

# 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 FY10 Operating Budget for the Department of Finance is \$58,319,410, an increase of \$4,168,420 or 7.7 percent from the FY09 Approved Budget of \$54,150,990. Personnel Costs comprise 21.4 percent of the budget for 124 full-time positions and two part-time positions for 109.4 workyears. Operating Expenses account for the remaining 78.6 percent of the FY10 budget.

The Finance Operating Budget is composed 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 FY10 Operating Budget for the General Fund component is \$9,751,930 a decrease of \$975,370 or 9.1 percent from the FY09 approved budget of \$10,727,300. Personnel Costs comprise 86.7 percent of the General Fund budget for 113 full-time and 2 part-time positions for 79.0 workyears. Operating Expenses account for the remaining 13.3 percent of the budget.

The total FY10 Operating Budget for the Self-Insurance Fund component of Finance (Risk Management) is \$48,567,480, an increase of \$5,143,790 or 11.8 percent from the FY09 approved budget of \$43,423,690. Personnel Costs comprise 8.2 percent of the Self-Insurance Fund budget for 11 full-time positions for 30.4 workyears. Operating Expenses account for the remaining 91.8 percent of the budget. Included in the total workyears are 19.0 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.

## County Government Reorganization

In FY09, the County Executive implemented a reorganization of Montgomery County Government designed to improve effectiveness, customer service, accessibility, and efficiency. As part of this plan, internal audit responsibilities were moved out of the Department of Finance and into the Offices of the County Executive. In the budget summary, FY08 actuals reflect the old organizational structure, while the FY09 budget, FY09 estimate, and FY10 budget figures reflect the new organizational structure.

## 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

This table presents the department's headline measures or submeasures that relate to multiple programs including projections from FY09 through FY11. These estimates reflect funding based on the FY09 savings plan, the FY10 budget, and funding for comparable service levels in FY11.

Measure	Actual FY07	Actual FY08	Estimated FY09	Approved FY10	Projected FY11
<b>Headline Measures</b>					
Annual bond ratings given to Montgomery County by three major rating agencies <sup>1</sup>	AAA	AAA	Expected	Expected	Expected
Interest Rate Comparison: County General Obligation Debt True Interest Cost v. AAA Municipal Market Data Rate (Basis Points)	35.2	39.1	25.0	25.0	25.0
Interest Rate - General Obligation Bond True Interest Cost <sup>2</sup>	4.08	NA	4.18	5.50	5.50
Investments Performance: County Investments v. LGIP <sup>3</sup>	+0.16%	+0.66%	+ .20%	+ .20%	+ .20%
County's Investment Return <sup>4</sup>	5.21%	4.41%	1.50%	1.50%	2.40%
Revenue Forecasting Performance (Mean Absolute Percent Error) <sup>5</sup>	5.68%	-2%	5%	5%	5%
Call Center—Number of Seconds to Answer Call <sup>6</sup>	58	72	60	60	60
County Core Business Systems: Average time to close Help Desk tickets (days) <sup>7</sup>	3.20	1.50	1.35	1.22	1.09

	Actual FY07	Actual FY08	Estimated FY09	Approved FY10	Projected FY11
Total cost to the County of workers compensation cases (per \$100 of payroll)	\$2.64	\$2.29	\$2.38	\$2.45	\$2.52
Total number of workers compensation cases resulting in lost work time	537	554	532	526	521

<sup>1</sup> Bond ratings from Moody's, Standard & Poor, and Fitch are a measure of the quality and safety of a bond and are based on the issuer's financial condition.

<sup>2</sup> The interest rate of Montgomery County's most common type of bond. The County did not issue GO bonds in FY08. It issued bonds in early FY09; therefore, the 4.18% rate is actual, not estimated.

<sup>3</sup> Compares County Investment return to the Local Government Investment Pool.

<sup>4</sup> Rate of return on Montgomery County's investments.

<sup>5</sup> Percent variance between actual revenue and projected revenue.

<sup>6</sup> Average number of seconds to answer customer calls to the Treasury Call Center.

<sup>7</sup> Requests for assistance with computer systems, i.e. Magic Tickets (average number of days to close).

## 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, the press, and residents on issues related to debt and cash management; and managing the County's relationship with the banking community.

Program Performance Measures	Actual FY07	Actual FY08	Estimated FY09	Approved FY10	Projected FY11
Annual bond ratings given to Montgomery County by three major rating agencies <sup>1</sup>	AAA	AAA	Expected	Expected	Expected
Interest Rate Comparison: County General Obligation Debt True Interest Cost v. AAA Municipal Market Data Rate (Basis Points)	35.2	39.1	25.0	25.0	25.0
Interest Rate - General Obligation Bond True Interest Cost <sup>2</sup>	4.08	NA	4.18	5.50	5.50
Investments Performance: County Investments v. LGIP <sup>3</sup>	+0.16%	+0.66%	+ .20%	+ .20%	+ .20%
County's Investment Return <sup>4</sup>	5.21%	4.41%	1.50%	1.50%	2.40%
Revenue Forecasting Performance (Mean Absolute Percent Error) <sup>5</sup>	5.68%	-2%	5%	5%	5%

<sup>1</sup> Bond ratings from Moody's, Standard & Poor, and Fitch are a measure of the quality and safety of a bond and are based on the issuer's financial condition.

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<sup>3</sup> Compares County Investment return to the Local Government Investment Pool.

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<sup>5</sup> Percent variance between actual revenue and projected revenue.

FY10 Approved Changes	Expenditures	WYs
<b>FY09 Approved</b>	<b>548,190</b>	<b>3.8</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	22,190	0.2
<b>FY10 Approved</b>	<b>570,380</b>	<b>4.0</b>

### Information Technology

This program provides overall direction for the development of automated systems and technology to support effective and efficient achievement of the Department's mission. Activities are proactively coordinated with the Department of Technology Services, other County departments, and Department staff to ensure consistency of Department systems with countywide automation policies and standards. The program oversees development, selection, procurement, implementation, and maintenance of the Finance Department's automated systems and components. This program is also responsible for managing data integrity, security, and controls within the County's financial and procurement systems, including timely and comprehensive completion of financial system upgrades, effective education of County financial systems users, timely response to customer questions, proactive trouble shooting and system maintenance, and the timely and accurate provision of internal financial reports.

<b>Program Performance Measures</b>	<b>Actual FY07</b>	<b>Actual FY08</b>	<b>Estimated FY09</b>	<b>Approved FY10</b>	<b>Projected FY11</b>
County Core Business Systems: Average time to close Help Desk tickets (days) <sup>1</sup>	3.20	1.50	1.35	1.22	1.09
County Core Business Systems: User service requests processed	2,379	2,700	2,900	2,900	4,000

<sup>1</sup> Requests for assistance with computer systems, i.e. Magic Tickets (average number of days to close).

<b>FY10 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>1,625,790</b>	<b>7.6</b>
Increase Cost: Electronic Time Reporting and Management System (MCtime) Master Lease payments	166,540	0.0
Increase Cost: IT Maintenance and License Contracts	10,890	0.0
Decrease Cost: Cashiering Module	-62,600	0.0
Shift: Charge MCtime (No. 150701) Tech Mod CIP project for services provided by Finance staff currently budgeted in General Fund	-87,620	-0.8
Decrease Cost: Funding for Information Technology Position	-147,870	-1.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-122,610	-0.9
<b>FY10 Approved</b>	<b>1,382,520</b>	<b>4.9</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>FY10 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>523,930</b>	<b>6.7</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	38,630	0.3
<b>FY10 Approved</b>	<b>562,560</b>	<b>7.0</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, 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 technical assistance and through preparation, review, and approval of County financial transactions.

<b>Program Performance Measures</b>	<b>Actual FY07</b>	<b>Actual FY08</b>	<b>Estimated FY09</b>	<b>Approved FY10</b>	<b>Projected FY11</b>
Receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting <sup>1</sup>	Yes	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 (38 times).

<b>FY10 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>2,015,080</b>	<b>18.1</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-72,860	0.2
<b>FY10 Approved</b>	<b>1,942,220</b>	<b>18.3</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 Human Resources Management System and the MTime electronic timekeeping system.

<b>FY10 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>766,090</b>	<b>7.6</b>
Decrease Cost: Additional Lapse -- Payroll	-29,220	0.0
Shift: MTime Payroll Backfill (From General Fund to CIP Fund: Tech Mod (No. 150701)	-30,000	0.0
Decrease Cost: Abolish Position - Payroll Section	-66,040	-1.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	40,200	0.4
<b>FY10 Approved</b>	<b>681,030</b>	<b>7.0</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 by the public for review and assistance with 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 FY07</b>	<b>Actual FY08</b>	<b>Estimated FY09</b>	<b>Approved FY10</b>	<b>Projected FY11</b>
Call Center—Number of Seconds to Answer Call <sup>1</sup>	58	72	60	60	60

<sup>1</sup> Average number of seconds to answer customer calls to the Treasury Call Center.

<b>FY10 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>2,413,560</b>	<b>25.2</b>
Shift: Chargeback to Parking Districts and Solid Waste Services for Billing Services	-4,150	0.0
Decrease Cost: 311 Efficiencies -- Tax Operations	-75,000	0.0
Shift: Chargeback to Water Quality Protection Fund for Billing Services	-256,740	-2.2
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-31,060	-0.9
<b>FY10 Approved</b>	<b>2,046,610</b>	<b>22.1</b>

## Treasury Operations

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 cashiering 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>FY10 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>336,960</b>	<b>4.0</b>
Increase Cost: Reduce Parking District Chargeback for Parking Violation Cashiering Services	21,550	0.3
Decrease Cost: Abolish Position - Treasury Operations Cashiering Section	-59,430	-1.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-20,950	0.4
<b>FY10 Approved</b>	<b>278,130</b>	<b>3.7</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>FY10 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>39,886,350</b>	<b>4.0</b>
Increase Cost: Claims Expense	3,181,000	0.0
Increase Cost: Commercial Property Insurance (includes Resource Recovery Facility in FY10)	690,000	0.0
Increase Cost: Adjustment to Claims Reserves	657,000	0.0
Increase Cost: Claims Service Contract	202,920	0.0
Increase Cost: Excess Liability Insurance Policy	49,000	0.0
Increase Cost: Biennial Claims Audit	40,000	0.0
Increase Cost: Workers' Compensation Payroll Assessment	33,300	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	36,300	0.0
<b>FY10 Approved</b>	<b>44,775,870</b>	<b>4.0</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 FY07</b>	<b>Actual FY08</b>	<b>Estimated FY09</b>	<b>Approved FY10</b>	<b>Projected FY11</b>
Total cost to the County of workers compensation cases (per \$100 of payroll)	\$2.64	\$2.29	\$2.38	\$2.45	\$2.52
Total number of workers compensation cases resulting in lost work time	537	554	532	526	521

<b>FY10 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>761,850</b>	<b>5.0</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	44,400	0.0
<b>FY10 Approved</b>	<b>806,250</b>	<b>5.0</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>FY10 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>2,176,410</b>	<b>18.6</b>
Increase Cost: Charges from County Attorney	289,150	0.0
Increase Cost: Annualization of FY09 Lapsed Positions	29,930	0.4
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-96,830	0.0
<b>FY10 Approved</b>	<b>2,398,660</b>	<b>19.0</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 effective management of the financial aspects of economic development initiatives; proactive

development of intergovernmental policy alternatives and impacts; and high quality consulting services for County agencies, managers, staff, elected officials, the press, and residents.

<b>FY10 Approved Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>3,096,780</b>	<b>14.9</b>
Increase Cost: Rent for office space in the Executive Office Building	67,550	0.0
Increase Cost: Central Duplicating Chargebacks: Postage, Mailing, Inter-office Mail/Pony, Printing	18,040	0.0
Increase Cost: Motor Pool Rate Adjustment	2,680	0.0
Increase Cost: Communication: Telephones, Cellular, Blackberries	2,360	0.0
Increase Cost: Document Shredding Chargeback	2,000	0.0
Increase Cost: Translation Services for Tax Facts Brochure	1,500	0.0
Increase Cost: Annualization of FY09 Operating Expenses	1,420	0.0
Increase Cost: Printing and Mail Adjustments	1,030	0.0
Decrease Cost: Central Duplicating Deficit Recovery Charge (Risk Management)	-160	0.0
Decrease Cost: Central Duplicating Deficit Recovery Charge (General Fund)	-1,470	0.0
Decrease Cost: Computer Supplies	-10,000	0.0
Decrease Cost: Temporary Office Support	-20,000	0.0
Decrease Cost: Printing and Mail Adjustments	-22,390	0.0
Shift: Homeowners' Property Tax Credit to NDA - State Property Tax Services	-29,000	0.0
Reduce: Phase-out Mailing Tax Bills to Homeowners with Mortgage Company Escrow Accounts	-42,950	0.0
Reduce: Mailing Pay Advices; Implement Electronic Mailing or Web Access	-100,900	0.0
Decrease Cost: Abolish Position - Division of Risk Management	-117,840	-1.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	26,530	0.5
<b>FY10 Approved</b>	<b>2,875,180</b>	<b>14.4</b>

## BUDGET SUMMARY

	Actual FY08	Budget FY09	Estimated FY09	Approved FY10	% Chg Bud/App
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	6,295,115	6,879,350	6,367,460	6,201,810	-9.8%
Employee Benefits	2,063,570	2,400,170	2,134,150	2,253,960	-6.1%
<b>County General Fund Personnel Costs</b>	<b>8,358,685</b>	<b>9,279,520</b>	<b>8,501,610</b>	<b>8,455,770</b>	<b>-8.9%</b>
Operating Expenses	2,581,895	1,447,780	1,447,780	1,296,160	-10.5%
Debt Service Other	-40	0	0	0	—
Capital Outlay	53,441	0	0	0	—
<b>County General Fund Expenditures</b>	<b>10,993,981</b>	<b>10,727,300</b>	<b>9,949,390</b>	<b>9,751,930</b>	<b>-9.1%</b>
<b>PERSONNEL</b>					
Full-Time	113	119	119	113	-5.0%
Part-Time	2	2	2	2	—
Workyears	91.5	84.5	84.5	79.0	-6.5%
<b>REVENUES</b>					
Miscellaneous	4,500	0	0	0	—
Development District Fees	42,140	43,670	43,670	45,150	3.4%
Procurement Card Rebate	38,429	27,900	6,820	22,600	-19.0%
WSSC Reimb.: Benefit Charge on Tax Bill	97,858	92,700	92,700	86,580	-6.6%
Municipalities Reimb.: Property Tax Services	51,657	52,880	52,880	53,680	1.5%
State Reimb.: Bay Restoration Fund	33,225	22,990	22,500	22,500	-2.1%
Bad / Dishonored Check Fees	76,470	60,000	60,000	60,000	—
Tax Certification Fee	6,740	2,500	4,000	4,000	60.0%
Tax Sale Fee	55,252	35,000	45,000	90,000	157.1%
Child Support Payment Fees	21,324	19,210	20,540	20,540	6.9%
Conduit Bond Fees	114,129	109,560	109,960	109,500	-0.1%
<b>County General Fund Revenues</b>	<b>541,724</b>	<b>466,410</b>	<b>458,070</b>	<b>514,550</b>	<b>10.3%</b>
<b>SELF INSURANCE INTERNAL SERVICE FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	2,469,821	2,897,530	2,904,250	3,052,830	5.4%
Employee Benefits	751,929	886,660	886,630	950,830	7.2%
<b>Self Insurance Internal Service Fund Personnel Costs</b>	<b>3,221,750</b>	<b>3,784,190</b>	<b>3,790,880</b>	<b>4,003,660</b>	<b>5.8%</b>
Operating Expenses	40,056,214	39,639,500	39,639,490	44,563,820	12.4%
Capital Outlay	0	0	0	0	—
<b>Self Insurance Internal Service Fund Expenditures</b>	<b>43,277,964</b>	<b>43,423,690</b>	<b>43,430,370</b>	<b>48,567,480</b>	<b>11.8%</b>
<b>PERSONNEL</b>					
Full-Time	12	12	12	11	-8.3%
Part-Time	0	0	0	0	—
Workyears	29.4	31.0	31.0	30.4	-1.9%
<b>REVENUES</b>					
Montgomery County (Special, Entpr. & Int. Serv.)	3,386,330	4,401,970	4,401,970	5,513,350	25.2%
Montgomery County General Fund NDA	9,216,990	9,809,740	9,809,740	11,628,570	18.5%
Fire and Rescue Services	7,062,856	6,398,710	6,398,710	8,408,840	31.4%
Board of Education	8,275,520	7,800,400	7,800,400	9,752,270	25.0%
Montgomery College	331,890	402,080	402,080	456,450	13.5%
M-NCPPC	943,220	1,269,800	1,269,800	1,421,220	11.9%
Housing Opportunities Commission	491,430	231,070	231,070	290,780	25.8%
Revenue Authority	111,290	158,800	158,800	198,360	24.9%
City of Gaithersburg	142,800	159,820	159,820	233,300	46.0%
City of Rockville	999,600	1,077,990	1,077,990	1,329,910	23.4%
Takoma Park	231,430	197,480	197,480	334,730	69.5%
Housing Authority-City of Rockville	22,650	16,340	16,340	18,030	10.3%
Other Municipal Income	37,950	19,320	19,320	24,800	28.4%
Other - Recovered Losses	972,222	1,100,000	1,100,000	1,100,000	—
Investment Income - Pooled and Non-Pooled	5,208,092	3,280,000	1,340,000	1,180,000	-64.0%
Bethesda Urban Partnership	0	7,660	7,660	9,020	17.8%
<b>Self Insurance Internal Service Fund Revenues</b>	<b>37,434,270</b>	<b>36,331,180</b>	<b>34,391,180</b>	<b>41,899,630</b>	<b>15.3%</b>
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>54,271,945</b>	<b>54,150,990</b>	<b>53,379,760</b>	<b>58,319,410</b>	<b>7.7%</b>
<b>Total Full-Time Positions</b>	<b>125</b>	<b>131</b>	<b>131</b>	<b>124</b>	<b>-5.3%</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>120.9</b>	<b>115.5</b>	<b>115.5</b>	<b>109.4</b>	<b>-5.3%</b>
<b>Total Revenues</b>	<b>37,975,994</b>	<b>36,797,590</b>	<b>34,849,250</b>	<b>42,414,180</b>	<b>15.3%</b>

## FY10 APPROVED CHANGES

	Expenditures	WYs
<b>COUNTY GENERAL FUND</b>		
<b>FY09 ORIGINAL APPROPRIATION</b>	<b>10,727,300</b>	<b>84.5</b>
<b><u>Changes (with service impacts)</u></b>		
Reduce: Phase-out Mailing Tax Bills to Homeowners with Mortgage Company Escrow Accounts [Operations and Administration]	-42,950	0.0
Reduce: Mailing Pay Advices; Implement Electronic Mailing or Web Access [Operations and Administration]	-100,900	0.0
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Electronic Time Reporting and Management System (MCtime) Master Lease payments [Information Technology]	166,540	0.0
Increase Cost: Service Increment	56,110	0.0
Increase Cost: Retirement Adjustment	36,770	0.0
Increase Cost: Reduce Parking District Chargeback for Parking Violation Cashiering Services [Treasury Operations]	21,550	0.3
Increase Cost: Central Duplicating Chargebacks: Postage, Mailing, Inter-office Mail/Pony, Printing [Operations and Administration]	18,040	0.0
Increase Cost: Group Insurance Adjustment	17,130	0.0
Increase Cost: Annualization of FY09 Personnel Costs	15,880	0.0
Increase Cost: IT Maintenance and License Contracts [Information Technology]	10,890	0.0
Increase Cost: Communication: Telephones, Cellular, Blackberries [Operations and Administration]	2,360	0.0
Increase Cost: Document Shredding Chargeback [Operations and Administration]	2,000	0.0
Increase Cost: Translation Services for Tax Facts Brochure [Operations and Administration]	1,500	0.0
Increase Cost: Annualization of FY09 Operating Expenses [Operations and Administration]	1,420	0.0
Technical Adj: Align lapse workyears to reflect realistic Full Time Equivalent position costs	0	1.2
Decrease Cost: Central Duplicating Deficit Recovery Charge (General Fund) [Operations and Administration]	-1,470	0.0
Shift: Chargeback to Parking Districts and Solid Waste Services for Billing Services [Tax Operations]	-4,150	0.0
Decrease Cost: Computer Supplies [Operations and Administration]	-10,000	0.0
Decrease Cost: Temporary Office Support [Operations and Administration]	-20,000	0.0
Decrease Cost: Printing and Mail Adjustments [Operations and Administration]	-22,390	0.0
Shift: Homeowners' Property Tax Credit to NDA - State Property Tax Services [Operations and Administration]	-29,000	0.0
Decrease Cost: Additional Lapse -- Payroll [Payroll]	-29,220	0.0
Shift: MCtime Payroll Backfill (From General Fund to CIP Fund: Tech Mod (No. 150701) [Payroll]	-30,000	0.0
Decrease Cost: Abolish Position - Treasury Operations Cashiering Section [Treasury Operations]	-59,430	-1.0
Decrease Cost: Cashiering Module [Information Technology]	-62,600	0.0
Decrease Cost: Abolish Position - Payroll Section [Payroll]	-66,040	-1.0
Decrease Cost: 311 Efficiencies -- Tax Operations [Tax Operations]	-75,000	0.0
Shift: Charge MCtime (No. 150701) Tech Mod CIP project for services provided by Finance staff currently budgeted in General Fund [Information Technology]	-87,620	-0.8
Decrease Cost: Retirement Incentive Program Savings	-138,280	-1.0
Decrease Cost: PC Turnover Savings used to Fund Target Reduction and OE Annualizations and Shortfalls	-141,900	0.0
Decrease Cost: Funding for Information Technology Position [Information Technology]	-147,870	-1.0
Shift: Chargeback to Water Quality Protection Fund for Billing Services [Tax Operations]	-256,740	-2.2
<b>FY10 APPROVED:</b>	<b>9,751,930</b>	<b>79.0</b>
<b>SELF INSURANCE INTERNAL SERVICE FUND</b>		
<b>FY09 ORIGINAL APPROPRIATION</b>	<b>43,423,690</b>	<b>31.0</b>
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Claims Expense [Insurance]	3,181,000	0.0
Increase Cost: Commercial Property Insurance (includes Resource Recovery Facility in FY10) [Insurance]	690,000	0.0
Increase Cost: Adjustment to Claims Reserves [Insurance]	657,000	0.0
Increase Cost: Charges from County Attorney [Legal Services]	289,150	0.0
Increase Cost: Claims Service Contract [Insurance]	202,920	0.0
Increase Cost: Rent for office space in the Executive Office Building [Operations and Administration]	67,550	0.0
Increase Cost: Excess Liability Insurance Policy [Insurance]	49,000	0.0
Increase Cost: Biennial Claims Audit [Insurance]	40,000	0.0
Increase Cost: Workers' Compensation Payroll Assessment [Insurance]	33,300	0.0
Increase Cost: Annualization of FY09 Lapsed Positions [Legal Services]	29,930	0.4
Increase Cost: Retirement Adjustment	6,460	0.0
Increase Cost: Service Increment	5,690	0.0
Increase Cost: Group Insurance Adjustment	4,070	0.0
Increase Cost: Motor Pool Rate Adjustment [Operations and Administration]	2,680	0.0

	Expenditures	WYs
Increase Cost: Annualization of FY09 Personnel Costs	2,010	0.0
Increase Cost: Printing and Mail Adjustments [Operations and Administration]	1,030	0.0
Decrease Cost: Central Duplicating Deficit Recovery Charge (Risk Management) [Operations and Administration]	-160	0.0
Decrease Cost: Abolish Position - Division of Risk Management [Operations and Administration]	-117,840	-1.0
<b>FY10 APPROVED:</b>	<b>48,567,480</b>	<b>30.4</b>

## PROGRAM SUMMARY

Program Name	FY09 Approved		FY10 Approved	
	Expenditures	WYs	Expenditures	WYs
Debt and Cash Management	548,190	3.8	570,380	4.0
Information Technology	1,625,790	7.6	1,382,520	4.9
Accounts Payable	523,930	6.7	562,560	7.0
General Accounting	2,015,080	18.1	1,942,220	18.3
Payroll	766,090	7.6	681,030	7.0
Tax Operations	2,413,560	25.2	2,046,610	22.1
Treasury Operations	336,960	4.0	278,130	3.7
Insurance	39,886,350	4.0	44,775,870	4.0
Occupational Safety and Health	761,850	5.0	806,250	5.0
Legal Services	2,176,410	18.6	2,398,660	19.0
Operations and Administration	3,096,780	14.9	2,875,180	14.4
<b>Total</b>	<b>54,150,990</b>	<b>115.5</b>	<b>58,319,410</b>	<b>109.4</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY09		FY10	
		Total\$	WYs	Total\$	WYs
COUNTY GENERAL FUND					
Board of Investment Trustees	BIT 457 Deferred Comp. Plan	21,290	0.1	22,620	0.1
Board of Investment Trustees	Employee Retirement System	45,410	0.3	48,260	0.3
Board of Investment Trustees	Retiree Health Benefits	0	0.0	37,710	0.3
Board of Investment Trustees	Retirement Savings Plan	22,700	0.2	24,130	0.2
CIP	CIP	2,752,540	23.1	2,559,920	20.6
Community Use of Public Facilities	Community Use of Public Facilities	4,440	0.1	4,830	0.1
Environmental Protection	Water Quality Protection Fund	0	0.0	256,740	2.2
Finance	Self Insurance Internal Service Fund	48,530	0.4	49,740	0.4
General Services	Printing and Mail Internal Service Fund	4,670	0.1	6,530	0.1
Human Resources	Employee Health Benefit Self Insurance Fund	135,150	1.0	102,810	0.7
Parking District Services	Bethesda Parking District	78,250	0.9	66,690	0.8
Parking District Services	Montgomery Hills Parking District	5,520	0.1	5,540	0.1
Parking District Services	Silver Spring Parking District	45,770	0.5	40,530	0.4
Parking District Services	Wheaton Parking District	13,740	0.2	13,650	0.1
Permitting Services	Permitting Services	12,120	0.1	12,970	0.1
Solid Waste Services	Solid Waste Collection	31,290	0.4	32,250	0.4
Solid Waste Services	Solid Waste Disposal	310,030	2.3	319,760	2.3
Transportation	Vacuum Leaf Collection	26,550	0.3	27,380	0.3
Total		3,558,000	30.1	3,632,060	29.5
SELF INSURANCE INTERNAL SERVICE FUND					
Solid Waste Services	Solid Waste Disposal	0	0.0	690,000	0.0

