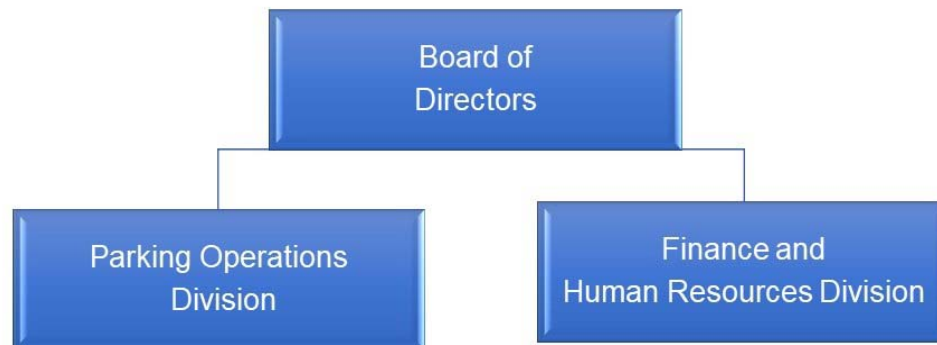


Revenue Authority



MISSION AND SERVICES

The Revenue Authority is a quasi-governmental entity that serves as a real estate development and development finance agency, an operator of programs and facilities, and a manager of programs and facilities in partnership with other County agencies.

CORE SERVICES

- Facilitate real estate development
- Provide financial tools to support county economic development priorities
- Operate and manage parking facilities
- Enforce parking enforcement requirements
- Administering various public safety programs on behalf of our County partners.

FY 2024 KEY ACCOMPLISHMENTS

- Provided economic activity through real estate development and development financing – closed its first conduit bond financing transaction, Hamilton Manor. The project was significant for the county as it was the County's first right of refusal project.
- Provided efficient parking operations for residents and workers to improve quality of life.
- Provided management and program funds distribution for public safety enforcement programs; increased collection of unpaid automated speed citations and increased the number of paid red-light citations by improving program delivery.

STRATEGIC FOCUS AND INITIATIVES FOR FY 2025

The authority's top priorities in FY 2025 are:

- Become a financial solutions provider for County economic development projects.
- Enhance the efficiency and effectiveness of the parking operations.
- Strengthen partnerships with County agencies.

- Expand community outreach and education.

FY 2025 BUDGET SUMMARY

The FY 2025 proposed budget for the Revenue Authority is \$50,390,600, an increase of \$4,055,100 or 8.8% over the FY 2024 approved budget.

Reconciliation from Prior Year

| | Expenditures |
|---|---------------------|
| FY 2024 Approved Budget | \$46,335,500 |
| Increase Cost: Operating — Increase in operating management costs for the School Bus Stop Arm Safety Program | \$1,963,900 |
| Increase Cost: Operating — Increase in bond debt service costs | 1,368,600 |
| Increase Cost: Operating — Increase in bad debt | 1,211,200 |
| Increase Costs: Operating — Increase in operating management costs for the Automated Speed Camera Program | 690,300 |
| Increase Cost: Operating — Increase in operating costs associated with maintenance, repairs and liability insurance obligations for leased and owned agency properties | 650,700 |
| Increase costs: Compensation - Mandated Salary Requirements — Annualization of FY 2024 salary adjustments | 200,100 |
| Add: Compensation - New Positions — Increase in compensation for five new Parking Enforcement Officer positions | 187,200 |
| Increase Cost: Fringe Benefits — Increase in fringe benefit costs to align with projected costs as well as funding for five new Parking Enforcement Officer positions | 107,300 |
| Increase Cost: Operating — Net increase in operating inflationary costs associated with utilities, banking fees, shipping and postings costs. | 63,600 |
| Decrease Cost: Operating — Decrease in Residential Signage Program due to reduced activity | (11,500) |
| Decrease Cost: Operating — Net decrease in operating costs associated with reserve contributions to maintain agency operations | (88,100) |
| Decrease Cost: Operating: — Decrease in costs related to Red Light Program including management fees due to reduced ticket issuance | (476,400) |
| Decrease Cost: Operating: — Decrease costs in bond debt requirements for the Capitol Regional Garage | (1,811,800) |
| FY 2025 Proposed Budget | \$50,390,600 |

FY 2025 OPERATING BUDGET

Revenues by Category

| Category | FY 2023 Actual | FY 2024 Budget | FY 2024 Estimate | FY 2025 Proposed | Change FY24-FY25 | |
|-----------------|---------------------|---------------------|---------------------|---------------------|--------------------|-------------|
| | | | | | Amount (\$) | Percent (%) |
| Enforcement | \$22,715,658 | \$21,144,000 | \$21,511,020 | \$23,250,000 | \$2,106,000 | 10.0% |
| Facilities | 23,987,700 | 25,106,500 | 24,418,300 | 26,768,000 | 1,661,500 | 6.6% |
| Interest Income | 494,499 | 85,000 | 382,200 | 372,600 | 287,600 | 338.4% |
| Total | \$47,197,857 | \$46,335,500 | \$46,311,520 | \$50,390,600 | \$4,055,100 | 8.8% |

Expenditures by Category

| Category | FY 2023 Actual | FY 2024 Budget | FY 2024 Estimate | FY 2025 Proposed | Change FY24-FY25 | |
|--|---------------------|---------------------|---------------------|---------------------|--------------------|-------------|
| | | | | | Amount (\$) | Percent (%) |
| Compensation | \$4,077,945 | \$4,827,300 | \$5,150,565 | \$5,214,600 | \$387,300 | 8.0% |
| Fringe Benefits | 1,169,355 | 1,351,600 | 1,442,158 | 1,458,900 | 107,300 | 7.9% |
| Managed Program Operating Expenses | 14,710,200 | 1,894,000 | 3,039,500 | 3,857,900 | 1,963,900 | 103.7% |
| Facilities Operating Expenses | 21,452,592 | 30,484,800 | 31,140,742 | 33,596,800 | 3,112,000 | 10.2% |
| Reserve for Maintenance and Economic Development | 1,785,053 | 2,002,800 | 1,502,800 | 1,914,700 | (88,100) | -4.4% |
| Managed Program Funds to County | 4,002,722 | 5,775,000 | 4,035,755 | 4,347,700 | (1,427,300) | -24.7% |
| Total | \$47,197,867 | \$46,335,500 | \$46,311,520 | \$50,390,600 | \$4,055,100 | 8.8% |

SERVICE DELIVERY PLAN AND PERFORMANCE

Goal 1 — To provide economic activity through real estate development or development financing.

Objective 1.1 — Increase the quantity of projects by developing land, financing partnerships with other agencies, and/or private developers (millions).

| FY 2029 Target | FY 2022 Actual | FY 2023 Actual | FY 2024 Estimated | FY 2025 Projected | Trend |
|----------------|----------------|----------------|-------------------|-------------------|-------|
| \$1,000 | \$680 | \$680 | \$680 | \$900 | ↔ |

Trend and Analysis

The Authority owns land parcels and has invested in several real estate projects within the County. These include properties in Suitland, Brentwood and Largo. The Authority successfully opened the Regional Medical Center Garage in Largo and will continue development in Suitland in 2025. The Authority will continue to engage in development or development financing as a partner or an equity investor.

Performance Measures

| Measure Name | FY 2021 Actual | FY 2022 Actual | FY 2023 Actual | FY 2024 Estimated | FY 2025 Projected |
|--|----------------|----------------|----------------|-------------------|-------------------|
| Quality | | | | | |
| Percent of total projects funded | 82% | 78% | 85% | 85% | 85% |
| Impact (Outcome) | | | | | |
| Estimated value of projects (millions) | \$605 | \$680 | \$680 | \$680 | \$900 |
| Increase in project value (millions) | \$490 | \$548 | \$548 | \$548 | \$500 |

Goal 2 — To provide efficient parking operations for residents and workers to improve quality of life.

Objective 2.1 — Increase collection of unpaid parking citations.

| FY 2029 Target | FY 2022 Actual | FY 2023 Actual | FY 2024 Estimated | FY 2025 Projected | Trend |
|----------------|----------------|----------------|-------------------|-------------------|-------|
| 43% | 30% | 58% | 55% | 45% | ↑ |

Trend and Analysis

The Authority continues to see an increasing demand for parking meters and parking facilities within the County. The Authority currently oversees over 5,800 parking spaces at multiple locations. The projected totals by FY 2025 will exceed 10,000 parking spaces. The Authority will enhance parking enforcement customer service by providing training for the Authority's enforcement officers and providing the officers with the latest technology for issuing citations with real time data. The Authority expects demands for parking enforcement to increase in the Largo, Suitland and National Harbor areas.

Performance Measures

| Measure Name | FY 2021 Actual | FY 2022 Actual | FY 2023 Actual | FY 2024 Estimated | FY 2025 Projected |
|---|----------------|----------------|----------------|-------------------|-------------------|
| Workload, Demand and Production (Output) | | | | | |
| Parking fines issued | 93,205 | 107,118 | 112,129 | 114,000 | 115,000 |
| Quality | | | | | |
| Potential revenue from fines (millions) | \$6 | \$7 | \$7 | \$7 | \$8 |
| Collected fine revenue (millions) | \$2 | \$1 | \$3 | \$3 | \$4 |
| Citations voided or acquitted in court | 7% | 10% | 6% | 6% | 6% |
| Impact (Outcome) | | | | | |
| Citations outstanding after 90 days (#) | 53,127 | 37,316 | 26,754 | 28,500 | 25,000 |
| Citations outstanding after 90 days (%) | 57% | 30% | 58% | 55% | 45% |

Goal 3 — To provide management and program funds distribution for public safety enforcement programs.

Objective 3.1 — Increase collection of unpaid automated speed citations.

| FY 2029 Target | FY 2022 Actual | FY 2023 Actual | FY 2024 Estimated | FY 2025 Projected | Trend |
|----------------|----------------|----------------|-------------------|-------------------|-------|
| 80% | 74% | 73% | 75% | 77% | ↔ |

Trend and Analysis

The Authority supports the Police Department and the Department of Public Works and Transportation in the administration of the Automated Speed Enforcement (ASE) program. The County's selected and designated vendor is currently responsible for the collection of ASE fines. The number of ASE cameras increased to its full complement of 72 cameras at the beginning of calendar year 2013; however, in fiscal years 2023 and 2024, the cameras experienced operational issues. As a result, the County is transitioning to a new vendor. During the transition time, the County will experience an initial drop in revenue. This should level out once the new vendor is fully onboard and operational.

Performance Measures

| Measure Name | FY 2021 Actual | FY 2022 Actual | FY 2023 Actual | FY 2024 Estimated | FY 2025 Projected |
|---|----------------|----------------|----------------|-------------------|-------------------|
| Resources (Input) | | | | | |
| ASE cameras | 66 | 64 | 66 | 66 | 66 |
| Workload, Demand and Production (Output) | | | | | |
| Speed events at camera locations | 106,865 | 66,494 | 69,369 | 65,000 | 70,000 |
| Quality | | | | | |
| Percent transferred to County | 15% | 31% | 4% | 10% | 10% |
| Impact (Outcome) | | | | | |
| Collection rate | 73% | 74% | 73% | 75% | 77% |

Objective 3.2 — Increase the number of paid red light citations by improving program delivery.

| FY 2029 Target | FY 2022 Actual | FY 2023 Actual | FY 2024 Estimated | FY 2025 Projected | Trend |
|----------------|----------------|----------------|-------------------|-------------------|-------|
| 95% | 92% | 91% | 92% | 94% | ↔ |

Trend and Analysis

The Authority supports the Police Department and the Department of Public Works and Transportation in the administration of the Red-Light Camera (RL) program. The number of paid Red-Light citations are leveling off as the number of approved camera locations have reached a steady 46. The County's designated vendor is currently responsible for collecting RL camera violation fines.

Performance Measures

| Measure Name | FY 2021 Actual | FY 2022 Actual | FY 2023 Actual | FY 2024 Estimated | FY 2025 Projected |
|---|----------------|----------------|----------------|-------------------|-------------------|
| Resources (Input) | | | | | |
| Red light cameras operational | 44 | 46 | 46 | 46 | 46 |
| Workload, Demand and Production (Output) | | | | | |
| Violations validated | 49,432 | 44,390 | 43,915 | 45,000 | 48,000 |
| Efficiency | | | | | |
| Outstanding revenues (millions) | \$3 | \$2 | \$1 | \$2 | \$1 |
| Quality | | | | | |
| Paid red light citations | 47,770 | 57,927 | 55,684 | 53,000 | 56,000 |
| Impact (Outcome) | | | | | |
| Percent citations collected | 96% | 92% | 91% | 92% | 94% |

