

# OFFICE OF FINANCE - 10

---

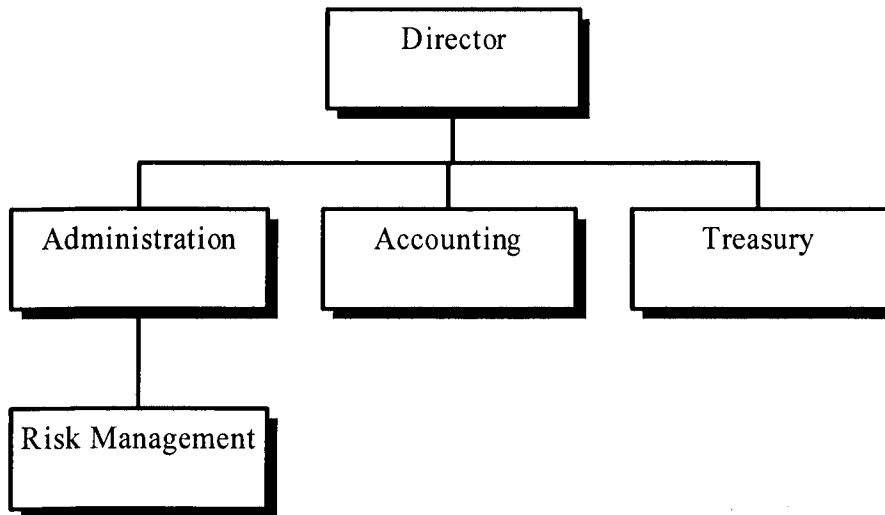
## ***MISSION***

---

The Office of Finance is an agency dedicated to professionalism in maximizing available resources and in delivering creative and innovative financial services.

## ***ORGANIZATION CHART***

---



## ***CORE RESPONSIBILITY***

---

- Manage cash of various funds and prudently invest to assure the safety, liquidity, and yield of the County's resources.
- Oversee the audit of County operations and financial transactions.
- Prepare interim and annual financial statements for the County Executive and County Council.
- Support the legislative process, including review of proposed resolutions or bills with financial impact.
- Prepare County bond sales and advise on debt management.
- Manage the County's Risk Management Program.
- Collect various revenues and fees, including property taxes due to the County.
- Manage General Fund, pension trust funds, internal service funds, enterprise funds and special revenue funds.
- Process disbursements to vendors, contractors, claimants and employees for goods, claims, and services.
- Administer tax sales.

---

***FY 2005 KEY ACCOMPLISHMENTS***

---

- Issued \$11,700,000 in Certificates of Participation for the Equipment Acquisition Program.
- Issued \$107,655,000 in new General Obligation Consolidated Public Improvement Bonds and \$141,130,000 for existing General Obligation Public Improvement Bonds.
- Refunded \$14,485,000 for Certificates of Participation for the Real Estate Acquisition Program II.
- Received Certificate of Achievement for Excellence in Financial Reporting for FY 2003.
- Issued FY 2004 Comprehensive Annual Financial Report.
- Continued working with agencies on training programs and other measures to improve safety in the workplace.
- Implemented WEB based inquiry for Personal Property, Tax Sale, and WEB based Automated Clearing House (ACH) payment of property taxes.
- Automated calculations for Transfer and Recordation taxes.

---

***FY 2006 FISCAL & STAFFING OVERVIEW***

---

The FY 2006 Approved budget of \$3.6 million represents an increase of \$192,200 from FY 2005, an increase of 5.6%. Major changes include:

- Merits and cost of living adjustments.
- Upgrades for three existing positions: Account Services Manager and two Accountant IIIs.
- A new Account Clerk III for Payroll.

---

***PERFORMANCE MEASURES***

---

**Accounting Division**

**GOAL** – Enhance the vendor payment process to foster existing business relationships and grow new business opportunities in the County.

**OBJECTIVES**

- ✓ By FY 2006, increase the percentage of ACH (Automated Clearing House) vendors by obtaining legal authority to mandate ACH enrollment and educating the general public and agencies.
- ✓ By FY 2007, obtain legal authority to offset accounts payable and delinquent accounts receivable accounts.

**MEASURES**

INDICATORS	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
<b>Input Measures</b>					
Active Vendor Pool			2,397	2,400	1,800
<b>Output Measures</b>					
Number of ACH Vendors			276	351	439
Number of Check Vendors			2,121	2,049	1,361
<b>Outcome Measures</b>					
Percentage of ACH Vendors			12%	15%	24%
<b>Efficiency Measures</b>					
Reduction in transaction costs			7.7%	8.4%	9.0%
<b>Quality Measures</b>					
Vendor Satisfaction			99%	99%	99%

**Treasury Division**

**GOAL** – Make the County’s property tax records available to the public to enhance and improve public knowledge, understanding, and interactivity.

**OBJECTIVES**

- ✓ By FY 2006, increase the amount of web inquiries by 10% through improving accessibility to tax record system.
- ✓ By FY 2008, improve WEB based payment utilization to 25% of receipts through aggressive public and business advertising campaign.

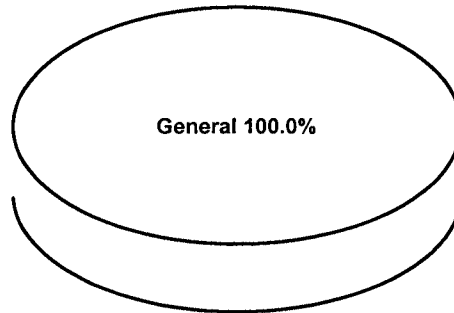
**MEASURES**

INDICATORS	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Estimated	FY 2006 Projected
<b>Input Measures</b>					
Number of Telephone Calls Received	26,016	25,535	23,465	23,000	22,500
<b>Output Measures</b>					
Number of WEB Inquiries	0	0	137,901	524,585	577,044
Number of WEB Payments	0	0	0	2,000	4,000
<b>Outcome Measures</b>					
Percentage of receipts received by WEB based payment utilization					
<b>Efficiency Measures</b>					
<i>Performance Measures have not yet been developed for this category.</i>					
<b>Quality Measures</b>					
Percentage of Complaints Received			2%	2%	2%

	FY2004 ACTUAL	FY2005 BUDGET	FY2005 ESTIMATED	FY2006 APPROVED	CHANGE FY05-FY06
<b>TOTAL EXPENDITURES</b>	\$ 3,301,890	\$ 3,457,000	\$ 3,457,000	\$ 3,649,200	5.6%
<b>EXPENDITURE DETAIL</b>					
Administration	1,358,581	1,473,700	1,473,700	1,539,300	4.5%
Accounting	2,390,326	2,529,200	2,529,200	2,685,500	6.2%
Treasury	1,682,583	1,685,000	1,685,000	1,764,400	4.7%
Recoveries	(2,129,600)	(2,230,900)	(2,230,900)	(2,340,000)	4.9%
<b>TOTAL</b>	\$ 3,301,890	\$ 3,457,000	\$ 3,457,000	\$ 3,649,200	5.6%
<b>SOURCES OF FUNDS</b>					
General Fund	\$ 3,301,890	\$ 3,457,000	\$ 3,457,000	\$ 3,649,200	5.6%
Other County Operating Funds:					
<b>TOTAL</b>	\$ 3,301,890	\$ 3,457,000	\$ 3,457,000	\$ 3,649,200	5.6%

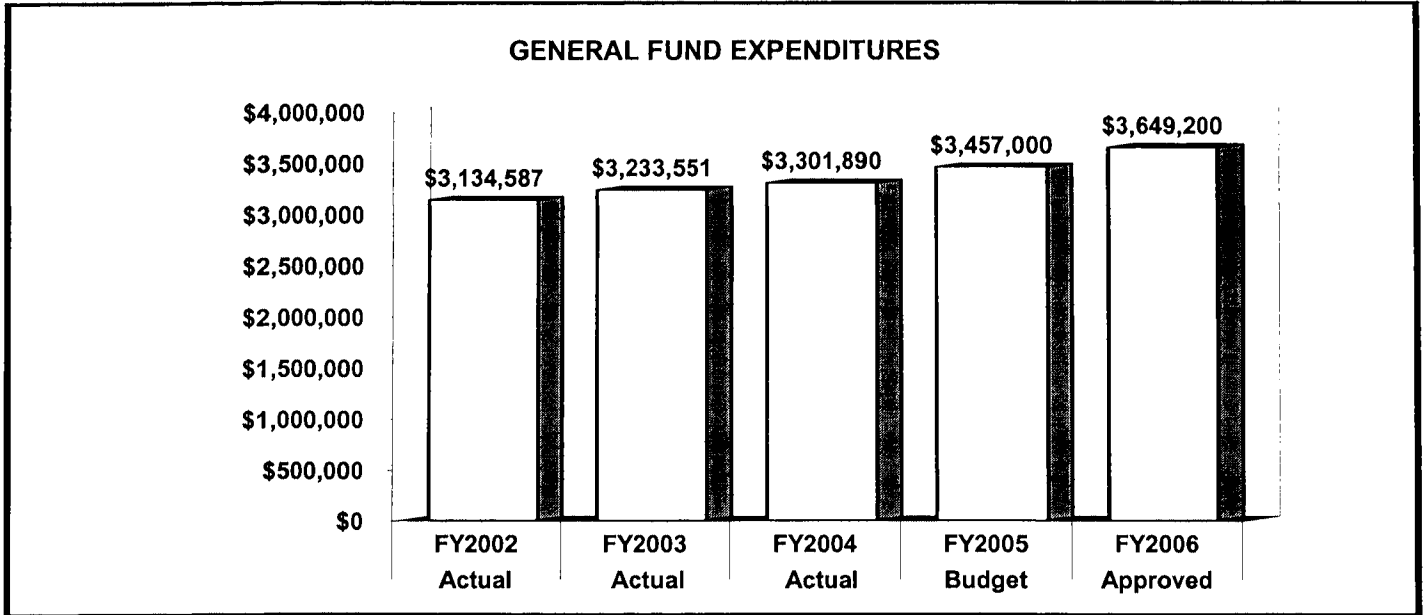
**FY2006 SOURCES OF FUNDS**

Although the agency is supported 100% by the General Fund, a portion of its costs are recovered based on financial services provided to other County funds.

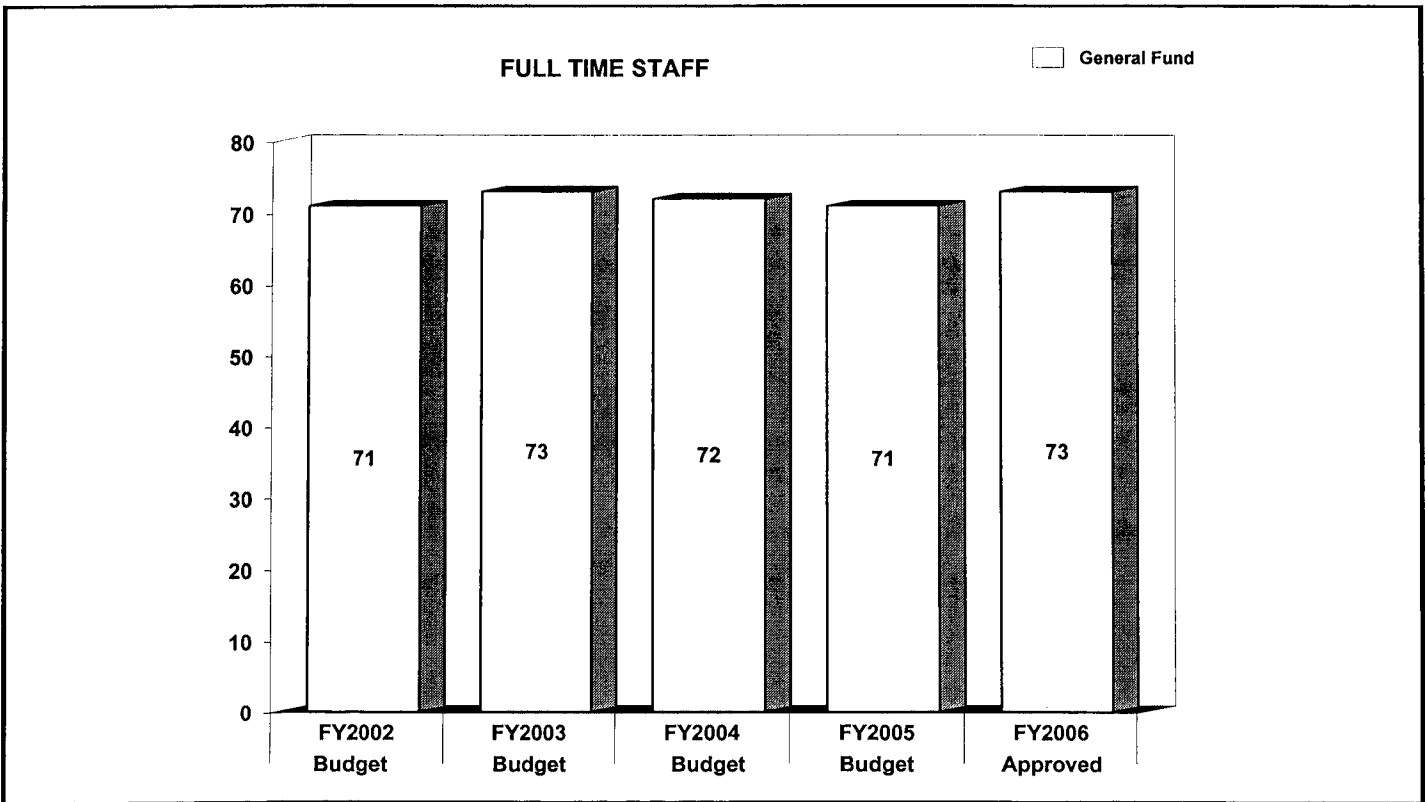


	FY2004 BUDGET	FY2005 BUDGET	FY2006 APPROVED	CHANGE FY05-FY06
<b>GENERAL FUND STAFF</b>				
Full Time - Civilian	72	71	73	2
Full Time - Sworn	0	0	0	0
Part Time	0	0	0	0
Limited Term	0	0	0	0
<b>OTHER STAFF</b>				
Full Time - Civilian				
Full Time - Sworn				
Part Time				
Limited Term Grant Funded				
<b>TOTAL</b>				
Full Time - Civilian	72	71	73	2
Full Time - Sworn	0	0	0	0
Part Time	0	0	0	0
Limited Term	0	0	0	0

POSITIONS BY CATEGORY	FULL TIME	PART TIME	LIMITED TERM
Director	1	0	0
Associate Director	1	0	0
Accountants	19	0	0
Administrative Assistants	4	0	0
Administrative Aides	8	0	0
Other	2	0	0
Account Clerks	29	0	0
Administrative Specialists	5	0	0
Accounting Technicians	3	0	0
Deputy Director	1	0	0
<b>TOTAL</b>	<b>73</b>	<b>0</b>	<b>0</b>



The Office of Finance's FY 2006 Budget increased by 5.6% from FY 2005. The increase includes funding for merits, cost of living adjustments fringe benefits as well as a modest increase in operating expenses for banking service fees.



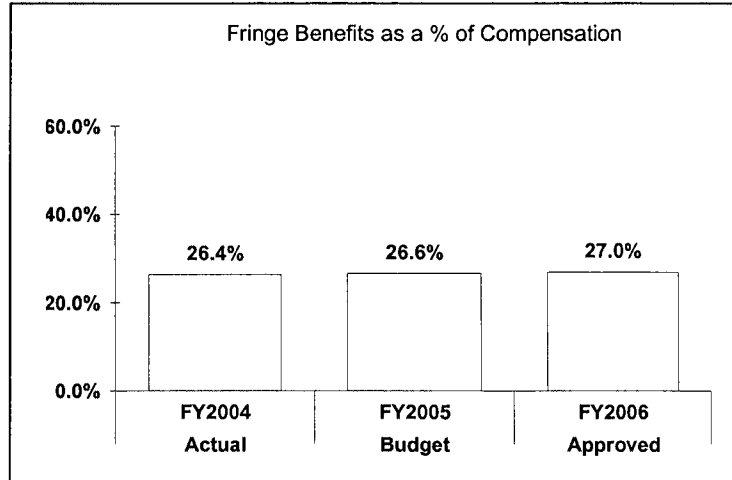
In FY 2006, the number of Full Time staff is increased by two positions. The increase includes an Account Clerk III - Payroll Clerk in the Accounting Division and an Accounting Technician added during FY 2005 in the Treasury Division.

	<b>FY2004 ACTUAL</b>	<b>FY2005 BUDGET</b>	<b>FY2005 ESTIMATED</b>	<b>FY2006 APPROVED</b>	<b>CHANGE FY05-FY06</b>
<b>EXPENDITURE SUMMARY</b>					
Compensation	\$ 3,731,725	\$ 3,874,900	\$ 3,874,900	\$ 4,080,400	5.3%
Fringe Benefits	985,885	1,031,500	1,031,500	1,100,100	6.7%
Operating Expenses	713,880	781,500	781,500	808,700	3.5%
Capital Outlay	0	0	0	0	0%
	<b>\$ 5,431,490</b>	<b>\$ 5,687,900</b>	<b>\$ 5,687,900</b>	<b>\$ 5,989,200</b>	<b>5.3%</b>
Recoveries	(2,129,600)	(2,230,900)	(2,230,900)	(2,340,000)	4.9%
<b>TOTAL</b>	<b>\$ 3,301,890</b>	<b>\$ 3,457,000</b>	<b>\$ 3,457,000</b>	<b>\$ 3,649,200</b>	<b>5.6%</b>
<b>STAFF</b>					
Full Time - Civilian	-	71	-	73	2.8%
Full Time - Sworn	-	0	-	0	0%
Part Time	-	0	-	0	0%
Limited Term	-	0	-	0	0%

Compensation increases by 5.3%, including annualized merits and cost of living adjustments for 73 employees. The increase also includes the addition of an Account Clerk III - Payroll Clerk and upgrades to an Account Service Manager and two Accountant III's. One percent of the compensation total is designated for temporary employees.

The 3.5% Operating Expenses increase is mainly driven by operational contracts including the County's banking services, which are projected to experience higher transaction volumes and additional service fees.

<b>MAJOR OPERATING EXPENDITURES FY2006</b>	
Office Automation	\$ 343,500
Operational Contracts	\$ 178,000
General and Administrative Contracts	\$ 85,300
Printing and Reproduction	\$ 55,000
Operating and Office Supplies	\$ 54,000



**ADMINISTRATION - 01**

This Division oversees the activities of the Office and has direct responsibility for coordinating and financing bond sales for capital projects, real estate and equipment acquisition, and operating cash needs.

The Division administers a comprehensive insurance program designed to minimize the County's exposure to risk in the areas of professional, general and automobile liability, fire and casualty loss, and worker's compensation. The Division also has responsibility for the management of cash flow and the investment of all funds not immediately required for expenditure in an effort to maximize return.

Increases in operating expenses are a result of increased fees with the County's banking services contract.

	<b>FY2004 ACTUAL</b>	<b>FY2005 BUDGET</b>	<b>FY2005 ESTIMATED</b>	<b>FY2006 APPROVED</b>	<b>CHANGE FY05-FY06</b>
<b>EXPENDITURE SUMMARY</b>					
Compensation	\$ 840,808	\$ 921,000	\$ 921,000	\$ 959,600	4.2%
Fringe Benefits	231,167	247,900	247,900	264,000	6.5%
Operating Expenses	286,606	304,800	304,800	315,700	3.6%
Capital Outlay	0	0	0	0	0%
<b>Sub-Total</b>	<b>\$ 1,358,581</b>	<b>\$ 1,473,700</b>	<b>\$ 1,473,700</b>	<b>\$ 1,539,300</b>	<b>4.5%</b>
Recoveries	(958,200)	(1,009,700)	(1,009,700)	(1,058,500)	4.8%
<b>TOTAL</b>	<b>\$ 400,381</b>	<b>\$ 464,000</b>	<b>\$ 464,000</b>	<b>\$ 480,800</b>	<b>3.6%</b>
<b>STAFF</b>					
Full Time - Civilian	-	13	-	13	0%
Full Time - Sworn	-	0	-	0	0%
Part Time	-	0	-	0	0%
Limited Term Grant	-	0	-	0	0%

**ACCOUNTING - 02**

The Accounting Division is responsible for the timely and accurate recording and reporting of the financial activities of the County to ensure conformity with legal requirements, administrative policy, and generally accepted accounting principles. These activities are captured in several standard funds and account groups that include: the General Fund; the Special Revenue Fund; the Debt Service Fund; the Capital Projects Fund; the Redevelopment Authority Fund; the Enterprise Funds, which include Solid Waste and Stormwater Management; the Internal Service Funds, such as the Self-Insurance Funds; the Trust, Agency and Pension Funds; and the Fixed Assets and Long-Term Debt Account Groups. This Division is also responsible for preparation of the Comprehensive Annual Financial Report, the State's Uniform Financial Report, and the Indirect Cost Allocation Plan. The latter is used to recover indirect costs and fringe benefits applicable to grants and contracts. This Division also performs all accounting functions related to County accounts receivable, accounts payable and travel transactions.

The Accounting Division coordinates two other major activities within the Office of Finance. The payroll unit maintains and operates the automated payroll system and processes the bi-weekly County payroll and monthly pension payments. The accounting system staff is responsible for maintaining and operating the County's automated accounting system.

FY 2006 major changes for the Accounting Division include increases in staffing, compensation and fringe benefits. Staffing is increased by the addition of an Account Clerk III-Payroll Clerk to support overtime tracking, compliance reports and the Summer Youth Program. The increase also includes three position upgrades: an Account Service Manager and two Accountants.

	FY2004 ACTUAL	FY2005 BUDGET	FY2005 ESTIMATED	FY2006 APPROVED	CHANGE FY05-FY06
<b>EXPENDITURE SUMMARY</b>					
Compensation	\$ 1,767,450	\$ 1,818,900	\$ 1,818,900	\$ 1,937,400	6.5%
Fringe Benefits	450,808	480,200	480,200	517,000	7.7%
Operating Expenses	172,068	230,100	230,100	231,100	0.4%
Capital Outlay	0	0	0	0	0%
<b>Sub-Total</b>	<b>\$ 2,390,326</b>	<b>\$ 2,529,200</b>	<b>\$ 2,529,200</b>	<b>\$ 2,685,500</b>	<b>6.2%</b>
Recoveries	(974,100)	(1,013,900)	(1,013,900)	(1,064,500)	5%
<b>TOTAL</b>	<b>\$ 1,416,226</b>	<b>\$ 1,515,300</b>	<b>\$ 1,515,300</b>	<b>\$ 1,621,000</b>	<b>7%</b>
<b>STAFF</b>					
Full Time - Civilian	-	33	-	34	3%
Full Time - Sworn	-	0	-	0	0%
Part Time	-	0	-	0	0%
Limited Term Grant	-	0	-	0	0%

**TREASURY - 03**

The Treasury Division collects and accounts for real property taxes, business personal property taxes, and solid waste service charges. It also handles special area assessments for the County and taxes and charges for the State of Maryland, the Washington Suburban Sanitary Commission, the Maryland-National Capital Park and Planning Commission, the Washington Suburban Transit Commission and 27 municipalities in the County. Other taxes administered include recordation, transfer, telecommunications, energy, mobile home and hotel/motel taxes. The Treasury Division is responsible for issuing tax certifications, auditing tax adjustments, processing circuit breaker refunds, administering various tax credit programs, collecting fees associated with evictions, administering the semi-annual tax payment program and selling properties at tax sale for delinquent taxes.

The full time staffing complement was increased by one position, an Accounting Technician, during FY 2005.

Major changes to the FY 2006 budget includes an increase to compensation for the Accounting Technician. Increases in operating expenses are a result of additional operating supplies and Office Automation charges.

	FY2004 ACTUAL	FY2005 BUDGET	FY2005 ESTIMATED	FY2006 APPROVED	CHANGE FY05-FY06
<b>EXPENDITURE SUMMARY</b>					
Compensation	\$ 1,123,467	\$ 1,135,000	\$ 1,135,000	\$ 1,183,400	4.3%
Fringe Benefits	303,910	303,400	303,400	319,100	5.2%
Operating Expenses	255,206	246,600	246,600	261,900	6.2%
Capital Outlay	0	0	0	0	0%
<b>Sub-Total</b>	<b>\$ 1,682,583</b>	<b>\$ 1,685,000</b>	<b>\$ 1,685,000</b>	<b>\$ 1,764,400</b>	<b>4.7%</b>
Recoveries	(197,300)	(207,300)	(207,300)	(217,000)	4.7%
<b>TOTAL</b>	<b>\$ 1,485,283</b>	<b>\$ 1,477,700</b>	<b>\$ 1,477,700</b>	<b>\$ 1,547,400</b>	<b>4.7%</b>
<b>STAFF</b>					
Full Time - Civilian	-	25	-	26	4%
Full Time - Sworn	-	0	-	0	0%
Part Time	-	0	-	0	0%
Limited Term Grant	-	0	-	0	0%