Fund	49,740	0.4	50,620	0.4
General Services	Printing and Mail Internal Service Fund	6,540	0.1	6,430	0.1
Human Resources	Employee Health Benefit Self Insurance Fund	102,810	0.7	104,800	0.8
Parking District Services	Bethesda Parking District	66,690	0.8	58,530	0.6
Parking District Services	Montgomery Hills Parking District	5,540	0.1	5,770	0.1
Parking District Services	Silver Spring Parking District	40,530	0.4	53,970	0.5
Parking District Services	Wheaton Parking District	13,650	0.1	13,590	0.1
Permitting Services	Permitting Services	12,970	0.1	13,070	0.1
Solid Waste Services	Solid Waste Collection	32,250	0.4	34,710	0.4
Solid Waste Services	Solid Waste Disposal	319,760	2.3	316,940	2.3
Transportation	Vacuum Leaf Collection	27,380	0.3	34,400	0.3
<b>Total</b>		<b>3,632,070</b>	<b>29.5</b>	<b>2,943,220</b>	<b>23.2</b>
<b>SELF INSURANCE INTERNAL SERVICE FUND</b>					
Solid Waste Services	Solid Waste Disposal	690,000	0.0	0	0.0

## ANNUALIZATION OF PERSONNEL COSTS AND WORKYEARS

	FY11 Approved		FY12 Annualized	
	Expenditures	WYs	Expenditures	WYs
Increase Cost: Debt Analysis and Special Debt Financings [Debt and Cash Management]	92,930	0.8	119,160	1.0
<b>Total</b>	<b>92,930</b>	<b>0.8</b>	<b>119,160</b>	<b>1.0</b>

