

# Non-Departmental

## MISSION AND SERVICES

---

Non-Departmental is used to manage resources and indirect costs for activities that are not specifically associated with one department or agency. The Office of Management and Budget (OMB) has the primary responsibility for the activity in Non-Departmental. OMB collaborates with the Office of the County Executive, the Legislative Branch, the Office of Finance and the Office of Central Services to plan and direct Non-Departmental transactions.

## STRUCTURE

There are four primary areas in Non-Departmental: Debt Service, Grants and Transfers, Operational Expenditures and Contingency.

- Debt Service – manages the County's debt issuance plan and monitors related principal and interest payments.
- Grants and Transfers – administers County contributions to various community organizations, Community Television, Economic Development Corporation, Financial Services Corporation, Employ Prince George's and the Experience Prince George's. It also provides transfers to various capital improvement projects.
- Operational Expenditures – manages operational transactions that are not agency specific including office space and utilities, special compliance efforts, retiree benefits, equipment leases and special lease obligations including the Regional Medical Center.
- Contingency – provides resources for costs related to unsettled collective bargaining agreements, designated operating activities and unanticipated employee separation costs.

## FY 2020 KEY NOTATIONS

- Distributed over \$9.2 million to community-based organizations for various programs serving County residents.
- Funding provided opportunities for County youth to participate in career development, life-training skills and summer employment opportunities.
- Allocated \$3.5 million of grant support to County Development Disabilities Administration (DDA) Service providers.

## FY 2021 FISCAL OVERVIEW

- \$8.8 million allocated for grants to community organizations
- \$29.9 million to address resource levels for retiree life and health benefits
- \$5.0 million provided to Dimensions Healthcare System (including payment for the refunded debt)
- \$8.4 million for operating costs associated with the speed camera program and other fine programs
- \$937 thousand for transfers to the Capital Improvement Program (CIP)
- \$1.0 million for Youth Employment Program to support jobs for County youth

## FY 2021 BUDGET SUMMARY

The FY 2021 approved budget for Non-Departmental is \$310,471,200, a decrease of \$15,034,200 or 4.6% under the FY 2020 approved budget.

### NON-DEPARTMENTAL OVERVIEW

Category	FY 2019	FY 2020	FY 2020	FY 2021	Change FY20-FY21	
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
Debt Service	\$126,057,681	\$136,594,300	\$130,585,300	\$156,777,600	\$20,183,300	14.8%
Grants and Transfers	73,801,940	60,471,100	61,240,700	31,425,900	(29,045,200)	-48.0%
Operational Expenditures	122,558,993	128,440,000	124,279,200	122,267,700	(6,172,300)	-4.8%
Contingency	-	-	-	-	-	0.0%
<b>Total</b>	<b>\$322,418,615</b>	<b>\$325,505,400</b>	<b>\$316,105,200</b>	<b>\$310,471,200</b>	<b>(\$15,034,200)</b>	<b>-4.6%</b>

### Reconciliation from Prior Year

	<b>Expenditures</b>
<b>FY 2020 Approved Budget</b>	<b>\$325,505,400</b>
<b>Increase Cost: Debt Service</b> — Increase in cost to reflect principal and interest payments for current outstanding debt and anticipated cost related to FY 2020 Bond sale	\$20,183,300
<b>Increase Cost: Operational Expenditures</b> — Increase to debt payment costs related to various equipment lease transactions	1,736,900
<b>Increase Cost: Grants and Transfers</b> — Increase in the Other Payments category to align with the anticipated costs for Rosecroft Local Impact Grants	835,000
<b>Increase Cost: Operational Expenditures</b> — Increase in the retirement life benefits to align with the anticipated costs	620,000
<b>Increase Cost: Operational Expenditures</b> — Increase in the General Fund Insurance category to align with the anticipated costs	400,000
<b>Increase Cost: Grants and Transfers</b> — Increase in the Other Payments category to align with the anticipated costs for PGC Re-entry Program - wrap around services	300,000
<b>Increase Cost: Grants and Transfers</b> — Increase in the County grant for Employ Prince George's to support a new Fund Development Manager position and operational support	113,600
<b>Increase Cost: Grants and Transfers</b> — Increase in the County grant to the Economic Development Corporation to include funding for operational support and marketing/ branding special events	82,000
<b>Increase Cost: Grants and Transfers</b> — Increase the County grant for Financial Services Corporation to support a new Communication Specialist position and operational support	80,600
<b>Increase Cost: Operational Expenditures - Recovery Reduction</b> — Reduction in the reimbursement to align to anticipated costs	40,000
<b>Increase Cost: Grants and Transfers</b> — Increase in the budget for memberships to align with anticipated costs	29,500
<b>Increase Cost: Grants and Transfers</b> — Increase in the budget for the Strategic Goals and Initiatives category to align with anticipated costs	25,000
<b>Increase Cost: Grants and Transfers</b> — Increase in the Required Payments category to align with the anticipated costs	24,500

**Reconciliation from Prior Year** *(continued)*

	<b>Expenditures</b>
<b>Increase Cost: Grants and Transfers</b> — Increase in the County grant for the Prince George's Community Television for operational support	23,900
<b>Decrease Cost: Operational Expenditures</b> — Decrease in the Automated Programs and to align with the anticipated costs for speed camera, red light camera and false alarm programs	(38,400)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in miscellaneous expenses to align with anticipated costs	(185,300)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in the budget for postage to align with anticipated costs	(200,000)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the Other Payments category to align with the anticipated costs for Local Development Council - Community Impact Grants	(250,000)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in the traffic signal electricity to align with the anticipated costs	(350,000)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in funding for various grants allotted to community organizations	(398,200)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in the streetlight electricity to align with the anticipated costs	(500,000)
<b>Decrease Cost: Operational Expenditures</b> — Decrease to the Other Leases category to align with anticipated expenditures	(729,000)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in the budget for utilities to align with anticipated cost	(966,500)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in Summer Youth Employment Program to align with anticipated cost	(6,000,000)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the Transfers to the Capital Improvement Program for MD 210, National Harbor Public Safety Building, DPW&T capital projects, a multi-cultural center feasibility study, Baden Library capital projects; and PAYGO funds allocated for the Redevelopment Authority and Board of Education projects	(29,911,100)
<b>FY 2021 Approved Budget</b>	<b>\$310,471,200</b>

## DEBT SERVICE

## Principal

Debt Service	FY 2019	FY 2020	FY 2020	FY 2021	Change FY20-FY21	
	Actual	Approved	Estimate	Approved	Amount (\$)	Percent (%)
<b>PRINCIPAL</b>						
Schools (GOB's)	\$42,998,306	\$44,506,100	\$44,506,100	\$48,809,800	\$4,303,700	9.7%
Schools (Q-bonds)	3,149,679	3,149,700	3,149,700	3,149,700	0	0.0%
Mass Transit	743,998	853,700	853,700	837,600	(16,100)	-1.9%
Roads (GOB's)	28,947,987	32,600,100	32,600,100	34,922,100	2,322,000	7.1%
Public Buildings	18,127,469	21,118,900	21,118,900	24,073,700	2,954,800	14.0%
Fire	3,404,514	3,816,900	3,816,900	4,390,300	573,400	15.0%
Community College	3,607,737	5,783,400	5,783,400	6,532,300	748,900	12.9%
Correctional Facilities	2,649,721	3,211,600	3,211,600	3,611,800	400,200	12.5%
Library	4,046,906	5,340,000	5,340,000	5,710,600	370,600	6.9%
Health	415,970	586,200	586,200	642,100	55,900	9.5%
Police	2,116,323	2,903,000	2,903,000	3,389,400	486,400	16.8%
Hospital	-	-	-	-	-	0.0%
Local Government Insurance Trust (LGIT) Debt	-	-	-	-	-	0.0%
Current Year Bond Sale	-	631,200	-	5,017,700	4,386,500	694.9%
Sinking Fund Payments	-	-	-	-	-	0.0%
<b>Total</b>	<b>\$110,208,610</b>	<b>\$124,500,800</b>	<b>\$123,869,600</b>	<b>\$141,087,100</b>	<b>\$16,586,300</b>	<b>13.3%</b>

Note: Numbers may not add due to rounding. MILA debt is accounted for in State Debt Assumption Payments, rather than in debt service in the Comprehensive Annual Financial Report (CAFR).

## Interest

Debt Service	FY 2019	FY 2020	FY 2020	FY 2021	Change FY20-FY21	
	Actual	Approved	Estimate	Approved	Amount (\$)	Percent (%)
<b>INTEREST AND SERVICE CHARGES</b>						
Schools - General Obligation Bonds (GOB's)	\$23,410,326	\$22,721,900	\$25,855,100	\$25,386,800	\$2,664,900	11.7%
Mass Transit	230,375	195,400	195,400	158,300	(37,100)	-19.0%
Roads (GOB's)	17,071,243	16,945,400	18,337,400	17,490,400	545,000	3.2%
Public Buildings	11,625,054	11,451,700	13,399,300	13,390,300	1,938,600	16.9%
Fire	1,953,049	1,907,800	2,312,200	2,342,000	434,200	22.8%
Community College	4,680,408	5,462,800	5,523,700	5,257,500	(205,300)	-3.8%
Correctional Facilities	1,974,293	1,966,900	2,162,500	2,099,800	132,900	6.8%
Library	3,209,510	3,264,100	3,416,700	3,229,100	(35,000)	-1.1%
Health	382,414	449,800	464,100	442,800	(7,000)	-1.6%
Police	2,800,920	2,858,300	2,999,400	2,919,000	60,700	2.1%
Hospital	-	-	-	-	-	0.0%
Service Charges	-	-	-	-	-	0.0%
Local Government Insurance Trust (LGIT) Debt	-	-	-	-	-	0.0%
Current Year Bond Sale/Refinancing	-	5,377,900	-	8,078,200	2,700,300	50.2%
Service Charges	-	-	-	-	-	0.0%
<b>Total Interest and Service Charges</b>	<b>\$67,337,592</b>	<b>\$72,602,000</b>	<b>\$74,665,800</b>	<b>\$80,794,200</b>	<b>\$8,192,200</b>	<b>11.3%</b>
<b>Principal</b>	<b>\$110,208,610</b>	<b>\$124,500,800</b>	<b>\$123,869,600</b>	<b>\$141,087,100</b>	<b>\$16,586,300</b>	<b>13.3%</b>
<b>TOTAL PRINCIPAL, INTEREST AND SERVICE CHARGES</b>						
	<b>\$177,546,202</b>	<b>\$197,102,800</b>	<b>\$198,535,400</b>	<b>\$221,881,300</b>	<b>\$24,778,500</b>	<b>12.6%</b>
Less:						
Mass Transit	(\$974,373)	(\$1,049,000)	(\$1,049,000)	(\$995,900)	\$53,100	-5.1%
School Surcharge	(\$35,620,739)	(37,060,500)	(38,940,400)	(41,212,300)	(4,151,800)	11.2%
Telecommunications Tax Supported School Projects	(\$2,835,779)	(2,844,200)	(2,844,200)	(2,729,400)	114,800	-4.0%
IRS Subsidy	(\$2,379,613)	(2,366,100)	(2,366,100)	(2,366,100)	0	0.0%
Bond Premiums	(\$9,681,908)	(17,188,700)	(22,750,400)	(17,800,000)	(611,300)	3.6%
Unspent Bond Proceeds	3,891	-	-	-	-	0.0%
<b>SubTotal</b>	<b>\$(51,488,522)</b>	<b>\$ (60,508,500)</b>	<b>(\$67,950,100)</b>	<b>\$ (65,103,700)</b>	<b>\$ (4,595,200)</b>	<b>7.6%</b>
<b>Total Expenditures - Net County Debt</b>	<b>\$126,057,681</b>	<b>\$136,594,300</b>	<b>\$130,585,300</b>	<b>\$156,777,600</b>	<b>\$20,183,300</b>	<b>14.8%</b>

Note: Numbers may not add due to rounding. MILA debt is accounted for in State Debt Assumption Payments.

### FY 2021 Debt Issuance Plan

Prince George's County plans to issue new general obligation bonds of approximately \$332.0 million in the FY 2021. The main factor behind the debt issuance continues to be the construction of public schools, followed by road repair and roadway enhancements. The County's current bond rating is AAA by all major bond rating agencies.

### Outstanding General Fund Direct Debt

Direct Debt is debt incurred by Prince George's County government in its own name. The gross outstanding general fund debt, the amount that would be due if 100% of the principal were due on June 30, includes the County's general obligation bonds, Revenue Authority revenue bonds and Maryland Local Government

Insurance Trust obligations issued for self insurance liability funding.

Net Direct Debt is gross debt less (1) gross debt payable primarily from user charges or other identified debt-supporting revenue streams and (2) gross debt reimbursable from the State of Maryland. This represents total direct debt excluding self-supporting debt. On June 30, 2017, the County's outstanding net direct debt totaled \$898.0 million; on June 30, 2018, it was \$1,384.7 million; and on June 30, 2019, it increased to \$1,500.1 million. These figures exclude overlapping debt of the Industrial Development Authority (IDA) Lease Revenue Bonds.

### Overlapping Debt

In addition to the direct debt, the County has formally agreed to pay the Industrial Development Authority of

Prince George's County for the payments due on lease revenue bonds through annual lease payments. The Authority uses the lease payments made by the County to retire its outstanding debt. Most of the proceeds of the debt issued by the Authority were used to build the Prince George's County Courthouse in Upper Marlboro. On June 30, 2018, the County had no outstanding general fund net overlapping debt, this was a decrease of \$40.0 million. In FY 2019, the Revenue Authority assumed responsibility for all IDA assets and liabilities, including the refinancing of all outstanding debt. As authorized by CR-69-2017, the IDA will be terminated upon the extinguishing of all IDA obligations. Therefore, the County started remitting payments to the Revenue Authority in FY 2019.

### NET TAX-SUPPORTED GENERAL FUND DEBT

(Millions \$'s)

	Actual 6/30/2017	Actual 6/30/2018	Actual 6/30/2019
Net Direct Debt	\$ 898.0	\$ 1,384.7	\$ 1,500.1
Overlapping Debt	40.0	0.0	0.0
<b>TOTAL</b>	<b>\$ 938.0</b>	<b>\$ 1,384.7</b>	<b>\$ 1,500.1</b>
<b>ANNUAL GROWTH</b>	<b>\$ (76.4)</b>	<b>\$ 446.7</b>	<b>\$ 115.4</b>

#### SOURCE:

FY 2017: CAFR for the Year Ending June 30, 2017, Prince George's County, Maryland, Page 171 (Table 14)

FY 2018: CAFR for the Year Ending June 30, 2018, Prince George's County, Maryland, Page 171 (Table 14)

FY 2019: CAFR for the Year Ending June 30, 2019, Prince George's County, Maryland, Page 171 (Table 14)

**SELF-SUPPORTING DEBT** are portions of the gross direct debt that are not dependent on County tax revenues. Self supporting outstanding debt, including debt that is

repaid solely from the County's share of certain State collected taxes and user charges, is detailed below:

### SELF-SUPPORTING DIRECT DEBT

(Millions \$'s)

	6/30/2018	6/30/2019
<b>General Obligation Bonds:</b>		
Mass Transit Debt-Washington Suburban Transit Commission (WSTC)	\$ 6.1	\$ 5.3
Stormwater Management	236.7	292.9
County Solid Waste Management Bonds	46.0	43.7
School Facilities Supported by School Surcharge	339.1	383.4
School Facilities Supported by Telecommunications Tax	16.7	14.5
<b>Revenue Bonds:</b>		
Solid Waste Management System	0.0	0.0
<b>Total Self-Supporting Debt</b>	<b>\$ 644.7</b>	<b>\$ 739.8</b>

#### SOURCE:

FY 2018: CAFR for the Year Ending June 30, 2018, Prince George's County, Maryland, Page 171 (Table 14).

FY 2019: CAFR for the Year Ending June 30, 2019, Prince George's County, Maryland, Page 171 (Table 14).

### Debt Service and Other Payments

When debt is issued, the County is given a debt service payment schedule similar to amortization payments provided to a citizen when funds are borrowed to purchase a home or a car. The County is required to budget annually for the payment of principal and interest due on the amount of debt that it has incurred along with the annual premium payments and lease payments described under "Other Obligations". (Revenue Authority debt and certain other lease payments are shown under Other Non Departmental.)

From time to time, the County reviews its debt to see if it should restructure or refinance the debt to minimize its cost or to maximize cash flow requirements. A similar technique is used by the taxpayer who refinances his or her mortgage when interest rates are lowered, resulting in a reduced monthly payment. Alternatively, the taxpayer may choose the lower interest rate and opt for the same monthly payment and thus pay off his or her debt much quicker.

In general, the County is obligated for its first payment of interest six months after debt is issued; the first payment of principal is due twelve months after the debt is issued.

### Recoveries

Portions of the debt and obligations related to mass transit are retired through dedicated tax levies. In addition, the County receives certain payments by the State of Maryland for a portion of the Industrial Development Authority (IDA) lease payments. Starting from FY 2001, school surcharge revenues have been used to offset part of the cost of new school construction. Starting in FY 2007, part of the telecommunications tax revenues that are set aside each year in a separate capital project fund have been used to support school construction bonds.

### Debt Service General Fund Sources

Highway User Revenue is allocated between the Highway Maintenance Division in the Department of Public Works and Transportation and debt service for roads.

### Debt Levels

The County's Net Direct Debt has grown due to the rising needs for capital projects, in particular school construction. The County plans to keep its debt levels below its self-imposed and statutory limits.

## Net Direct Debt

Fiscal Year	Population	Assessed Value	Net Direct Debt	% of Net Direct Debt to Assessed Value	Net Direct Debt Per Capita	Debt Service as a % of General Fund Expenditures
2019	913,508	\$ 97,534,897,800	\$ 1,500,063,335	1.5%	1,642	4.0%
2018	911,685	\$ 92,548,040,600	\$ 1,384,752,682	1.5%	1,519	3.2%
2017	909,865	\$ 86,941,639,900	\$ 898,012,035	1.0%	987	3.4%
2016	908,049	\$ 80,392,825,800	\$ 968,882,035	1.2%	1,067	3.2%
2015	909,535	\$74,172,798,186	\$ 944,926,424	1.3%	1,039	3.4%
2014	904,430	\$ 73,425,415,435	\$ 844,289,449	1.1%	934	3.3%
2013	890,081	\$ 75,993,572,331	\$ 899,514,499	1.2%	1,011	3.1%
2012	881,138	\$ 82,964,524,909	\$ 714,695,331	0.9%	811	3.4%
2011	874,045	\$ 95,135,150,806	\$ 714,419,526	0.8%	817	3.8%
2010	865,705	\$ 96,054,707,346	\$ 705,280,978	0.7%	815	3.4%
2009	834,560	\$ 85,155,247,625	\$ 704,467,333	0.8%	844	2.7%
2008	830,514	\$ 72,900,955,419	\$ 782,927,125	1.1%	943	2.9%
2007	832,699	\$ 60,716,650,060	\$ 759,188,646	1.3%	912	3.3%
2006	836,644	\$ 52,277,304,579	\$ 709,848,849	1.4%	848	3.2%
2005	840,513	\$ 46,612,628,987	\$ 686,662,549	1.5%	817	3.7%
2004	836,103	\$ 43,066,687,540	\$ 661,141,076	1.5%	791	3.8%

**Notes:**

- (1) Population estimates are from the U.S. Census Bureau, Population Estimates Branch.
- (2) Beginning in fiscal year 2002, real property assessed value in Maryland has been adjusted from approximately 40% of market value to full market value (100%) by the State Department of Assessments and Taxation. Personal property assessed value remains unchanged at full market value.
- (3) The amount of net direct debt represents the County's general obligation bonded debt - which excludes the Primary Government's Stormwater Management Enterprise Fund bonds paid with dedicated tax collections, Solid Waste Management System bonds repaid from user charges, debt for parks reimbursed by the joint venture M-NCPPC, debt for mass transit reimbursed by the WSTC (joint venture), debt for school facilities paid by school surcharge, and debt for school facilities funded by telecommunications tax - and includes Parking Authority's (component unit) bonded debt.

SOURCE: Office of Finance

**GRANTS & TRANSFER PAYMENTS**

Grants and Transfers	FY 2019	FY 2020	FY 2020	FY 2021	Change FY20-FY21	
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
Grants to Community Organizations	\$8,188,291	\$9,205,200	\$9,255,200	\$8,807,000	(\$398,200)	-4.3%
Required Payments	382,603	378,900	403,400	403,400	24,500	6.5%
Economic Development Corporation	3,443,100	3,915,700	3,915,700	3,997,700	82,000	2.1%
Employ Prince George's	1,135,100	1,738,100	1,738,100	1,851,700	113,600	6.5%
Financial Services Corporation	1,122,500	1,122,500	1,122,500	1,203,100	80,600	7.2%
Prince George's Community Television	987,600	992,100	992,100	1,016,000	23,900	2.4%
Experience Prince George's	1,385,200	1,341,400	1,341,400	1,341,400	0	0.0%
Memberships	657,310	666,100	695,600	695,600	29,500	4.4%
Strategic Goals Initiative	569,626	475,000	475,000	500,000	25,000	5.3%
Dimensions Health Corporation	14,420,113	5,000,000	5,000,000	5,000,000	-	0.0%
Other Payments	5,132,038	4,787,700	4,787,700	5,672,700	885,000	18.5%
Transfers to Other Funds	2,500,000	-	-	0	0	0.0%
Transfers to Capital Improvement Program	33,878,459	30,848,400	31,514,000	937,300	(29,911,100)	-97.0%
<b>Total Expenditures</b>	<b>\$73,801,940</b>	<b>\$60,471,100</b>	<b>\$61,240,700</b>	<b>\$31,425,900</b>	<b>(\$29,045,200)</b>	<b>-48.0%</b>

**Grants to Community Organizations -- \$8,807,000**

Funding supports a variety of community-based organizations serving County residents.

**Required Payments -- \$403,400**

Amounts shown here represent anticipated costs mandated by State or local legislation, regulation or contractual agreement.

**Economic Development Corporation -- \$3,997,700**

This funding supports the Economic Development Corporation, a non-profit organization that promotes economic development, neighborhood and business revitalization, workforce services and youth employment, while collaborating with the business community and other public entities.

**Employ Prince George's Inc. -- \$1,851,700**

This funding supports Employ Prince George's Inc., a non-profit organization that provides career and job readiness training as well as on-the-job work experience for county youth and adults, including dislocated workers. The program is funded primarily through the federal Workforce Innovation and Opportunity Act (WIOA) grant program.

**Financial Services Corporation -- \$1,203,100**

This funding supports the Financial Services Corporation, a non-profit corporation that provides non-traditional financing for small and minority-owned businesses in Prince George's County.

**Prince George's Community Television -- \$1,016,000**

Funding supports Community Television of Prince George's County Channels 76 and 70, the award-winning nonprofit cable access station.

**Experience Princes George's -- \$1,341,400**

This funding supports Experience Princes George's (formerly the Conference and Visitors Bureau), a promotional agency under contract with the County that assists in the implementation of the County's comprehensive economic and cultural development program. Additional funding per CB-077-2016 is provided for the County branding campaign to advertise and promote the County.

**Memberships -- \$695,600**

This funding represents the cost of the County's participation fees in various professional organizations.

**Strategic Goals Initiative -- \$500,000**

Funding will be utilized to further various County's initiatives.

**Dimensions Healthcare System, Inc. -- \$5,000,000**

These resources are designated to support the Dimensions Healthcare System in partnership with the State of Maryland.

**Other Payments -- \$5,672,700**

Funding reflects local impact grant funds allocated to the County for public safety projects within 5 miles of Rosecroft Raceway (\$850,000) as well as a grant to support County developmental disability service providers (\$3,535,000). Additionally, the total includes a portion of prior year video lottery terminal (VLT) funds allocated for Local Development Council Community Impact Grants (\$500,000), the Workforce Development and Training Program (\$337,700), and Grants to the Excellence in Education Foundation (\$150,000) for student scholarships. Funding is also allocated for PGC Re-entry-wrap around services (\$300,000).

**Transfers to Other Funds -- \$0**

This category reflects General Fund transfers to other County funds.

**Transfers to Capital Improvement Program -- \$937,300**

This category reflects General Funds allocated to capital improvement projects including, Redevelopment Authority; Glenarden Apartment Redevelopment (\$351,300) Addison Rd/Capitol Heights Metro (\$500,000), Cheverly Redevelopment (\$61,000), Pepco/Forestville Project (\$25,000).

**OPERATIONAL EXPENDITURES**

Operational Expenditures	FY 2019	FY 2020	FY 2020	FY 2021	Change FY20-FY21	
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
General Fund Insurance	\$10,000,000	\$10,000,000	\$10,200,000	\$10,400,000	400,000	4.0%
Judgments and Losses	-	200,000	200,000	200,000	-	0.0%
Postage	1,136,741	1,400,000	1,200,000	1,200,000	(200,000)	-14.3%
Equipment Leases	20,064,661	23,477,100	23,833,700	25,214,000	1,736,900	7.4%
Other Leases	19,635,591	24,312,500	22,374,900	23,583,500	(729,000)	-3.0%
Utilities	13,532,116	16,600,000	15,372,500	15,633,500	(966,500)	-5.8%
Streetlight Electricity	2,251,174	3,200,000	2,300,000	2,700,000	(500,000)	-15.6%
Traffic Signal Electricity	72,987	500,000	150,000	150,000	(350,000)	-70.0%
Miscellaneous Expenses	6,533,821	6,728,800	6,004,900	6,543,500	(185,300)	-2.8%
Youth Employment Program	3,421,720	7,000,000	7,000,000	1,000,000	(6,000,000)	-85.7%
Automated Programs - Speed Camera, Red Light, False Alarm	8,250,840	8,450,000	8,411,600	8,411,600	(38,400)	-0.5%
Comp Absences	191,653	-	-	-	-	0.0%
Deferred Compensation in Lieu of State Retirement	118,089	200,000	200,000	200,000	-	0.0%
Unemployment Insurance	475,000	475,000	475,000	475,000	-	0.0%
Retiree Life Benefits/Annuities	1,865,813	1,250,000	1,870,000	1,870,000	620,000	49.6%
Retiree Health Benefits	38,047,544	28,048,400	28,048,400	28,048,400	-	0.0%
<b>SubTotal</b>	<b>\$125,597,750</b>	<b>\$131,841,800</b>	<b>\$127,641,000</b>	<b>\$125,629,500</b>	<b>(\$6,212,300)</b>	<b>-4.7%</b>
<b>Expenditure Recoveries</b>						
Leases/Utilities	(\$2,751,768)	(\$2,751,800)	(\$2,751,800)	(\$2,751,800)	\$0	0.0%
Postage	(878)	(50,000)	(10,000)	(10,000)	40,000	-80.0%
Other	(286,110)	(600,000)	(600,000)	(600,000)	-	0.0%
<b>SubTotal</b>	<b>(\$3,038,757)</b>	<b>(\$3,401,800)</b>	<b>(\$3,361,800)</b>	<b>(\$3,361,800)</b>	<b>\$40,000</b>	<b>-1.2%</b>
<b>Total</b>	<b>\$122,558,993</b>	<b>\$128,440,000</b>	<b>\$124,279,200</b>	<b>\$122,267,700</b>	<b>(\$6,172,300)</b>	<b>-4.8%</b>

**General Fund Insurance (Self-Insurance Fund) -- \$10,400,000**

General Fund Insurance is managed by the Risk Management Unit in the Office of Finance. It insures fire, casualty, automobile, and public losses. The Self-Insurance Fund is composed of the following governmental entities: the County, the Community College, the Memorial Library System, and the Board of Education. Contribution levels are based on the results of an annual actuarial study.

**Judgments and Losses -- \$200,000**

This appropriation represents contingent small claims payouts by the County.

**Postage -- \$1,200,000**

The postage appropriation for FY 2021 remains unchanged from the FY 2020 approved budget level.

**Equipment Leases -- \$25,214,000**

The FY 2021 expenditures include the principal and interest costs of the 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020 lease purchase payments. It also includes resources for voting machine rentals.

**Other Leases -- \$23,583,500**

The Office of Central Services is responsible for maintaining the County's lease agreements for various locations. Funding is included to support ten County leases. In addition to the cost of County leases, funding is also included for debt service payments due on lease revenue bonds issued to support expansions of the Hyattsville and Upper Marlboro Justice Centers. In prior years, these payments were made to the Industrial Development Authority to retire the outstanding debt.

Starting in FY 2019, these payments are made to the Revenue Authority. Additionally, this category includes funding to support debt service costs for various public

finance transactions including the Regional Medical Center.

**Utilities -- \$15,633,500**

Utility costs reflect projected expenditure levels for electricity, gas, oil, and propane used by the County.

**Streetlights -- \$2,700,000**

Projected energy costs for streetlights maintained by the County.

**Traffic Signals -- \$150,000**

Operational funding for traffic signals provided by the County for vehicular and pedestrian safety.

**Miscellaneous Expenses -- \$6,543,500**

This category includes resources for general and administrative services related to the implementation of the County's strategic plan and collection of emergency transportation fees. This budget also includes costs for payments to the State for the State Department of Assessments and Taxation (\$2.8 million in FY 2021).

**Youth Employment Program -- \$1,000,000**

Reflects funding allotted for the Youth Employment Program managed by the Office of Human Resources Management.

**Automated Programs -- \$8,411,600**

The County incurs costs to run the speed camera program, including payment to the vendor, which are offset by the revenue generated. The amount listed also includes cost associated with the red light camera and false alarm programs managed by the Revenue Authority.

**Deferred Compensation in Lieu of State Retirement -- \$200,000**

Several appointed employees have elected to participate in a Deferred Compensation Plan in lieu of the Maryland State Pension System. These costs are included in this category.

**Unemployment Insurance -- \$475,000**

This represents the anticipated unemployment insurance claims payable during the fiscal year.

**Retiree Life and Health Insurance -- \$29,918,400**

This represents both the Retiree Life Benefits/Annuities (\$1.9 million) and the Retiree Health Benefits (\$28.0 million) costs. The County portion of health and life insurance costs for retired employees are funded in this category. It includes \$1,800,000 for retiree life insurance, \$70,000 for retiree annuities, and \$28,048,400 for retiree health benefits, or Other Post Employment Benefits (OPEB).

**Expenditure Recoveries (Project Charges) -- (\$3,361,800)**

Expenditure Recoveries are from non general funds for charges for utilities, maintenance and equipment usage payments, retiree health insurance recoveries and postage recoveries from various funds.

## **CONTINGENCIES**

In FY 2021, contingency expenditure total \$0 and remain unchanged from the FY 2020 approved budget.

**ECONOMIC DEVELOPMENT FUND**

This fund will provide financial assistance in the form of loans, guarantees, and grants to benefit existing and potential industrial and commercial businesses in the County. The primary goal of the fund is to create and

retain jobs, broaden the local tax base, promote economic development opportunities, and assist in the retention of existing businesses and the attraction of new businesses.

**Economic Development Incentive Fund Expenditure Summary**

Category	FY 2019	FY 2020	FY 2020	FY 2021	Change FY20-FY21	
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
Compensation	-	-	-	-	-	0.0%
Fringe Benefits	-	-	-	-	-	0.0%
Operating	4,858,428	9,000,000	6,365,300	9,000,000	-	0.0%
Capital Outlay	-	-	-	-	-	0.0%
<b>Total Expenditures</b>	<b>\$4,858,428</b>	<b>\$9,000,000</b>	<b>\$6,365,300</b>	<b>\$9,000,000</b>	<b>-</b>	<b>0.0%</b>

**Economic Development Incentive Fund Summary**

Category	FY 2019	FY 2020	FY 2020	FY 2021	Change FY20-FY21	
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
<b>BEGINNING FUND BALANCE</b>	<b>\$35,636,440</b>	<b>\$32,446,040</b>	<b>\$33,503,806</b>	<b>\$30,313,406</b>	<b>(\$2,132,634)</b>	<b>-6.6%</b>
<b>REVENUES</b>						
Interest Income	\$954,718	\$350,000	\$900,000	\$350,000	\$-	0.0%
Loan Repayments (Principal and Interest)	1,771,076	3,000,000	2,000,000	3,000,000	-	0.0%
Equity Investment Returns	-	-	-	-	-	0.0%
Federal Aid	-	-	-	-	-	0.0%
State Aid	-	-	-	-	-	0.0%
Miscellaneous Revenues	-	-	-	-	-	0.0%
Appropriated Fund Balance	-	5,650,000	3,190,400	5,650,000	-	0.0%
<b>Total Revenues</b>	<b>\$2,725,794</b>	<b>\$9,000,000</b>	<b>\$6,090,400</b>	<b>\$9,000,000</b>	<b>-</b>	<b>0.0%</b>
<b>EXPENDITURES</b>						
Small Business Loans and Grants	4,858,428	9,000,000	6,365,300	9,000,000	-	0.0%
<b>Total Expenditures</b>	<b>\$4,858,428</b>	<b>\$9,000,000</b>	<b>\$6,365,300</b>	<b>\$9,000,000</b>	<b>-</b>	<b>0.0%</b>
EXCESS OF REVENUES OVER EXPENDITURES	(\$2,132,634)	-	-	-	-	0.0%
OTHER ADJUSTMENTS	-	(\$5,650,000)	(\$3,190,400)	(\$5,650,000)	-	0.0%
<b>ENDING FUND BALANCE</b>	<b>\$33,503,806</b>	<b>\$26,796,040</b>	<b>\$30,313,406</b>	<b>\$24,663,406</b>	<b>(2,132,634)</b>	<b>-8.0%</b>