



# Finance

## RECOMMENDED FY25 BUDGET

\$131,998,575

## FULL TIME EQUIVALENTS

129.24

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 FY25 Operating Budget for the Department of Finance is \$131,998,575, an increase of \$19,855,822 or 17.71 percent from the FY24 Approved Budget of \$112,142,753. Personnel Costs comprise 16.09 percent of the budget for 125 full-time position(s) and no part-time position(s), and a total of 129.24 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 83.91 percent of the FY25 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 FY25 Operating Budget for the General Fund component is \$19,169,018 an increase of \$2,343,100 or 13.9 percent over the FY24 Approved Budget of \$16,825,918. Personnel Costs comprise approximately 82 percent of the General Fund budget for 114 full-time positions. A total of 97.87 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 18 percent of the budget.

The total FY25 Operating Budget for the Self-Insurance Fund component of Finance (Risk Management) is \$112,829,557, an increase of \$17,512,722 or 18.4 percent over the FY24 Approved Budget of \$95,316,835. Personnel Costs comprise approximately 5 percent of the Self-Insurance Fund budget for 11 full-time positions. A total of 31.37 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 95 percent of the budget. Included in the total FTEs are 20 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

- ★ Selected as an inaugural member of the Harvard Kennedy School Government Performance Lab's Green RFP Bootcamp to retool the upcoming Printing and Mailing Services for Tax Operations to include a sustainability-related component.
- ★ Solicit Requests for Proposals (RFP) for third-party workers compensation claims services and insurance broker services.
- ★ Transition to a new banking vendor that was selected from a competitive RFP process.
- ★ Upgrade the County's enterprise timekeeping and all scheduling systems to the vendor's new software as a service platform before vendor's end-of-life date of these products.
- ★ Upgrade the property tax billing system to the vendor's newer software as a service platform.
- ★ Continue leveraging automation software, business process reengineering, and developing customized software applications to meet the unique requirements of the department.

## INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ★ Updated the Payment in Lieu of Taxes (PILOT) system that is utilized for property tax billing for certain accounts by leveraging newer technologies.
- ★ Implemented robotic process automation jobs to streamline tasks related to Accounts Receivables and Accounts Payable.

## PROGRAM CONTACTS

Contact Jedediah Millard of the Department of Finance at 240.777.8855 or Abdul Rauf of the Office of Management and Budget at 240.777.2766 for more information regarding this department's operating budget.

## 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 FY24 estimates reflect funding based on the FY24 Approved Budget. The FY25 and FY26 figures are performance targets based on the FY25 Recommended Budget and funding for comparable service levels in FY26.

## 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, coordinate controls and requirements over enhancements to functions in Oracle EBS financial modules, perform audits of financial transactions, and ensure 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 FY22	Actual FY23	Estimated FY24	Target FY25	Target FY26
Procurement Card transactions processed	30,701	30,779	30,000	30,000	30,000
Vendor payments issued <sup>1</sup>	128,656	118,248	120,000	120,000	120,000
Journal entries prepared	1,700	1,500	1,730	1,730	1,730
Journal entries reviewed and posted	3,500	4,220	3,900	3,900	3,900
Grant reports produced	933	1,281	1,280	930	730
Paychecks and payroll advices issued for employees <sup>2</sup>	282,720	303,359	290,000	290,000	290,000
Pension and long-term disability (LTD2) payroll payments processed <sup>3</sup>	78,452	79,862	80,000	80,000	80,000
Procurement Card rebate revenue generated	\$741,803	\$741,563	\$750,000	\$750,000	\$750,000
Receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting <sup>4</sup>	Received	Expected	Expected	Expected	Expected
Percent of non-compliant payments - Direct purchase orders created the same day as invoice date and duplicate dollars per total invoices	0.05%	0.04%	0.04%	0.03%	0.03%
Percent of payroll errors per sum of dollars under and overpaid	0.16%	0.18%	0.15%	0.15%	0.15%

<sup>1</sup> Vendor payments (checks, ACH's, wires, SUA) represent checks disbursed; each check may represent multiple invoice vouchers.

<sup>2</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).

<sup>3</sup> Number of employees varies by month due to ERS retirements and long term disability payments.

<sup>4</sup> The County has been awarded this certificate more times than any other county in the nation (FY22 = 53 times).

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>6,721,317</b>	<b>50.87</b>
Increase Cost: Kronos Annual Maintenance and License Contractual Obligations	275,770	0.00
Shift: Positions between FIN Programs	138,038	1.00
Shift: Move Tax Supported Chargeback from FIN to OCA	(8,972)	(0.05)
Shift: Designated Resources to Support Countywide Human Resources Operations	(123,410)	(1.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	614,193	0.05
<b>FY25 Recommended</b>	<b>7,616,936</b>	<b>50.87</b>

## Fiscal Management

This program provides effective management of County capital and operating fund; 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 safely preserve principal, provide sufficient liquidity to meet cash flow requirements, and maximize investment returns while conforming to all State of Maryland laws and County statutes governing the investment of public funds.

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 and 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 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 FY22	Actual FY23	Estimated FY24	Target FY25	Target FY26
Make Office Vacancies Extinct (MOVE) Program: Square feet of office space leased <sup>1</sup>	108,188	55,521	55,612	55,804	56,108
Interest Rate Benchmarking - County General Obligation (GO) vs. Municipal Market Data Index (basis point spread)	0.00	0.00	0.00	0.00	0.00

Program Performance Measures	Actual FY22	Actual FY23	Estimated FY24	Target FY25	Target FY26
Investment Return Benchmarking - County Return vs. S&P Local Government Investment Pool Index (basis point spread)	21	-4	10	10	10
Revenue Forecasting - Percent variance between actual revenue and projected revenue	7.57%	5.11%	2.70%	2.70%	2.70%
Investment Return - Rate of return on Montgomery County's investments <sup>2</sup>	0.33%	3.43%	5.00%	3.00%	2.50%
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

<sup>1</sup> FY23: 19 total recipients; 6 recipients occupying 36,371 sqft of Class A Space; 9 recipients occupying 19,150 sqft of Class B space

<sup>2</sup> The Federal Reserve raised rates in FY23 into FY24 at the fastest pace since the 1980s. Investment return projections are based on Federal Funds Futures. Expectations are that the Federal Reserve has completed its latest tightening cycle and will begin to lower rates in FY25.

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>2,200,558</b>	<b>11.00</b>
Increase Cost: BNY Mellon Investment Custodian Fees Contractual Obligations	115,000	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.	156,254	0.00
<b>FY25 Recommended</b>	<b>2,471,812</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 the 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 (COOP); and special projects.

Program Performance Measures	Actual FY22	Actual FY23	Estimated FY24	Target FY25	Target FY26
Electronic payments (credit card and ACH) transactions processed by the County's credit card processor and bank (000's)	5,143	5,155	5,258	5,363	5,471
Workflows, tasks, and processes streamlined utilizing existing or new technologies <sup>1</sup>	49	19	20	21	22

<sup>1</sup> Actual FY23 is a significant decrease due to multiple large-scale, high-priority projects including work related to the Homestead Tax Credit/ITOC, Mctime upgrade, preparing banking services and merchant card RFPs.

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>1,745,988</b>	<b>3.98</b>
Increase Cost: IT Financial Systems Applications - Ongoing Software Maintenance	306,840	0.00
Increase Cost: Dunn and Bradstreet Ongoing Contractual Obligations	109,960	0.00
Increase Cost: Annual PCI and ACH Industry Compliance Audits	6,830	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.	148,742	0.02
<b>FY25 Recommended</b>	<b>2,318,360</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.

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>4,183,416</b>	<b>15.37</b>
Increase Cost: Restore One-Time Lapse Increase	243,926	0.00
Increase Cost: Indirect Cost Study	8,000	0.00
Re-align: One-Time Lapse Adjustment	(240,776)	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.	7,007,905	0.00
<b>FY25 Recommended</b>	<b>11,202,471</b>	<b>15.37</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 FY22	Actual FY23	Estimated FY24	Target FY25	Target FY26
Computer based/onsite training classes provided by the Safety Section	1,978	2,361	2,000	2,000	2,000
Workers Compensation - Cost per \$100 of payroll	\$2.96	\$3.08	\$3.15	\$3.23	\$3.23
Workers Compensation - Number of Montgomery County Government cases resulting in lost work time	318	372	409	429	429

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>94,416,753</b>	<b>28.00</b>
Increase Cost: Claims Expense Change	7,965,008	0.00
Increase Cost: Return of Contribution	6,373,230	0.00
Increase Cost: Commercial Insurance Premiums	2,351,090	0.00
Increase Cost: Claims Service Contract Administrative costs	221,455	0.00
Technical Adj: Shift of Fund Balance to Safety Section	220,000	0.00
Increase Cost: Insurance Broker Services	14,928	0.00

FY25 Recommended Changes	Expenditures	FTEs
Increase Cost: Rent increase	3,375	0.00
Shift: Move Non-Tax Supported chargeback from Self Insurance Fund to OCA	(135,485)	(1.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(5,923,391)	0.00
<b>FY25 Recommended</b>	<b>105,506,963</b>	<b>27.00</b>

## Treasury

This program is responsible for providing coordination and oversight of treasury operations and customer services through the cashiering function. All money received by the County--directly through the Treasury cashiering 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, excise taxes, fines, and fees. It also offers specific employee services, such as the fare media pass. Functioning as a banking operation, the tellers are the primary provider of person-to-person contact with County residents.

Program Performance Measures	Actual FY22	Actual FY23	Estimated FY24	Target FY25	Target FY26
Tax related number of service request tickets transferred from MC311 Call Center to Treasury	4,820	3,804	4,250	4,750	5,000
Property tax accounts billed	375,990	361,190	375,000	380,000	385,000
Transfer tax transactions processed <sup>1</sup>	20,333	12,749	15,000	17,000	20,000
Cashier transactions processed	64,276	40,686	45,000	47,000	50,000

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

FY25 Recommended Changes	Expenditures	FTEs
<b>FY24 Approved</b>	<b>2,874,721</b>	<b>23.07</b>
Shift: Positions between FIN Programs	(138,038)	(1.00)
Shift: Move Tax Supported Chargeback from FIN to OCA	(165,530)	(1.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	310,880	(0.07)
<b>FY25 Recommended</b>	<b>2,882,033</b>	<b>21.00</b>

## BUDGET SUMMARY

	Actual FY23	Budget FY24	Estimate FY24	Recommended FY25	%Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	9,386,892	11,165,473	10,843,267	12,405,523	11.1 %
Employee Benefits	2,977,797	2,967,364	3,014,408	3,241,231	9.2 %
<b>County General Fund Personnel Costs</b>	<b>12,364,689</b>	<b>14,132,837</b>	<b>13,857,675</b>	<b>15,646,754</b>	<b>10.7 %</b>
Operating Expenses	3,738,090	2,693,081	5,176,217	3,522,264	30.8 %
<b>County General Fund Expenditures</b>	<b>16,102,779</b>	<b>16,825,918</b>	<b>19,033,892</b>	<b>19,169,018</b>	<b>13.9 %</b>
<b>PERSONNEL</b>					

## BUDGET SUMMARY

	Actual FY23	Budget FY24	Estimate FY24	Recommended FY25	%Chg Bud/Rec
Full-Time	115	115	115	114	-0.9 %
Part-Time	0	0	0	0	—
FTEs	99.92	99.92	99.92	97.87	-2.1 %
<b>REVENUES</b>					
Other Charges/Fees	510,656	523,900	516,600	512,100	-2.3 %
Other Fines/Forfeitures	9,393	0	0	0	—
Other Intergovernmental	515,368	476,460	476,460	457,440	-4.0 %
Miscellaneous Revenues	784,906	500,000	730,000	730,000	46.0 %
<b>County General Fund Revenues</b>	<b>1,820,323</b>	<b>1,500,360</b>	<b>1,723,060</b>	<b>1,699,540</b>	<b>13.3 %</b>

### SELF INSURANCE INTERNAL SERVICE FUND

#### EXPENDITURES

Salaries and Wages	3,545,913	4,182,423	3,783,272	4,493,381	7.4 %
Employee Benefits	882,205	1,038,875	923,121	1,094,259	5.3 %
<b>Self Insurance Internal Service Fund Personnel Costs</b>	<b>4,428,118</b>	<b>5,221,298</b>	<b>4,706,393</b>	<b>5,587,640</b>	<b>7.0 %</b>
Operating Expenses	72,968,836	90,095,537	90,095,537	107,241,917	19.0 %
<b>Self Insurance Internal Service Fund Expenditures</b>	<b>77,396,954</b>	<b>95,316,835</b>	<b>94,801,930</b>	<b>112,829,557</b>	<b>18.4 %</b>

#### PERSONNEL

Full-Time	11	11	11	11	—
Part-Time	0	0	0	0	—
FTEs	32.37	32.37	32.37	31.37	-3.1 %

#### REVENUES

Self Insurance Revenues	91,019,119	92,796,252	92,996,079	92,796,252	—
Miscellaneous Revenues	692,809	1,000,000	7,500,000	1,500,000	50.0 %
Investment Income	9,756,478	8,100,000	16,004,540	12,598,640	55.5 %
<b>Self Insurance Internal Service Fund Revenues</b>	<b>101,468,406</b>	<b>101,896,252</b>	<b>116,500,619</b>	<b>106,894,892</b>	<b>4.9 %</b>

### GRANT FUND - MCG

#### EXPENDITURES

Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Grant Fund - MCG Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
Operating Expenses	2,963,048	0	0	0	—
<b>Grant Fund - MCG Expenditures</b>	<b>2,963,048</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>

#### PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—

#### REVENUES



## BUDGET SUMMARY

	Actual FY23	Budget FY24	Estimate FY24	Recommended FY25	%Chg Bud/Rec
Federal Grants	2,963,048	0	0	0	—
<b>Grant Fund - MCG Revenues</b>	<b>2,963,048</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>

### DEPARTMENT TOTALS

<b>Total Expenditures</b>	<b>96,462,781</b>	<b>112,142,753</b>	<b>113,835,822</b>	<b>131,998,575</b>	<b>17.7 %</b>
<b>Total Full-Time Positions</b>	<b>126</b>	<b>126</b>	<b>126</b>	<b>125</b>	<b>-0.8 %</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>132.29</b>	<b>132.29</b>	<b>132.29</b>	<b>129.24</b>	<b>-2.3 %</b>
<b>Total Revenues</b>	<b>106,251,777</b>	<b>103,396,612</b>	<b>118,223,679</b>	<b>108,594,432</b>	<b>5.0 %</b>

### FY25 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
<b>FY24 ORIGINAL APPROPRIATION</b>	<b>16,825,918</b>	<b>99.92</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Annualization of FY24 Compensation Increases	706,872	0.00
Increase Cost: FY25 Compensation Adjustment	665,416	0.00
Increase Cost: Annualization of FY24 Personnel Costs	486,313	0.00
Increase Cost: IT Financial Systems Applications - Ongoing Software Maintenance [Information Technology]	306,840	0.00
Increase Cost: Kronos Annual Maintenance and License Contractual Obligations [Controller]	275,770	0.00
Increase Cost: Restore One-Time Lapse Increase [Operations and Administration]	243,926	0.00
Shift: Positions between FIN Programs [Controller]	138,038	1.00
Increase Cost: BNY Mellon Investment Custodian Fees Contractual Obligations [Fiscal Management]	115,000	0.00
Increase Cost: Dunn and Bradstreet Ongoing Contractual Obligations [Information Technology]	109,960	0.00
Increase Cost: Indirect Cost Study [Operations and Administration]	8,000	0.00
Increase Cost: Annual PCI and ACH Industry Compliance Audits [Information Technology]	6,830	0.00
Increase Cost: Annualization of FY24 Operating Expenses	5,490	0.00
Increase Cost: Printing and Mail	1,293	0.00
Shift: Move Tax Supported Chargeback from FIN to OCA [Controller]	(8,972)	(0.05)
Decrease Cost: Retirement Adjustment	(49,922)	0.00
Shift: Designated Resources to Support Countywide Human Resources Operations [Controller]	(123,410)	(1.00)
Shift: Positions between FIN Programs [Treasury]	(138,038)	(1.00)
Shift: Move Tax Supported Chargeback from FIN to OCA [Treasury]	(165,530)	(1.00)
Re-align: One-Time Lapse Adjustment [Operations and Administration]	(240,776)	0.00
<b>FY25 RECOMMENDED</b>	<b>19,169,018</b>	<b>97.87</b>

### SELF INSURANCE INTERNAL SERVICE FUND

## FY25 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>FY24 ORIGINAL APPROPRIATION</b>	<b>95,316,835</b>	<b>32.37</b>
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: Claims Expense Change [Risk Management ]	7,965,008	0.00
Increase Cost: Return of Contribution [Risk Management ]	6,373,230	0.00
Increase Cost: Commercial Insurance Premiums [Risk Management ]	2,351,090	0.00
Increase Cost: Annualization of FY24 Compensation Increases	235,480	0.00
Increase Cost: Claims Service Contract Administrative costs [Risk Management ]	221,455	0.00
Technical Adj: Shift of Fund Balance to Safety Section [Risk Management ]	220,000	0.00
Increase Cost: FY25 Compensation Adjustment	211,533	0.00
Decrease Cost: Annualization of FY24 Personnel Costs	62,534	0.00
Increase Cost: Insurance Broker Services [Risk Management ]	14,928	0.00
Increase Cost: Rent increase [Risk Management ]	3,375	0.00
Increase Cost: Printing and Mail	122	0.00
Decrease Cost: Motor Pool Adjustment	(2,828)	0.00
Decrease Cost: Retirement Adjustment	(7,720)	0.00
Shift: Move Non-Tax Supported chargeback from Self Insurance Fund to OCA [Risk Management ]	(135,485)	(1.00)
<b>FY25 RECOMMENDED</b>	<b>112,829,557</b>	<b>31.37</b>

## PROGRAM SUMMARY

Program Name	FY24 APPR Expenditures	FY24 APPR FTEs	FY25 REC Expenditures	FY25 REC FTEs
Controller	6,721,317	50.87	7,616,936	50.87
Fiscal Management	2,200,558	11.00	2,471,812	11.00
Information Technology	1,745,988	3.98	2,318,360	4.00
Operations and Administration	4,183,416	15.37	11,202,471	15.37
Risk Management	94,416,753	28.00	105,506,963	27.00
Treasury	2,874,721	23.07	2,882,033	21.00
<b>Total</b>	<b>112,142,753</b>	<b>132.29</b>	<b>131,998,575</b>	<b>129.24</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY24 Total\$	FY24 FTEs	FY25 Total\$	FY25 FTEs
<b>COUNTY GENERAL FUND</b>					
Human Resources	Employee Health Self Insurance	110,110	0.75	116,690	0.75
Human Resources	Retiree Health Benefits Trust Fund	44,118	0.30	48,610	0.30
General Services	Central Duplicating (Printing & Mail)	7,380	0.05	7,820	0.05
Transportation	Leaf Vacuuming	246,560	0.43	238,340	0.43

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY24 Total\$	FY24 FTEs	FY25 Total\$	FY25 FTEs
Parking District Services	Bethesda Parking	35,440	0.24	37,560	0.24
Parking District Services	Silver Spring Parking	40,130	0.27	42,540	0.27
Parking District Services	Wheaton Parking	13,500	0.09	14,310	0.09
Community Use of Public Facilities	Community Use of Public Facilities	54,450	0.37	57,700	0.37
Recreation	Recreation	47,970	0.33	50,810	0.33
Permitting Services	Permitting Services	14,390	0.10	15,240	0.10
Environmental Protection	Water Quality Protection	901,108	6.00	886,751	6.00
Recycling and Resource Management	Solid Waste Disposal	597,440	4.38	583,930	4.38
Recycling and Resource Management	Solid Waste Collection	232,110	0.64	224,780	0.64
Alcohol Beverage Services	Liquor	80,980	0.50	86,060	0.50
CIP	Capital Fund	0	0.00	0	0.00
Non-Departmental Accounts	Retirement Fund (ERS)	44,822	0.30	46,380	0.30
Non-Departmental Accounts	RSP-Disability Benefits (LTD2)	1,560	0.01	1,720	0.01
Economic Development Fund	Economic Development Fund	183,262	1.00	197,203	1.00
<b>Total</b>		<b>2,655,330</b>	<b>15.76</b>	<b>2,656,444</b>	<b>15.76</b>

## FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY25	FY26	FY27	FY28	FY29	FY30
<b>COUNTY GENERAL FUND</b>						
<b>EXPENDITURES</b>						
<b>FY25 Recommended</b>	<b>19,169</b>	<b>19,169</b>	<b>19,169</b>	<b>19,169</b>	<b>19,169</b>	<b>19,169</b>
No inflation or compensation change is included in outyear projections.						
<b>Restore One-Time Lapse Increase</b>	<b>0</b>	<b>241</b>	<b>241</b>	<b>241</b>	<b>241</b>	<b>241</b>
Restoration of one-time lapse adjustment						
<b>Labor Contracts</b>	<b>0</b>	<b>297</b>	<b>297</b>	<b>297</b>	<b>297</b>	<b>297</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>19,169</b>	<b>19,707</b>	<b>19,707</b>	<b>19,707</b>	<b>19,707</b>	<b>19,707</b>
<b>SELF INSURANCE INTERNAL SERVICE FUND</b>						
<b>EXPENDITURES</b>						
<b>FY25 Recommended</b>	<b>112,830</b>	<b>112,830</b>	<b>112,830</b>	<b>112,830</b>	<b>112,830</b>	<b>112,830</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>108</b>	<b>108</b>	<b>108</b>	<b>108</b>	<b>108</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>112,830</b>	<b>112,938</b>	<b>112,938</b>	<b>112,938</b>	<b>112,938</b>	<b>112,938</b>

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