
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 recommended FY12 Operating Budget for the Department of Finance is \$58,917,230, an increase of \$1,428,270 or 2.5 percent from the FY11 Approved Budget of \$57,488,960. Personnel Costs comprise 20.7 percent of the budget for 110 full-time positions and two part-time positions for 107.1 workyears. Operating Expenses account for the remaining 79.3 percent of the FY12 budget.

The Finance Operating Budget is comprised of a General Fund component (the Director's Office and the Divisions of Treasury and Controller) and the Risk Management Division, which is funded by the Liability and Property Coverage Self-Insurance Fund. The total FY12 Operating Budget for the General Fund component is \$9,652,550, an increase of \$55,660 or 0.6 percent from the FY11 approved budget of \$9,596,890. Personnel Costs comprise 87.0 percent of the General Fund budget for 100 full-time and 2 part-time positions for 77.7 workyears. Operating Expenses account for the remaining 13.0 percent of the budget.

The total FY12 Operating Budget for the Self-Insurance Fund component of Finance (Risk Management) is \$49,264,680, an increase of \$1,372,610 or 2.9 percent from the FY11 approved budget of \$47,892,070. Personnel Costs comprise approximately 9.2 percent of the Self-Insurance Fund budget for 10 full-time positions for 29.4 workyears. Operating Expenses account for the remaining 92.3 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.

LINKAGE TO COUNTY RESULT AREAS

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

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

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY11 estimates incorporate the effect of the FY11 savings plan. FY12 and FY13 targets assume the recommended FY12 budget and FY13 funding for comparable service levels.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ **Successfully retained the County's AAA bond rating from the three major credit rating agencies in the spring of 2010. In conjunction with this effort and in coordination with the County Council and Office of Management and Budget, strengthened the County's fiscal reserve policies and implemented changes to the Revenue Stabilization Fund law.**
- ❖ **The County again took advantage of opportunities afforded by the American Recovery and Reinvestment Act of 2009, issuing another series of Build America Bonds (BABs) and a new series of Recovery Zone Economic Development Bonds. The County issued \$106 million of taxable BABs and will receive a 35% subsidy from the Federal government to offset the interest payable on the bonds. The \$24 million Recovery Zone Bond issue will receive an even higher subsidy of 45%, resulting in significant County debt service savings.**
- ❖ **Continue Business Process Re-engineering and Enterprise Resource Planning implementation. Implemented July 1, 2010, on-time and budget, ERP core financial (general ledger, accounts payable, accounts receivable, projects and grants, fixed assets and purchasing) functionality. Implemented January 1, 2011 ERP core payroll, human resource, and employee self-service functionality. Expanded functionality will continue through fiscal year 2012.**

- ❖ Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 40th year, longer than any other government in the USA and Canada.
- ❖ Successfully completed the first comprehensive interdepartmental fiscal impact analyses of County Master Plans, for Great Seneca Science Corridor (Gaithersburg West), White Flint Sector Plan, Kensington and Vicinity Sector Plan, and the Takoma/Langley Crossroads Sector Plan.
- ❖ Occupational Safety and Health staff provided training for over 1,037 County employees, who attended 69 classes scheduled through the Safety Academy, and 79 department specific classes.
- ❖ Productivity Improvements
 - Process Re-engineering Initiative: The MTime Project Team has deployed the MTime Electronic Timekeeping and Records Management application to all 41 Departments and 13,000 employees.
 - Cost Savings and Process Re-engineering Initiative: ERP implementation activities have commenced with final implementation planned by the end of FY12. The end result of this initiative positively impacts all eight results areas, as improved access to more accurate data enables managers to make better program decisions, and the continuing transformation of business processes allows more productive program management and execution. Specifically, this initiative will re-engineer County government business processes to fully integrate financial, purchasing, budget, and human resource applications, avoid data duplication, meet internal and external information needs, and replace outdated legacy systems with enterprise wide solutions such as Enterprise Resource Planning (ERP) and MTime.
 - Cost Savings and Process Re-engineering Initiative: The Department of Finance deployed electronic pay advices instead of mailing employee bi-weekly pay advices to save printing and mailing costs. Employee pay advices are now available on the web.

PROGRAM CONTACTS

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

PROGRAM DESCRIPTIONS

Debt and Cash Management

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

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Bond Rating - Rating given to Montgomery County by Fitch, Moody's, and Standard and Poor's (Bond ratings are a measure of the quality and safety of a bond and are based on the issuer's financial condition)	AAA	AAA	AAA	Expected	Expected
Investment Return Benchmarking - County Return vs. S&P Local Government Investment Pool Index (basis point spread)	50.0	20.0	20.0	20.0	20.0
Interest Rate - Montgomery County General Obligation Bond true interest cost (The interest rate of Montgomery County's most common type of bond)	4.18	2.86	2.81	5.0	5.0
Interest Rate Benchmarking - County GO vs. Municipal Market Data Index (basis point spread)	27.0	(17.0)	14.0	25.0	25.0
Investment Return - Rate of return on Montgomery County's investments	1.71%	.22%	.85%	1.80%	3.25%

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	662,070	4.6
Increase Cost: Annualization of FY11 Lapsed Positions	26,230	0.2
Shift: White Flint Redevelopment Program	-27,000	-0.2
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-14,990	0.2
FY12 CE Recommended	646,310	4.8

Information Technology

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

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Requests for assistance with computer systems, i.e. Service Tickets (average number of days to close) ¹	1.8	1.9	TBD	TBD	TBD
County Core Business Systems: User service requests processed ²	820	638	TBD	TBD	TBD

¹ ERP implementation - no data on which to base FY11 through FY13 estimates.

² ERP implementation - no data on which to base FY11 through FY13 estimates. Service requests are received through help desk, emails, and phone calls.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,465,760	6.4
Eliminate: Timesheet Data Entry Key punch Contract	-75,000	0.0
Shift: Outsource Municipal Information System (MUNIS) Support: Implement Application Support Provider (ASP) Model and Redeploy Sr. IT Specialist	-98,150	-0.7
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	8,400	0.3
FY12 CE Recommended	1,301,010	6.0

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 \$10,000 or more, as well as most refunds and other non-expenditure disbursements. Payments under \$10,000 are individually reviewed and approved by operating departments subject to post-payment audit by Accounts Payable.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	588,130	6.8
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-6,420	0.2
FY12 CE Recommended	581,710	7.0

Accounts Receivable

This program 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, this program provides for development of standardized policies and procedures, and provision of services including invoicing/billing, collection, accounting, reconciliation, and reporting reconciliation of monies due. This program will provide greater accountability through improved reporting, enhanced tracking of payment trends, and increased opportunities for maximizing collectibility.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	0	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	157,970	1.0
FY12 CE Recommended	157,970	1.0

Notes: Includes a Shift of an Accounts Receivable Manager to Home Operations from CIP: ERP (1 FT, 1.0 WY)

General Accounting

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

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting ¹	Received	Expected	Expected	Expected	Expected

¹ 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 (40 times).

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,462,630	12.8
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-83,540	0.8
FY12 CE Recommended	1,379,090	13.6

Notes: Includes the Shift of a Fixed Assets position back to Home Operations from CIP: ERP (\$49,190, 0.3 WY).

Grants Accounting

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

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	543,620	4.8
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-25,270	0.2
FY12 CE Recommended	518,350	5.0

Payroll

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

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	666,790	6.8
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-9,320	0.2
FY12 CE Recommended	657,470	7.0

Tax Operations

This program is responsible for the timely and accurate collection and processing of all County administered taxes, including property taxes (which are the County's largest revenue source), transfer and recordation taxes (relating to real property transfers and recordation of instruments of writing), and several excise taxes (fuel/energy, telephone, hotel/motel). The program is also responsible for the administration of the County's Working Families Income Supplement program, the Public Advocate for Assessments and Taxation (Public Advocate) program, and numerous tax credit, deferral, and assistance programs. The property tax portion of this program provides the calculation and distribution of tax bills; accounting and distribution of tax collections to the State of Maryland,

municipalities, and other entities; collection of delinquent accounts through the tax lien sale process; and communication of and access to tax and account information by attorneys and title companies for preparation of property settlements; and customer service assistance to the public for complex tax-related matters and issues. The transfer and recordation tax portion of this program ensures that all other taxes, fees, and charges associated with the property tax account are paid in full prior to recording of the deed for that property by the State of Maryland. The Public Advocate program provides an independent review of State-determined property assessment valuations for fairness and accuracy and, therefore, protects the public interest by acting on behalf of the taxpayers and the County.

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Average number of seconds to answer customer calls to the Treasury Call Center ¹	116	130	NA	NA	NA

¹ FY11 - function was transferred to the MC311 Call Center.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,679,460	16.2
Increase Cost: Compensation Adjustment for Charges from County Attorney	9,880	0.0
Shift: Chargeback to Parking Districts, Solid Waste Services, Water Quality Protection and Leaf Vacuuming for Billing, Collection and Processing Services	-7,420	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-6,910	0.6
FY12 CE Recommended	1,675,010	16.8

Treasury Operations

This program is responsible for providing coordination and oversight of treasury operations and customer services through the cashing function. All money received by the County, directly through the 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.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	309,050	3.9
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-53,470	0.1
FY12 CE Recommended	255,580	4.0

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.

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Number of Workers' Compensation claims resulting in lost work time	603	579	550	550	550
Workers' Compensation Cost per \$100 of Payroll	\$2.47	\$2.87	\$2.95	\$3.07	\$3.07

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	44,073,400	3.9
Increase Cost: Claims Expense	3,275,000	0.0
Increase Cost: City of Rockville Leaving the County's Self Insurance Program	511,000	0.0
Increase Cost: Contract for Claims Administration	108,440	0.0
Increase Cost: Biennial Claims Audit	30,000	0.0
Increase Cost: Workers' Compensation Payroll Assessment	13,890	0.0
Decrease Cost: Commercial Property Insurance	-159,970	0.0
Decrease Cost: Adjustment to Claims Reserves	-2,318,000	0.0

	Expenditures	WYs
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-45,170	0.1
FY12 CE Recommended	45,488,590	4.0

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.

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Workers Compensation - Cost per \$100 of payroll	\$2.38	\$2.87	\$2.95	\$3.07	\$3.07
Workers Compensation - Number of cases resulting in lost work time	603	632	550	550	550

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	726,660	4.9
Reduce: Abolish Occupational Health and Safety Program Specialist	-99,700	-1.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-22,330	0.1
FY12 CE Recommended	604,630	4.0

Policy and Fiscal Projects

This program provides issue management and fiscal analysis associated with economic development policies and initiatives; proactive development of intergovernmental policy alternatives and recommendations, including necessary local and state legislation and regulations; fiscal and economic impact analysis for local and state legislation; fiscal impact analysis and effective management associated with the financing and implementation aspects of Master and Sector Plans; and high quality financial consulting services for County agencies, managers, staff, elected officials, and residents.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	262,730	1.9
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-1,170	0.1
FY12 CE Recommended	261,560	2.0

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.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	2,396,930	18.1
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	116,140	0.9
FY12 CE Recommended	2,513,070	19.0

Operations and Administration

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

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Revenue forecasting - Percent variance between actual revenue and projected revenue	-2.9%	-6.1%	TBD	TBD	TBD

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	2,651,730	11.8
Increase Cost: Central Duplicating, Printing and Postage Structural Deficit Adjustment	56,570	0.0
Increase Cost: Revise Methodology for Assessing Indirect Cost Rate for Operating and CIP Projects	40,000	0.0
Increase Cost: Retiree Health Insurance Pre-Funding	37,070	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	91,510	1.1
FY12 CE Recommended	2,876,880	12.9

BUDGET SUMMARY

	Actual FY10	Budget FY11	Estimated FY11	Recommended FY12	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	6,086,854	5,965,270	5,940,580	6,136,550	2.9%
Employee Benefits	2,158,060	2,491,900	2,236,100	2,262,600	-9.2%
County General Fund Personnel Costs	8,244,914	8,457,170	8,176,680	8,399,150	-0.7%
Operating Expenses	640,930	1,139,720	1,321,690	1,253,400	10.0%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	8,885,844	9,596,890	9,498,370	9,652,550	0.6%
PERSONNEL					
Full-Time	113	101	101	100	-1.0%
Part-Time	2	2	2	2	—
Workyears	79.0	73.7	73.7	77.7	5.4%
REVENUES					
Miscellaneous	2,028	0	0	0	—
Development District Fees	45,150	148,330	71,700	148,330	—
Procurement Card Rebate	25,278	23,000	23,000	207,000	800.0%
WSSC Reimb.: Benefit Charge on Tax Bill	86,575	78,220	78,220	70,080	-10.4%
Municipalities Reimb.: Property Tax Services	53,679	55,510	54,110	54,310	-2.2%
State Reimb.: Bay Restoration Fund	22,082	22,500	22,500	22,500	—
Bad / Dishonored Check Fees	52,179	50,000	50,000	50,000	—
Tax Certification Fee	580	4,000	500	500	-87.5%
Tax Sale Fee	88,288	90,000	90,000	90,000	—
Child Support Payment Fees	19,630	22,260	20,540	20,540	-7.7%
Conduit Bond Fees	108,547	109,500	109,000	108,140	-1.2%
County General Fund Revenues	504,016	603,320	519,570	771,400	27.9%
SELF INSURANCE INTERNAL SERVICE FUND					
EXPENDITURES					
Salaries and Wages	2,647,955	2,973,170	2,733,850	2,867,750	-3.5%
Employee Benefits	770,974	994,580	861,350	942,200	-5.3%
Self Insurance Internal Service Fund Personnel Costs	3,418,929	3,967,750	3,595,200	3,809,950	-4.0%
Operating Expenses	38,352,466	43,924,320	43,924,320	45,454,730	3.5%
Capital Outlay	0	0	0	0	—
Self Insurance Internal Service Fund Expenditures	41,771,395	47,892,070	47,519,520	49,264,680	2.9%
PERSONNEL					
Full-Time	11	11	11	10	-9.1%
Part-Time	0	0	0	0	—
Workyears	30.4	29.2	29.2	29.4	0.7%
REVENUES					
Montgomery County (Special, Entpr. & Int. Serv.)	5,230,246	6,078,410	6,078,410	7,173,890	18.0%
Montgomery County General Fund NDA	11,908,250	16,861,890	16,861,890	17,127,290	1.6%
Fire and Rescue Services	8,408,840	12,088,110	12,088,110	11,835,310	-2.1%
Board of Education	9,752,270	13,605,620	13,605,620	16,023,500	17.8%
Montgomery College	456,450	622,100	622,100	905,870	45.6%
M-NCPPC	1,421,220	1,047,640	1,047,640	1,130,890	7.9%

	Actual FY10	Budget FY11	Estimated FY11	Recommended FY12	% Chg Bud/Rec
Housing Opportunities Commission	290,780	473,170	473,170	881,800	86.4%
Revenue Authority	198,360	203,230	203,230	200,020	-1.6%
City of Gaithersburg	233,300	0	0	318,410	—
City of Rockville	1,329,910	0	0	0	—
Takoma Park	334,730	0	0	0	—
Housing Authority-City of Rockville	18,030	17,070	17,070	14,670	-14.1%
Other Municipal Income	83,820	38,780	38,780	48,910	26.1%
Other - Recovered Losses	846,138	1,100,000	620,940	1,000,000	-9.1%
Investment Income - Pooled and Non-Pooled	218,643	740,000	120,000	250,000	-66.2%
Bethesda Urban Partnership	0	12,410	12,410	12,250	-1.3%
Self Insurance Internal Service Fund Revenues	40,730,987	52,888,430	51,789,370	56,922,810	7.6%
DEPARTMENT TOTALS					
Total Expenditures	50,657,239	57,488,960	57,017,890	58,917,230	2.5%
Total Full-Time Positions	124	112	112	110	-1.8%
Total Part-Time Positions	2	2	2	2	—
Total Workyears	109.4	102.9	102.9	107.1	4.1%
Total Revenues	41,235,003	53,491,750	52,308,940	57,694,210	7.9%

FY12 RECOMMENDED CHANGES

	Expenditures	WYs
COUNTY GENERAL FUND		
FY11 ORIGINAL APPROPRIATION	9,596,890	73.7
Changes (with service impacts)		
Eliminate: Timesheet Data Entry Key punch Contract [Information Technology]	-75,000	0.0
Other Adjustments (with no service impacts)		
Shift: ERP Positions to Operating Budget to Assume Home Operation Responsibilities (OBI)	261,340	1.8
Increase Cost: Restore Personnel Costs - Furloughs	170,300	2.9
Increase Cost: Central Duplicating, Printing and Postage Structural Deficit Adjustment [Operations and Administration]	56,570	0.0
Increase Cost: Revise Methodology for Assessing Indirect Cost Rate for Operating and CIP Projects [Operations and Administration]	40,000	0.0
Increase Cost: Printing and Mail Adjustment	28,630	0.0
Increase Cost: Annualization of FY11 Lapsed Positions [Debt and Cash Management]	26,230	0.2
Increase Cost: Compensation Adjustment for Charges from County Attorney [Tax Operations]	9,880	0.0
Increase Cost: Annualization of FY11 Operating Expenses	7,020	0.0
Increase Cost: Help Desk - Desk Side Support	1,370	0.0
Decrease Cost: Verizon Point to Point T1 Replacement	-2,180	0.0
Shift: Chargeback to Parking Districts, Solid Waste Services, Water Quality Protection and Leaf Vacuuming for Billing, Collection and Processing Services [Tax Operations]	-7,420	0.0
Shift: White Flint Redevelopment Program [Debt and Cash Management]	-27,000	-0.2
Decrease Cost: Turnover Savings	-56,170	0.0
Decrease Cost: Retirement Adjustment	-82,740	0.0
Shift: Outsource Municipal Information System (MUNIS) Support: Implement Application Support Provider (ASP) Model and Redeploy Sr. IT Specialist [Information Technology]	-98,150	-0.7
Decrease Cost: Group Insurance Adjustment	-197,020	0.0
FY12 RECOMMENDED:	9,652,550	77.7
SELF INSURANCE INTERNAL SERVICE FUND		
FY11 ORIGINAL APPROPRIATION	47,892,070	29.2
Changes (with service impacts)		
Reduce: Abolish Occupational Health and Safety Program Specialist [Occupational Safety and Health]	-99,700	-1.0
Other Adjustments (with no service impacts)		
Increase Cost: Claims Expense [Insurance]	3,275,000	0.0
Increase Cost: City of Rockville Leaving the County's Self Insurance Program [Insurance]	511,000	0.0
Increase Cost: Restore Personnel Costs - Furloughs	117,170	1.2
Increase Cost: Contract for Claims Administration [Insurance]	108,440	0.0
Increase Cost: Retiree Health Insurance Pre-Funding [Operations and Administration]	37,070	0.0

	Expenditures	WYs
Increase Cost: Biennial Claims Audit [Insurance]	30,000	0.0
Increase Cost: Annualization of FY11 Operating Expenses	26,830	0.0
Increase Cost: Workers' Compensation Payroll Assessment [Insurance]	13,890	0.0
Increase Cost: Printing and Mail Adjustment	3,320	0.0
Increase Cost: Motor Pool Rate Adjustment	2,830	0.0
Decrease Cost: Retirement Adjustment	-42,550	0.0
Increase Cost: Annualization of FY11 Personnel Costs	-54,340	0.0
Decrease Cost: Group Insurance Adjustment	-78,380	0.0
Decrease Cost: Commercial Property Insurance [Insurance]	-159,970	0.0
Decrease Cost: Adjustment to Claims Reserves [Insurance]	-2,318,000	0.0
FY12 RECOMMENDED:	49,264,680	29.4

PROGRAM SUMMARY

Program Name	FY11 Approved		FY12 Recommended	
	Expenditures	WYs	Expenditures	WYs
Debt and Cash Management	662,070	4.6	646,310	4.8
Information Technology	1,465,760	6.4	1,301,010	6.0
Accounts Payable	588,130	6.8	581,710	7.0
Accounts Receivable	0	0.0	157,970	1.0
General Accounting	1,462,630	12.8	1,379,090	13.6
Grants Accounting	543,620	4.8	518,350	5.0
Payroll	666,790	6.8	657,470	7.0
Tax Operations	1,679,460	16.2	1,675,010	16.8
Treasury Operations	309,050	3.9	255,580	4.0
Insurance	44,073,400	3.9	45,488,590	4.0
Occupational Safety and Health	726,660	4.9	604,630	4.0
Policy and Fiscal Projects	262,730	1.9	261,560	2.0
Legal Services	2,396,930	18.1	2,513,070	19.0
Operations and Administration	2,651,730	11.8	2,876,880	12.9
Total	57,488,960	102.9	58,917,230	107.1

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY11		FY12	
		Total\$	WYs	Total\$	WYs
COUNTY GENERAL FUND					
Board of Investment Trustees	BIT 457 Deferred Comp. Plan	23,230	0.1	23,230	0.1
Board of Investment Trustees	Employee Retirement System	49,560	0.3	49,560	0.3
Board of Investment Trustees	Retiree Health Benefits	38,720	0.3	38,720	0.3
Board of Investment Trustees	Retirement Savings Plan	24,780	0.2	24,780	0.2
CIP	CIP	1,837,580	14.3	1,702,620	13.4
Community Use of Public Facilities	Community Use of Public Facilities	5,090	0.1	5,090	0.1
Environmental Protection	Water Quality Protection Fund	271,430	2.2	278,490	2.2
Finance	CIP	0	0.0	176,670	1.4
Finance	Self Insurance Internal Service Fund	50,620	0.4	50,620	0.4
General Services	Printing and Mail Internal Service Fund	6,430	0.1	6,430	0.1
Human Resources	Employee Health Benefit Self Insurance Fund	104,800	0.8	104,800	0.8
Parking District Services	Bethesda Parking District	58,530	0.6	58,000	0.6
Parking District Services	Montgomery Hills Parking District	5,770	0.1	5,780	0.1
Parking District Services	Silver Spring Parking District	53,970	0.5	54,340	0.5
Parking District Services	Wheaton Parking District	13,590	0.1	13,400	0.1
Permitting Services	Permitting Services	13,070	0.1	13,070	0.1
Solid Waste Services	Solid Waste Collection	34,710	0.4	89,860	0.4
Solid Waste Services	Solid Waste Disposal	316,940	2.3	216,380	2.3
Transportation	Vacuum Leaf Collection	34,400	0.3	80,530	0.3
Total		2,943,220	23.2	2,992,370	23.7

FUTURE FISCAL IMPACTS

Title	CE REC. FY12	FY13	FY14	(\$000's)		
	FY15	FY16	FY17			
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY12 Recommended	9,653	9,653	9,653	9,653	9,653	9,653
No inflation or compensation change is included in outyear projections.						
Subtotal Expenditures	9,653	9,653	9,653	9,653	9,653	9,653
SELF INSURANCE INTERNAL SERVICE FUND						
Expenditures						
FY12 Recommended	49,265	49,265	49,265	49,265	49,265	49,265
No inflation or compensation change is included in outyear projections.						
Subtotal Expenditures	49,265	49,265	49,265	49,265	49,265	49,265