

OFFICE OF FINANCE - 10

MISSION

The Office of Finance preserves the financial resources of Prince George's County Government by maintaining flexible services for Treasury customers, implementing sound accounting techniques; investing the County's funds prudently, and integrating appropriate risk control strategies, while supporting the County's overall strategic goals.

CORE SERVICES:

- 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 approved 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 2006 KEY ACCOMPLISHMENTS:

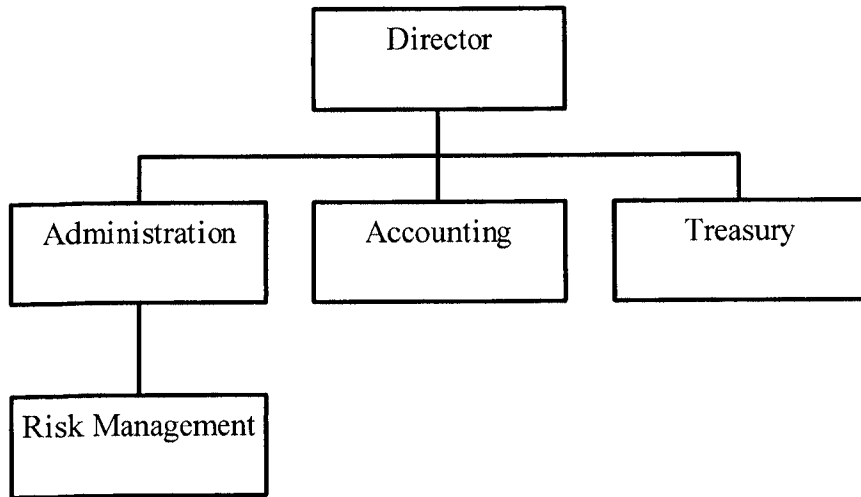
- Issued \$28,575,000 in Certificates of Participation for the Equipment Acquisition Program.
- Issued \$119,600,000 in new General Obligation Consolidated Public Improvement Bonds.
- Received Certificate of Achievement for Excellence in Financial Reporting for FY 2004.
- Issued FY 2005 Comprehensive Annual Financial Report.
- Developed and conducted new Contract Insurance training to Departmental Agencies.
- Continued working with agencies on training programs and other measures to improve safety in the workplace.
- Promoted the direct deposit campaign in support of the Livable Communities Initiative - Summer Youth Program.

FY 2007 FISCAL & STAFFING OVERVIEW:

The FY 2007 approved General Fund budget of \$4.4 million represents an increase of \$702,200 or 19.2% increase from the FY 2006 approved budget of \$3,649,200. Major changes in the FY 2007 approved budget include:

- Cost of living adjustment and merit increases for eligible full-time employees.
- Annualization of the cost of a salary adjustment and upgrade of three positions.

ORGANIZATIONAL CHART:



PERFORMANCE MANAGEMENT:

ACCOUNTING DIVISION

FY 2007 Approved General Fund Budget: \$1,910,300

Change: 17.8%

GOAL -To enhance the vendor payment process to foster existing business relationships and grow new business opportunities in the County.

OBJECTIVES

- ✓ By FY 2007, increase the percentage of Automated Clearing House (ACH) vendors by ten percent by obtaining legal authority to mandate ACH enrollment and educating the general public and agencies.

Key Service Provided to Accomplish Objective	FY 07 Cost	FY 07 FTEs
ACH Enrollment Program for Vendors	\$162,100	2.5

Note: Estimated key service cost does not include recoveries.

- ✓ By FY 2008, obtain legal authority to offset accounts payable and delinquent accounts receivable accounts.

Key Service Provided to Accomplish Objective	FY 08 Cost	FY 08 FTEs
Offsetting Accounts to Increase Revenue Collection	\$192,734	2.5

Note: Estimated key service cost does not include recoveries.

MEASURES

INDICATORS	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Estimated	FY 2007 Projected
Input Measures					
Active Vendor Pool		2,397	2,285	1,800	1,600
Output Measures					
Number of ACH Vendors		276	351	439	549
Number of Check Vendors		2,121	1,934	1,361	1,051
Outcome Measures					
Percentage of ACH Vendors		12%	15%	24%	34%
Efficiency Measures					
Reduction in transaction costs		7.7%	9.0%	9.0%	11.3%
Quality Measures					
Vendor Satisfaction		99%	99%	99%	99%

TREASURY DIVISION

FY2007 Approved General Fund Budget: \$1,793,800

Change: 15.9%

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

OBJECTIVES

- ✓ By FY 2007, increase the amount of web inquiries by 10% through improving accessibility to tax record system.

Key Service Provided to Accomplish Objective	FY 07 Cost	FY 07 FTEs
Web Inquiry Service	\$208,899	3.4

Note: Estimated key service cost does not include recoveries.

- ✓ By FY 2008, improve WEB based payment utilization to 25% of receipts through aggressive public and business advertising campaign.

Key Service Provided to Accomplish Objective	FY 08 Cost	FY 08 FTEs
Web-Based Payment Utilization Service	\$216,636	3.4

Note: Estimated key service cost does not include recoveries.

MEASURES

INDICATORS	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Estimated	FY 2007 Projected
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Input Measures

Number of Telephone Calls Received*	63,699	69,815	55,614	55,000	50,000
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Output Measures

Number of WEB Inquiries		137,901	491,942	577,044	600,000
Number of WEB Payments					6,000

Outcome Measures

Percentage of receipts received by WEB based payment utilization					1.0%
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Efficiency Measures

Performance Measures have not yet been developed for this category.

Quality Measures

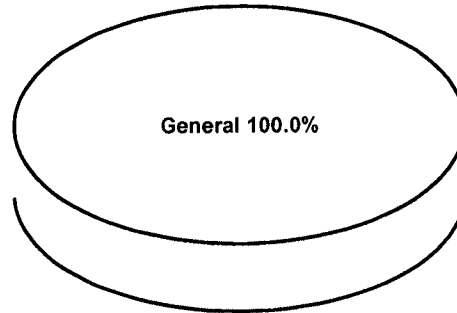
Percentage of Complaints Received		2%	2%	2%	2%
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*Actual data were corrected from the FY 2006 budget book.

	FY2005 ACTUAL	FY2006 BUDGET	FY2006 ESTIMATED	FY2007 APPROVED	CHANGE FY06-FY07
TOTAL EXPENDITURES	\$ 3,603,968	\$ 3,649,200	\$ 3,748,000	\$ 4,351,300	19.2%
EXPENDITURE DETAIL					
Administration	1,476,623	1,539,300	1,556,100	1,636,500	6.3%
Accounting	2,651,624	2,685,500	2,671,900	2,934,600	9.3%
Treasury	1,719,566	1,764,400	1,795,700	1,983,300	12.4%
Recoveries	(2,243,845)	(2,340,000)	(2,275,700)	(2,203,100)	-5.9%
TOTAL	\$ 3,603,968	\$ 3,649,200	\$ 3,748,000	\$ 4,351,300	19.2%
SOURCES OF FUNDS					
General Fund	\$ 3,603,968	\$ 3,649,200	\$ 3,748,000	\$ 4,351,300	19.2%
Other County Operating Funds:					
TOTAL	\$ 3,603,968	\$ 3,649,200	\$ 3,748,000	\$ 4,351,300	19.2%

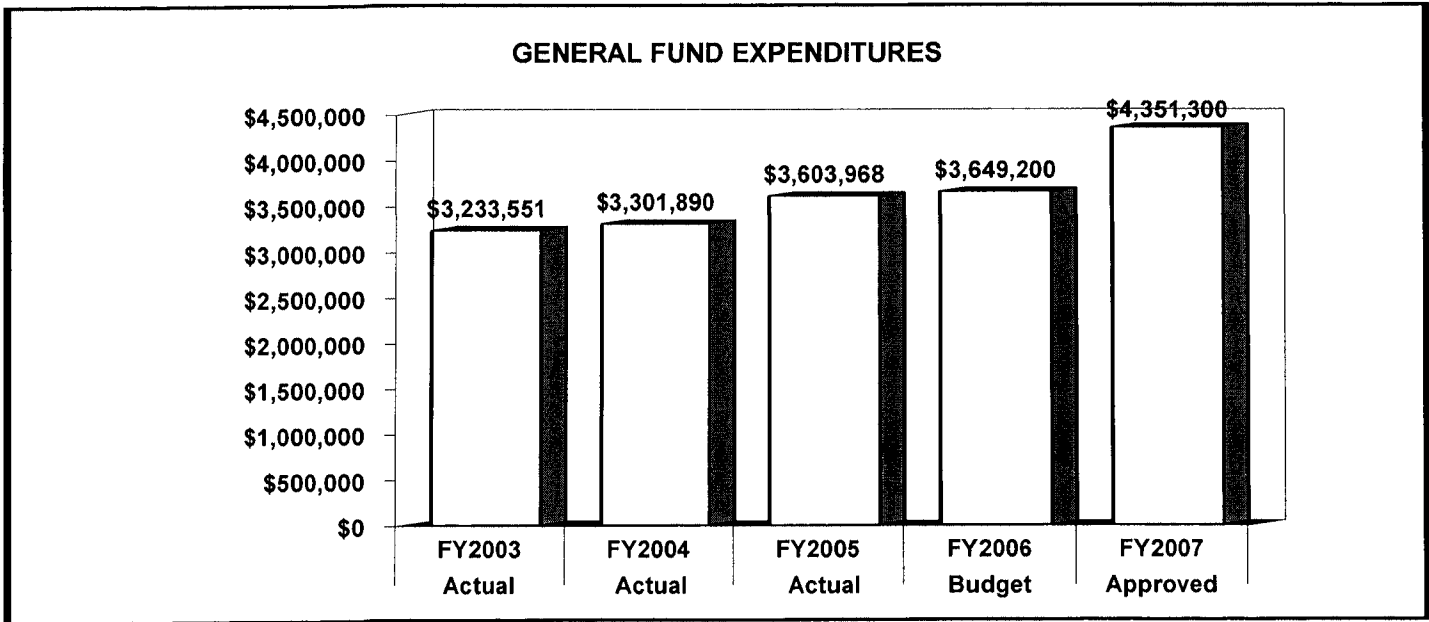
FY2007 SOURCES OF FUNDS

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.

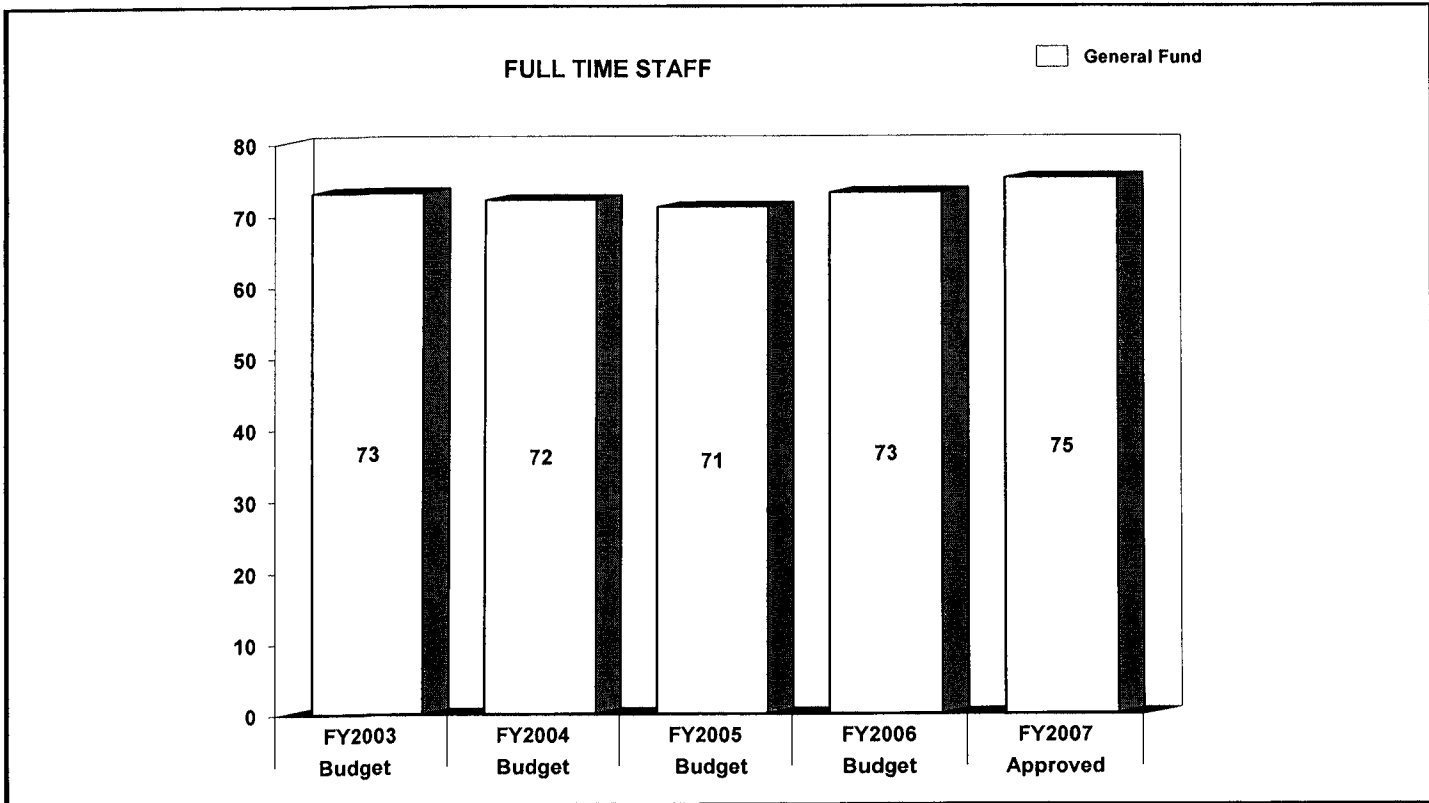


	FY2005 BUDGET	FY2006 BUDGET	FY2007 APPROVED	CHANGE FY06-FY07
GENERAL FUND STAFF				
Full Time - Civilian	71	73	75	2
Full Time - Sworn	0	0	0	0
Part Time	0	0	0	0
Limited Term	0	0	0	0
OTHER STAFF				
Full Time - Civilian				
Full Time - Sworn				
Part Time				
Limited Term Grant Funded				
TOTAL				
Full Time - Civilian	71	73	75	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	21	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
TOTAL	75	0	0



The agency's expenditures have increased 11.5% from FY 2003 to FY 2005. This increase was primarily driven by compensation, fringe benefits, and increasing operating expenses for banking services. The FY 2007 approved budget is 19.2% more than the FY 2006 approved budget.



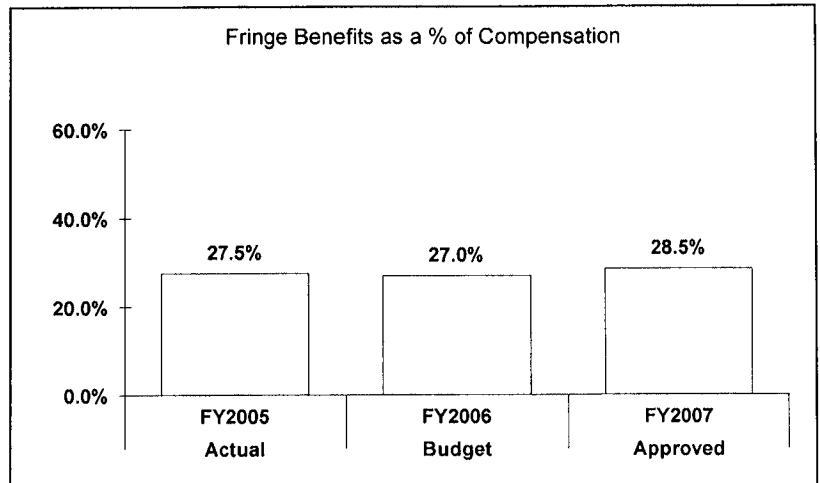
The agency's staffing complement decreased by two positions between FY 2003 and FY 2005 but returned to 73 positions in FY 2006. The FY 2007 staffing totals include two more positions than the FY 2006 budget. This increase is due to the addition of two full-time positions: an Accountant and an Account Clerk brought on during FY 2006.

	FY2005 ACTUAL	FY2006 BUDGET	FY2006 ESTIMATED	FY2007 APPROVED	CHANGE FY06-FY07
EXPENDITURE SUMMARY					
Compensation	\$ 3,922,103	\$ 4,080,400	\$ 4,091,800	\$ 4,460,600	9.3%
Fringe Benefits	1,080,445	1,100,100	1,103,100	1,271,700	15.6%
Operating Expenses	839,265	808,700	828,800	822,100	1.7%
Capital Outlay	6,000	0	0	0	0%
	\$ 5,847,813	\$ 5,989,200	\$ 6,023,700	\$ 6,554,400	9.4%
Recoveries	(2,243,845)	(2,340,000)	(2,275,700)	(2,203,100)	-5.9%
TOTAL	\$ 3,603,968	\$ 3,649,200	\$ 3,748,000	\$ 4,351,300	19.2%
STAFF					
Full Time - Civilian	-	73	-	75	2.7%
Full Time - Sworn	-	0	-	0	0%
Part Time	-	0	-	0	0%
Limited Term	-	0	-	0	0%

In FY 2007, compensation expenditures increase 9.3% over the FY 2006 budget due to COLAs, merits, overtime, and staffing complement change. Compensation costs include funding for 75 full-time employees and five temporary employees. Fringe expenditures increase 15.6% over the FY 2006 budget. This is due to the addition of two positions, the upgrade of three positions, the salary adjustment for one position, and the adjustment in allotted benefit costs.

Operating expenditures increase 1.7% over the FY 2006 budget due to higher costs for banking service contracts and tax bill mailing.

MAJOR OPERATING EXPENDITURES FY2007	
Office Automation	305,400
	\$
Operational Contracts	203,000
	\$
Printing and Reproduction	88,500
	\$
General and Administrative Contracts	84,800
	\$
Telephones	46,000
	\$



ADMINISTRATION - 01

The Administration 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.

Division Summary:

In FY 2007, increases in operating expenses are a result of increased fees with the County's banking services contract.

	FY2005 ACTUAL	FY2006 BUDGET	FY2006 ESTIMATED	FY2007 APPROVED	CHANGE FY06-FY07
EXPENDITURE SUMMARY					
Compensation	\$ 900,707	\$ 959,600	\$ 958,900	\$ 1,022,700	6.6%
Fringe Benefits	251,437	264,000	258,500	291,600	10.5%
Operating Expenses	324,479	315,700	338,700	322,200	2.1%
Capital Outlay	0	0	0	0	0%
Sub-Total	\$ 1,476,623	\$ 1,539,300	\$ 1,556,100	\$ 1,636,500	6.3%
Recoveries	(1,015,667)	(1,058,500)	(1,056,000)	(989,300)	-6.5%
TOTAL	\$ 460,956	\$ 480,800	\$ 500,100	\$ 647,200	34.6%
STAFF					
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.

Division Summary:

In FY 2007, major changes for the Accounting Division include increases in compensation and fringe benefits. The increases include salary adjustments for one Account Clerk position and three upgrades: an Administrative Specialist, Accounting Technician, and Accountant.

Operating expenses in FY 2007 decrease by 3.2% compared to FY 2006 budget to reflect actual spending.

	FY2005 ACTUAL	FY2006 BUDGET	FY2006 ESTIMATED	FY2007 APPROVED	CHANGE FY06-FY07
EXPENDITURE SUMMARY					
Compensation	\$ 1,813,234	\$ 1,937,400	\$ 1,924,400	\$ 2,109,500	8.9%
Fringe Benefits	496,007	517,000	518,800	601,400	16.3%
Operating Expenses	336,383	231,100	228,700	223,700	-3.2%
Capital Outlay	6,000	0	0	0	0%
Sub-Total	\$ 2,651,624	\$ 2,685,500	\$ 2,671,900	\$ 2,934,600	9.3%
Recoveries	(1,019,669)	(1,064,500)	(1,032,100)	(1,024,300)	-3.8%
TOTAL	\$ 1,631,955	\$ 1,621,000	\$ 1,639,800	\$ 1,910,300	17.8%
STAFF					
Full Time - Civilian	-	34	-	34	0%
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.

Division Summary:

In FY 2007, full-time staffing complement is increased by two positions added in FY 2006: an Accountant to oversee new Tax Increment Financing and Special Taxing Districts and an Account Clerk to handle transfer and recordation tax.

Operating expenses increase as a result of a tax bill mailing cost that was previously budgeted in Non-Departmental expenditures.

	FY2005 ACTUAL	FY2006 BUDGET	FY2006 ESTIMATED	FY2007 APPROVED	CHANGE FY06-FY07
EXPENDITURE SUMMARY					
Compensation	\$ 1,208,162	\$ 1,183,400	\$ 1,208,500	\$ 1,328,400	12.3%
Fringe Benefits	333,001	319,100	325,800	378,700	18.7%
Operating Expenses	178,403	261,900	261,400	276,200	5.5%
Capital Outlay	0	0	0	0	0%
Sub-Total	\$ 1,719,566	\$ 1,764,400	\$ 1,795,700	\$ 1,983,300	12.4%
Recoveries	(208,509)	(217,000)	(187,600)	(189,500)	-12.7%
TOTAL	\$ 1,511,057	\$ 1,547,400	\$ 1,608,100	\$ 1,793,800	15.9%
STAFF					
Full Time - Civilian	-	26	-	28	7.7%
Full Time - Sworn	-	0	-	0	0%
Part Time	-	0	-	0	0%
Limited Term Grant	-	0	-	0	0%