



# Finance

## RECOMMENDED FY23 BUDGET

\$103,537,516

## FULL TIME EQUIVALENTS

132.29

 MICHAEL COVEYOU, DIRECTOR

## 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 recommended FY23 Operating Budget for the Department of Finance is \$103,537,516, an increase of \$2,593,105 or 2.56 percent from the FY22 Approved Budget of \$100,944,411. Personnel Costs comprise 17.6 percent of the budget for 126 full-time position(s) and no part-time position(s), and a total of 132.29 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 82.4 percent of the FY23 budget.

The Finance Operating Budget is comprised of a General Fund component (the Director's Office and the Divisions of Fiscal Management, Treasury, Information Technology, and Controller) and the Division of Risk Management, which is funded by the Liability and Property Coverage Self-Insurance Fund. The total FY23 Operating Budget for the General Fund component is \$16,103,577 an increase of \$502,792 or 3.22 percent over the FY22 approved budget of \$15,600,785. Personnel Costs comprise approximately 83.2 percent of the General Fund budget for 115 full-time positions. A total of 99.92 FTEs includes these positions as well as any seasonal or temporary positions and positions charged to or from other departments or funds. Operating Expenses account for the remaining 16.8 percent of the budget.

The total FY23 Operating Budget for the Self-Insurance Fund component of Finance (Risk Management) is \$87,433,939, an increase of \$2,090,313 or 2.45 percent over the FY22 Approved budget of \$85,343,626. Personnel Costs comprise approximately 5.44 percent of the Self-Insurance Fund budget for 11 full-time positions. A total of 32.37 FTEs includes these positions as well as any seasonal or temporary positions and positions charged to or from other departments or funds. Operating Expenses account for the remaining 94.56 percent of the budget. Included in the total FTEs are 21 FTEs charged to the Self-Insurance Fund by the Office of the County Attorney and 0.37 FTEs charged by the General Fund component of Finance (Controller Division) for services provided in support of Risk Management.

## COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

## INITIATIVES

- ★ Partnering with the County Executive's Innovation Office to develop ways to encourage more residents to pay County taxes and other bills online versus in-person or through the mail, reducing the use of paper and carbon emissions.
- ★ Switching Robotic Process Automation platforms that offer greater integration capability with the County's existing information technology investments.
- ★ Continuing partnership with the Department of Technology and Enterprise Business Solutions to enhance the department's Disaster Recovery and Business Continuity capability.
- ★ Implementing an Account Verification Service for all online Automated Clearing House payments to ensure that a payer's bank account standing is valid prior to submitting a payment to prevent returns.
- ★ Risk Management has made significant progress in developing electronic claim reporting forms to streamline reporting and eliminate significant paper waste in the Claims Section. The electronic claim reporting form initiative has been tested with the Motor Vehicle Accident Notice (MVA) Form and will be tested with the Liability Accident Notice Form. The MVA form will be piloted with Alcohol Beverage Services (ABS) and the Division of Highway Services (HWY) by April 2022; and the Liability Accident Notice Form will be piloted with the Department of General Services by the end of the fiscal year.
- ★ For the 2022 Election Cycle, the Public Election Fund has authorized and distributed \$1,804,355 in matching fund contributions to 16 candidates who have been certified and are running in contested elections as of February 28, 2022.
- ★ The Small Business Plus! Program began with an initial total deposit of \$10 million with several local community banks in 2012 and has since expanded into deposits of approximately \$50 million as of December 31, 2020, with the program generating over \$3.4 million in interest income and creating an estimated 2,972 jobs.

## INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ★ Implemented a Business Intelligence dashboard that allows departments to quickly reconcile Accounts Receivable payments.
- ★ Implemented a Timecard Correction electronic workflow for employees that significantly reduces the total time required for the review and approval of updates.
- ★ Implemented an online application that allows businesses to pay for telephone excise tax without the use of paper and significantly reduces the cost of administration.
- ★ Automated an internal business payroll reconciliation process leveraging Robotic Process Automation that significantly reduces the time to complete tasks.
- ★ Updated the Central Vendor Registration System based on collaboration with the Department of Transportation to improve the customer experience by including the capability to translate content to multiple languages, simplifying the workflow, and updating instructions based on resident feedback.

## PROGRAM CONTACTS

Contact Jedediah Millard of the Department of Finance at 240.777.8855 or Derrick Harrigan of the Office of Management and Budget at 240.777.8759 for more information regarding this department's operating budget.

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## PROGRAM PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY22 estimates reflect funding based on the FY22 Approved Budget. The FY23 and FY24 figures are performance targets based on the FY23 Recommended Budget and funding for comparable service levels in FY24.

## PROGRAM DESCRIPTIONS

### Controller

This program provides effective management and support to the operations of Accounts Payable and Receivable; General and Grant Accounting; Financial Analysis, Audit and Compliance; and Timekeeping and Payroll. This program, through its operations, is responsible for overseeing expenditures and cash flow management; preparing timely and accurate annual financial statements and other standardized reports; complying with Federal, State, and County mandates; and developing standardized County policies and procedures.

The Accounts Payable (AP) section 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.

The Accounts Receivable (AR) section is responsible for the timely receipt and accounting for monies due to the County from residents, businesses, and government agencies. In conjunction with the implementation of the Enterprise Resource Planning (ERP) system and associated best practices, it also provides services including invoicing/billing, collection, accounting, reconciliation, and reporting reconciliation of monies due.

The General and Grant Accounting sections are 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 Federal, State, County, and other outside resources; adherence to budgetary policies established by management; and compliance with Federal, State, and County mandates. The program prepares the Annual Comprehensive Financial Report, Debt Service Booklet, the Single Audit Report on Expenditures of Federal Awards, and the 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 financial transactions including grants.

The Financial Analysis, Audit, and Compliance (FAAC) section is responsible for performing extensive financial analysis to improve financial reporting, coordinating controls and requirements over enhancements to functions in Oracle EBS financial modules; performing audits of financial transactions, and ensuring compliance with Department and Countywide policies.

The Timekeeping and Payroll section is responsible for managing and maintaining the County's payroll system and functions as prescribed by Federal, State, County laws, and local regulations. It 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. Timekeeping and Payroll proactively operates in conjunction with other County departments to maintain and develop efficient and effective improvements to personnel/payroll by

providing timekeeping and creating reporting tools available within the Oracle Business Intelligence Tool (BI).

Program Performance Measures	Actual FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting <sup>1</sup>	Received	Expected	Expected	Expected	Expected
Procurement Card transactions processed	37,881	22,542	25,000	25,000	25,000
Vendor payments issued <sup>2</sup>	107,773	202,889	150,000	150,000	150,000
Journal entries prepared	1,800	2,000	2,000	2,000	2,000
Journal entries reviewed and posted	3,600	4,000	4,000	4,000	4,000
Grant reports produced	488	738	725	725	725
Paychecks and payroll advices issued for employees <sup>3</sup>	289,751	275,991	300,000	300,000	300,000
Pension and long-term disability (LTD2) payroll payments processed	76,059	76,625	80,000	80,000	80,000
Procurement Card rebate revenue generated	\$768,078	553,034	550,000	550,000	550,000
Percent of non-compliant payments - Direct purchase orders created the same day as invoice date and duplicate dollars per total invoices	0.04%	.0465%	.04%	.04%	.04%
Percent of payroll errors per sum of dollars under and overpaid	0.28%	0.258%	0.35%	0.255%	0.25%

<sup>1</sup> The County has been awarded this certificate more times than any other county in the nation (FY20 = 51 times).

<sup>2</sup> Vendor payments (checks, ACH's, wires, SUA) represent checks disbursed; each check may represent multiple invoice vouchers.

<sup>3</sup> Number of employees varies by month due to seasonal and temporary staff. Count reflects number of employees, not number of transactions (a person can have multiple transactions with one check).

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>6,299,888</b>	<b>51.87</b>
Increase Cost: Kronos Annual Maintenance and License Contractual Obligation	52,224	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	53,356	0.00
<b>FY23 Recommended</b>	<b>6,405,468</b>	<b>51.87</b>

## Fiscal Management

This program provides effective management of County capital and operating funds; and the fiscal analysis and issue management associated with master plan development, economic development, and legislative issues. It is also responsible for issuing and managing the County's financial obligations to fund the capital improvement program and manage cash flow; provide accurate revenue and economic forecasting and publishing reports on economic and revenue analysis on a quarterly basis for dissemination to the County Council, County Executive, and the public. One of the program's primary goals is to maintain the County's AAA General Obligation Bond debt rating and to actively invest the County's working capital to minimize risk while generating maximum investment income.

Program objectives related to debt and cash management include managing the timely and economic issuance of short and long-term financial obligations; developing and maintaining strong rating agency and investors 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; investing the County's working capital and managing the County's relationship with the banking and investment community.

Program objectives related to policy and fiscal projects include the proactive development of intergovernmental policy alternatives

and recommendations, including necessary local and State legislation and regulations; fiscal 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; implementing and managing new County initiatives such as the Public Election Fund and Commercial Property Assessed Clean Energy (C-PACE) programs; managing the administration of economic development initiatives that support growth and/or expansion of economic opportunities in the County; and high quality financial consulting services for County agencies, managers, staff, elected officials, and residents.

Program Performance Measures	Actual FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Make Office Vacancies Extinct (MOVE) Program: Square feet of office space leased	81,763	55,446	66,535	73,189	76,848
Interest Rate Benchmarking - County General Obligation (GO) vs. Municipal Market Data Index (basis point spread)	3.00	3.00	0.00	0.00	0.00
Investment Return Benchmarking - County Return vs. S&P Local Government Investment Pool Index (basis point spread)	34	11	2	2	1
Revenue Forecasting - Percent variance between actual revenue and projected revenue	-0.43%	2.41%	0.00%	0.00%	0.00%
Interest Rate - True Interest Cost for Montgomery County General Obligation Bonds (the most common debt instrument used by the County)	2.21%	1.42%	1.48%	4.00%	4.00%
Investment Return - Rate of return on Montgomery County's investments	1.76%	.18%	.05%	.10%	.25%
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	AAA	AAA

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>1,969,546</b>	<b>10.75</b>
Shift: CIP FTE to the General Fund	40,369	0.25
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	99,279	0.00
<b>FY23 Recommended</b>	<b>2,109,194</b>	<b>11.00</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 and Enterprise Business Solutions, other County departments, vendors, and Department staff to ensure consistency of Department systems and financial controls with Countywide policies and standards; and with appropriate financial control standards. Major programs that are supported include Property Tax Billing and Collection, Time and Attendance, Electronic Payment Implementation and Compliance, joint ownership of the County's Enterprise Resource Planning system; software development of customized applications, robotic process automation; business process re-engineering, Disaster Recovery, Continuity of Operations planning, and special projects.

Program Performance Measures	Actual FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Electronic payments (credit card and ACH) transactions processed by the County's credit card processor and bank	4,625,166	4,282,243	4,200,000	4,200,000	4,200,000
Workflows, tasks, and processes streamlined utilizing existing or new technologies	37	24	25	25	25
FY23 Recommended Changes	Expenditures			FTEs	
<b>FY22 Approved</b>	<b>1,652,947</b>			<b>4.00</b>	

FY23 Recommended Changes	Expenditures	FTEs
Technical Adj: IT Financial Systems - Ongoing Software License and Maintenance	27,970	0.00
Increase Cost: Chargeback for Billing, Collection and Processing Services for Non-Tax Supported Funds	8,353	0.00
Increase Cost: Annual PCI and ACH Industry Compliance	6,430	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(1,672)	0.00
<b>FY23 Recommended</b>	<b>1,694,028</b>	<b>4.00</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. The program provides high quality consulting services for County agencies, managers, staff, elected officials, and residents.

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>4,164,678</b>	<b>14.37</b>
Decrease Cost: Chargeback for Billing, Collection, and Processing Services for Non-Tax Supported Funds	(14,150)	0.00
Technical Adj: IT Financial Systems - Ongoing Software License and Maintenance	(27,970)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	13,296	0.00
<b>FY23 Recommended</b>	<b>4,135,854</b>	<b>14.37</b>

## ☀ Risk Management

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 pays all claims for Self Insured Workers' Compensation, General and Auto Liability, Auto Physical Damage, and Property matters. The program is funded through contributions from the agencies, which are based upon an annual actuarial analysis of their exposures and outstanding and projected future claims. The program provides accurate and timely insurance and risk management advice to County Departments and 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; and recommending and reviewing contractual insurance requirements for County agreements. The Program also purchases commercial insurance policies. The Program maintains a contract agreement with a Third Party Claims administrator to handle all claims submitted to the County and agencies - including Workers' Compensation, General Liability, Automobile Liability, Auto Physical Damage, and Property damage.

Program Performance Measures	Actual FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Computer based/onsite training classes provided by the Safety Section	2,300	3,085	1,500	1,350	1,500
Workers Compensation - Cost per \$100 of payroll	\$2.99	\$3.37	\$2.96	\$2.99	\$2.99
Workers Compensation - Number of Montgomery County Government cases resulting in lost work time	341	340	374	411	411



FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>84,451,002</b>	<b>28.00</b>
Increase Cost: Increase in Commercial Insurance Premiums	1,919,282	0.00
Decrease Cost: Claims Service Contract Administrative Costs	811,545	0.00
Increase Cost: Worker's Comp. Tax	40,000	0.00
Increase Cost: Insurance Broker Services	13,703	0.00
Increase Cost: Rent increase	3,841	0.00
Decrease Cost: Other Insurance Costs	(15,321)	0.00
Decrease Cost: Claims Expense	(833,099)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	174,009	0.00
<b>FY23 Recommended</b>	<b>86,564,962</b>	<b>28.00</b>

## Treasury

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 Treasury cashing operation, from other County agencies, 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.

Program Performance Measures	Actual FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Tax related number of service request tickets transferred from MC311 Call Center to Treasury	3,241	5,245	4,250	3,750	3,750
Property tax accounts billed	348,037	376,557	380,000	382,500	385,000
Transfer tax transactions processed <sup>1</sup>	18,972	21,620	23,000	23,000	23,000
Cashier transactions processed	73,710	64,734	70,000	75,000	80,000

<sup>1</sup> Transfer Tax transactions includes taxable and non-taxable transactions.

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>2,406,350</b>	<b>23.05</b>
Decrease Cost: Chargeback for Billing, Collection and Processing Services for Non-Tax	(29,093)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	250,753	0.00
<b>FY23 Recommended</b>	<b>2,628,010</b>	<b>23.05</b>

## BUDGET SUMMARY

	Actual FY21	Budget FY22	Estimate FY22	Recommended FY23	%Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	8,328,246	10,246,975	9,737,608	10,615,199	3.6 %
Employee Benefits	2,751,684	2,724,451	2,794,794	2,798,829	2.7 %

## BUDGET SUMMARY

	Actual FY21	Budget FY22	Estimate FY22	Recommended FY23	%Chg Bud/Rec
<b>County General Fund Personnel Costs</b>	<b>11,079,930</b>	<b>12,971,426</b>	<b>12,532,402</b>	<b>13,414,028</b>	<b>3.4 %</b>
Operating Expenses	2,545,947	2,629,359	2,694,878	2,689,549	2.3 %
<b>County General Fund Expenditures</b>	<b>13,625,877</b>	<b>15,600,785</b>	<b>15,227,280</b>	<b>16,103,577</b>	<b>3.2 %</b>
PERSONNEL					
Full-Time	119	115	115	115	—
Part-Time	0	0	0	0	—
FTEs	97.67	99.67	99.67	99.92	0.3 %
REVENUES					
Miscellaneous Revenues	645,970	700,000	500,000	500,000	-28.6 %
Other Charges/Fees	595,444	535,500	535,500	535,500	—
Other Fines/Forfeitures	1,278,234	0	0	0	—
Other Intergovernmental	514,716	510,700	510,700	515,820	1.0 %
<b>County General Fund Revenues</b>	<b>3,034,364</b>	<b>1,746,200</b>	<b>1,546,200</b>	<b>1,551,320</b>	<b>-11.2 %</b>

### SELF INSURANCE INTERNAL SERVICE FUND

#### EXPENDITURES

Salaries and Wages	3,224,395	3,678,136	3,505,899	3,842,799	4.5 %
Employee Benefits	856,173	968,013	922,505	965,097	-0.3 %
<b>Self Insurance Internal Service Fund Personnel Costs</b>	<b>4,080,568</b>	<b>4,646,149</b>	<b>4,428,404</b>	<b>4,807,896</b>	<b>3.5 %</b>
Operating Expenses	59,999,253	80,697,477	80,697,477	82,626,043	2.4 %
<b>Self Insurance Internal Service Fund Expenditures</b>	<b>64,079,821</b>	<b>85,343,626</b>	<b>85,125,881</b>	<b>87,433,939</b>	<b>2.4 %</b>

#### PERSONNEL

Full-Time	11	11	11	11	—
Part-Time	0	0	0	0	—
FTEs	32.37	32.37	32.37	32.37	—

#### REVENUES

Investment Income	334,239	172,690	296,060	1,767,200	923.3 %
Miscellaneous Revenues	398,893	1,000,000	1,000,000	1,000,000	—
Self Insurance Revenues	78,133,853	77,514,144	77,514,144	89,979,623	16.1 %
<b>Self Insurance Internal Service Fund Revenues</b>	<b>78,866,985</b>	<b>78,686,834</b>	<b>78,810,204</b>	<b>92,746,823</b>	<b>17.9 %</b>

### GRANT FUND - MCG

#### EXPENDITURES

Salaries and Wages	120,789	0	0	0	—
Employee Benefits	1,878	0	0	0	—
<b>Grant Fund - MCG Personnel Costs</b>	<b>122,667</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	16,600,743	0	0	0	—
<b>Grant Fund - MCG Expenditures</b>	<b>16,723,410</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>

#### PERSONNEL



## BUDGET SUMMARY

	Actual FY21	Budget FY22	Estimate FY22	Recommended FY23	%Chg Bud/Rec
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
<b>REVENUES</b>					
Federal Grants	16,723,410	0	0	0	—
<b>Grant Fund - MCG Revenues</b>	<b>16,723,410</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>94,429,108</b>	<b>100,944,411</b>	<b>100,353,161</b>	<b>103,537,516</b>	<b>2.6 %</b>
<b>Total Full-Time Positions</b>	<b>130</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>—</b>
<b>Total Part-Time Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total FTEs</b>	<b>130.04</b>	<b>132.04</b>	<b>132.04</b>	<b>132.29</b>	<b>0.2 %</b>
<b>Total Revenues</b>	<b>98,624,759</b>	<b>80,433,034</b>	<b>80,356,404</b>	<b>94,298,143</b>	<b>17.2 %</b>

## FY23 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
	<b>FY22 ORIGINAL APPROPRIATION</b>	<b>15,600,785 99.67</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Annualization of FY22 Compensation Increases	250,286	0.00
Increase Cost: FY23 Compensation Adjustment	169,383	0.00
Increase Cost: Annualization of FY22 Personnel Costs	64,667	0.00
Increase Cost: Kronos Annual Maintenance and License Contractual Obligation [Controller]	52,224	0.00
Shift: CIP FTE to the General Fund [Fiscal Management]	40,369	0.25
Technical Adj: IT Financial Systems - Ongoing Software License and Maintenance [Information Technology]	27,970	0.00
Increase Cost: Chargeback for Billing, Collection and Processing Services for Non-Tax Supported Funds [Information Technology]	8,353	0.00
Increase Cost: Annual PCI and ACH Industry Compliance [Information Technology]	6,430	0.00
Decrease Cost: Printing and Mail Adjustment	(554)	0.00
Decrease Cost: Chargeback for Billing, Collection, and Processing Services for Non-Tax Supported Funds [Operations and Administration]	(14,150)	0.00
Technical Adj: IT Financial Systems - Ongoing Software License and Maintenance [Operations and Administration]	(27,970)	0.00
Decrease Cost: Chargeback for Billing, Collection and Processing Services for Non-Tax [Treasury]	(29,093)	0.00
Decrease Cost: Retirement Adjustment	(45,123)	0.00
	<b>FY23 RECOMMENDED</b>	<b>16,103,577 99.92</b>

### SELF INSURANCE INTERNAL SERVICE FUND

## FY23 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>FY22 ORIGINAL APPROPRIATION</b>	<b>85,343,626</b>	<b>32.37</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Increase in Commercial Insurance Premiums [Risk Management ]	1,919,282	0.00
Decrease Cost: Claims Service Contract Administrative Costs [Risk Management ]	811,545	0.00
Increase Cost: Annualization of FY22 Compensation Increases	91,683	0.00
Increase Cost: FY23 Compensation Adjustment	69,072	0.00
Increase Cost: Worker's Comp. Tax [Risk Management ]	40,000	0.00
Increase Cost: Annualization of FY22 Personnel Costs	35,384	0.00
Increase Cost: Insurance Broker Services [Risk Management ]	13,703	0.00
Increase Cost: Rent increase [Risk Management ]	3,841	0.00
Increase Cost: Motor Pool Adjustment	1,891	0.00
Increase Cost: Printing and Mail Adjustment	194	0.00
Decrease Cost: OPEB Adjustment	(13,470)	0.00
Decrease Cost: Other Insurance Costs [Risk Management ]	(15,321)	0.00
Decrease Cost: Retirement Adjustment	(34,392)	0.00
Decrease Cost: Claims Expense [Risk Management ]	(833,099)	0.00
<b>FY23 RECOMMENDED</b>	<b>87,433,939</b>	<b>32.37</b>

## PROGRAM SUMMARY

Program Name	FY22 APPR Expenditures	FY22 APPR FTEs	FY23 REC Expenditures	FY23 REC FTEs
Controller	6,299,888	51.87	6,405,468	51.87
Fiscal Management	1,969,546	10.75	2,109,194	11.00
Information Technology	1,652,947	4.00	1,694,028	4.00
Operations and Administration	4,164,678	14.37	4,135,854	14.37
Risk Management	84,451,002	28.00	86,564,962	28.00
Treasury	2,406,350	23.05	2,628,010	23.05
<b>Total</b>	<b>100,944,411</b>	<b>132.04</b>	<b>103,537,516</b>	<b>132.29</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY22 Total\$	FY22 FTEs	FY23 Total\$	FY23 FTEs
<b>COUNTY GENERAL FUND</b>					
Human Resources	Employee Health Self Insurance	99,570	0.75	103,860	0.75
Human Resources	Retiree Health Benefits Trust Fund	41,582	0.30	43,334	0.30
General Services	Central Duplicating (Printing & Mail)	6,770	0.05	6,960	0.05
Transportation	Leaf Vacuuming	254,550	0.43	257,810	0.43

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY22 Total\$	FY22 FTEs	FY23 Total\$	FY23 FTEs
Parking District Services	Bethesda Parking	32,540	0.24	33,450	0.24
Parking District Services	Silver Spring Parking	36,810	0.27	37,870	0.27
Parking District Services	Wheaton Parking	12,370	0.09	12,750	0.09
Community Use of Public Facilities	Community Use of Public Facilities	50,010	0.37	51,360	0.37
Recreation	Recreation	44,110	0.33	45,210	0.33
Permitting Services	Permitting Services	13,240	0.10	13,560	0.10
Environmental Protection	Water Quality Protection	969,796	6.00	961,505	6.00
Recycling and Resource Management	Solid Waste Disposal	609,540	4.38	618,950	4.38
Recycling and Resource Management	Solid Waste Collection	280,770	0.64	284,800	0.64
Alcohol Beverage Services	Liquor	193,516	0.50	76,820	0.50
CIP	Capital Fund	39,895	0.25	0	0.00
Non-Departmental Accounts	Retirement Fund (ERS)	39,448	0.30	42,716	0.30
Non-Departmental Accounts	RSP-Disability Benefits (LTD2)	1,480	0.01	1,530	0.01
Economic Development Fund	Economic Development Fund	161,959	1.00	167,596	1.00
<b>Total</b>		<b>2,887,956</b>	<b>16.01</b>	<b>2,760,081</b>	<b>15.76</b>

## FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY23	FY24	FY25	FY26	FY27	FY28
<b>COUNTY GENERAL FUND</b>						
<b>EXPENDITURES</b>						
<b>FY23 Recommended</b>	<b>16,104</b>	<b>16,104</b>	<b>16,104</b>	<b>16,104</b>	<b>16,104</b>	<b>16,104</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>564</b>	<b>564</b>	<b>564</b>	<b>564</b>	<b>564</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>16,104</b>	<b>16,668</b>	<b>16,668</b>	<b>16,668</b>	<b>16,668</b>	<b>16,668</b>
<b>SELF INSURANCE INTERNAL SERVICE FUND</b>						
<b>EXPENDITURES</b>						
<b>FY23 Recommended</b>	<b>87,434</b>	<b>87,434</b>	<b>87,434</b>	<b>87,434</b>	<b>87,434</b>	<b>87,434</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>184</b>	<b>184</b>	<b>184</b>	<b>184</b>	<b>184</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>87,434</b>	<b>87,618</b>	<b>87,618</b>	<b>87,618</b>	<b>87,618</b>	<b>87,618</b>

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