

# Non-Departmental

## MISSION AND SERVICES

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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, Experience Prince George's and Prince George's Arts and Humanities Council. 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 University of Maryland Capital Region Medical Center.
- Contingency – provides resources for costs related to unsettled collective bargaining agreements, designated operating activities and unanticipated employee separation costs.

## FY 2024 KEY NOTATIONS

- Distributed over \$10.0 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 \$4.4 million of grant support to County Development Disabilities Administration (DDA) Service providers.

## FY 2025 FISCAL OVERVIEW

- \$5.0 million allocated for grants to community organizations.
- \$46.1 million to address resource levels for retiree life and health benefits.
- \$7.5 million for operating costs associated with the speed camera program and other fine programs.
- \$9.5 million for transfers to the Capital Improvement Program (CIP).
- \$11.2 million provided to the County's economic development and tourism agencies.
- \$2.5 million for Youth Employment Program to support jobs for County youth.

## FY 2025 BUDGET SUMMARY

The FY 2025 proposed General Fund budget for Non-Departmental is \$399,651,200, an increase of \$13,618,700 or 3.5% over the FY 2024 approved budget.

### NON-DEPARTMENTAL OVERVIEW

Category	FY 2023	FY 2024	FY 2024	FY 2025	Change FY24-FY25	
	Actual	Budget	Estimate	Proposed	Amount (\$)	Percent (%)
Debt Service	\$172,741,700	\$174,502,400	\$172,304,500	\$184,296,200	\$9,793,800	5.6%
Grants and Transfers	44,679,804	48,409,000	53,388,100	42,462,600	(5,946,400)	-12.3%
Operational Expenditures	156,956,770	160,021,100	154,375,300	162,185,200	2,164,100	1.4%
Contingency	-	3,100,000	3,100,000	10,707,200	7,607,200	245.4%
<b>Total</b>	<b>\$374,378,274</b>	<b>\$386,032,500</b>	<b>\$383,167,900</b>	<b>\$399,651,200</b>	<b>\$13,618,700</b>	<b>3.5%</b>

### Reconciliation from Prior Year

	<b>Expenditures</b>
<b>FY 2024 Approved Budget</b>	<b>\$386,032,500</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 the FY 2024 bond sale	\$9,793,800
<b>Increase Cost: Operational Expenditures</b> — Net increase in the Other Leases category to align with the anticipated costs for Alternative Financing Construction/P3 school projects	8,626,400
<b>Increase Cost: Contingency</b> — Increase in Contingency funding supports potential countywide salary adjustments for employees	7,607,200
<b>Increase Cost: Operational Expenditures</b> — Increase in the budget for utility costs reflect projected expenditure levels for electricity, gas, oil, and propane used by the County	3,886,000
<b>Increase Cost: Grants and Transfers</b> — Increase in the funding Other Payments category for Video Lottery Terminal (VLT) costs	1,703,800
<b>Increase Cost: Grants and Transfers</b> — Increase in the Transfers to Other Funds category for the Local Business Bond and Fair Election Fund to reflect the reallocation of funding from Operational Expenditures category to the Grants and Transfers category; overall funding for the Local Business Bond fund decreases by \$2 million to \$1 million in FY 2025; funding for the Fair Election Fund remains unchanged at \$400,000 in FY 2025	1,400,000
<b>Increase Cost: Grants and Transfers</b> — Increase in the County grant for Employ Prince George's to support Returning Citizens Affairs Division	704,700
<b>Increase Cost: Operational Expenditures</b> — Increase in the budget for streetlight and traffic light electricity to align with projected costs	392,000
<b>Increase Cost: Operational Expenditures</b> — Increase in the Other Post-Employment Benefits (OPEB) contributions for retiree health care costs	157,000
<b>Increase Cost: Operational Expenditures</b> — Decrease in expenditure recoveries for charges for salaries and maintenance	78,500
<b>Increase Cost: Grants and Transfers</b> — Increase in the Required Payments category for the Mosquito Control Program to align with anticipated costs	70,000
<b>Increase Cost: Grants and Transfers</b> — Increase in the budget for memberships to align with anticipated costs	61,100

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

	<b>Expenditures</b>
<b>Increase Cost: Grants and Transfers</b> — Increase in the County grant for Arts and Humanities Council to support the one-time reimbursement	50,000
<b>Increase Cost: Operational Expenditures</b> — Increase in the budget for deferred compensation to align with the anticipated costs	26,400
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the County debt service payment to the University of Maryland Medical System to align with anticipated costs	(199,300)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the County grant for Economic Development Corporation for the removal of the one-time Developer Pilot Program	(500,000)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in the Automated Programs category to align with the anticipated costs for speed camera, red light camera and false alarm programs	(662,000)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the County grant for Strategic Initiatives to align with anticipated costs	(1,000,000)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in funding for CIP transfer to Redevelopment Authority and VLT 210 fund	(1,190,700)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in the Miscellaneous Expenses category to support operational costs	(1,569,900)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in funding for the Reentry Program to align with anticipated costs	(1,950,000)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in Miscellaneous Expenses category for the Local Business Assistance Program; FY 2025 funding totals \$1 million	(2,000,000)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in Miscellaneous Expenses category for the Local Business Bond; this reflects the reallocation to the Grants and Transfer category and overall reduction in funding	(3,000,000)
<b>Decrease Cost: Operational Expenditures</b> — Net decrease in the Equipment Lease category to align with the debt service payment schedule requirements; an additional \$1.6 million is allocated for the County's portion of costs for new voting machine equipment	(3,770,300)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in funding for the County Council and County Executive designated community grants	(5,096,000)
<b>FY 2025 Proposed Budget</b>	<b>\$399,651,200</b>

**DEBT SERVICE**

**Principal**

Debt Service	FY 2023	FY 2024	FY 2024	FY 2025	Change FY24-FY25	
	Actual	Budget	Estimate	Proposed	Amount (\$)	Percent (%)
<b>PRINCIPAL</b>						
Schools - General Obligation Bonds (GOB's)	\$ 62,242,778	\$ 61,821,900	\$ 61,821,900	\$ 62,784,400	\$962,500	1.6%
Schools (Q-bonds)	3,149,679	3,149,700	3,149,700	3,149,700	-	0.0%
Mass Transit	825,019	704,200	704,200	589,100	(115,100)	-16.3%
Roads (GOB's)	37,553,241	37,708,300	37,708,300	37,834,100	125,800	0.3%
Public Buildings	23,297,770	23,994,700	23,994,700	24,579,400	584,700	2.4%
Fire	4,816,579	4,604,700	4,604,700	4,487,200	(117,500)	-2.6%
Community College	7,318,386	7,886,700	7,886,700	8,391,300	504,600	6.4%
Correctional Facilities	3,747,196	3,605,300	3,605,300	3,527,300	(78,000)	-2.2%
Library	6,360,237	7,018,400	7,018,400	7,346,100	327,700	4.7%
Health	1,636,773	1,821,800	1,821,800	1,928,900	107,100	5.9%
Police	6,170,134	5,927,400	5,927,400	6,177,600	250,200	4.2%
<b>Total</b>	<b>\$157,117,792</b>	<b>\$158,243,100</b>	<b>\$158,243,100</b>	<b>\$160,795,100</b>	<b>\$2,552,000</b>	<b>1.6%</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 Annual Comprehensive Financial Report (ACFR).

## Interest

Debt Service	FY 2023	FY 2024	FY 2024	FY 2025	Change FY24-FY25	
	Actual	Budget	Estimate	Proposed	Amount (\$)	Percent (%)
<b>INTEREST AND SERVICE CHARGES</b>						
Schools - (GOB's)	\$ 31,403,057	\$ 31,426,800	\$ 34,011,700	\$ 33,341,400	\$1,914,600	6.1%
Mass Transit	78,378	55,100	55,100	34,800	(20,300)	-36.8%
Roads (GOB's)	18,688,761	18,419,600	19,682,200	19,008,200	588,600	3.2%
Public Buildings	14,372,124	13,493,700	14,148,300	13,522,700	29,000	0.2%
Fire	2,338,318	2,191,300	2,177,400	2,006,600	(184,700)	-8.4%
Community College	4,745,581	4,510,300	4,504,600	4,133,000	(377,300)	-8.4%
Correctional Facilities	1,779,803	1,703,900	1,701,100	1,573,200	(130,700)	-7.7%
Library	4,094,195	4,195,300	4,578,700	4,509,500	314,200	7.5%
Health	1,673,399	1,659,600	1,658,100	1,571,600	(88,000)	-5.3%
Police	2,973,185	2,742,400	2,758,600	2,555,000	(187,400)	-6.8%
Current Year Bond Sale/Refinancing	-	2,403,000	-	-	(2,403,000)	-100.0%
Service Charges	74,330	-	-	-	-	0.0%
<b>Total Interest and Service Charges</b>	<b>\$82,221,131</b>	<b>\$82,801,000</b>	<b>\$85,275,800</b>	<b>\$82,256,000</b>	<b>(\$545,000)</b>	<b>-0.7%</b>
<b>Principal</b>	<b>\$157,117,792</b>	<b>\$158,243,100</b>	<b>\$158,243,100</b>	<b>\$160,795,100</b>	<b>\$2,552,000</b>	<b>1.6%</b>
<b>TOTAL PRINCIPAL, INTEREST AND SERVICE CHARGES</b>						
	<b>\$239,338,923</b>	<b>\$241,044,100</b>	<b>\$243,518,900</b>	<b>\$243,051,100</b>	<b>\$2,007,000</b>	<b>0.8%</b>
Less:						
Mass Transit	(\$903,397)	(759,300)	(759,300)	(623,900)	\$135,400	-17.8%
School Surcharge	(\$49,704,610)	(46,129,700)	(46,084,800)	(44,200,000)	1,929,700	-4.2%
Telecommunications Tax Supported School Projects	(\$2,142,733)	(1,215,000)	(1,866,500)	(1,598,500)	(383,500)	31.6%
Internal Revenue Service (IRS) Subsidy	(\$563,673)	(1,114,100)	-	-	1,114,100	-100.0%
Bond Premiums	(\$13,282,811)	(17,323,600)	(22,503,800)	(12,332,500)	4,991,100	-28.8%
<b>SubTotal</b>	<b>(\$66,597,224)</b>	<b>\$ (66,541,700)</b>	<b>(\$71,214,400)</b>	<b>\$ (58,754,900)</b>	<b>\$ 7,786,800</b>	<b>-11.7%</b>
<b>Total Expenditures - Net County Debt</b>	<b>\$172,741,700</b>	<b>\$174,502,400</b>	<b>\$172,304,500</b>	<b>\$184,296,200</b>	<b>\$9,793,800</b>	<b>5.6%</b>

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

## FY 2025 Debt Issuance Plan

Prince George's County plans to issue new general obligation bonds of approximately \$230.0 million in FY 2025. 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, 2021, it was \$1,588.5 million; on June 30, 2022, it was \$1,707.7 million; and on June 30, 2023, it increased to \$1,757.1 million.

### NET TAX-SUPPORTED GENERAL FUND DEBT

(millions \$'s)

	Actual 6/30/2021	Actual 6/30/2022	Actual 6/30/2023
Net Direct Debt	\$ 1,588.5	\$ 1,707.7	\$ 1,757.1
<b>TOTAL</b>	<b>\$1,588.5</b>	<b>\$1,707.7</b>	<b>\$1,757.1</b>
<b>ANNUAL GROWTH</b>	<b>\$ 115.4</b>	<b>\$ 30.1</b>	<b>\$ 49.4</b>

#### SOURCE:

FY 2021: ACFR for the Year Ending June 30, 2021, Prince George's County, Maryland, Page 171 (Table 14)

FY 2022: ACFR for the Year Ending June 30, 2022, Prince George's County, Maryland, Page 171 (Table 14)

FY 2023: ACFR for the Year Ending June 30, 2023, Prince George's County, Maryland, Page 193 (Table 14)

### Self-Supporting Direct Debt (millions)

	6/30/2021	6/30/2022	6/30/2023
<b>General Obligation Bonds:</b>			
Mass Transit Debt - Washington Suburban Transit Commission (WSTC)	\$ 3.7	\$ 2.8	\$ 2.0
Stormwater Management	335.6	357.5	358.8
County Solid Waste Management Bonds	71.3	73.4	76.6
School Facilities Supported by School Surcharge	458.0	428.5	395.4
School Facilities Supported by Telecommunications Tax	9.9	7.8	5.9
<b>Revenue Bonds:</b>			
Maryland Water Quality Loans	45.1	45.2	43.7
<b>Total Self-Supporting Debt</b>	<b>\$ 923.6</b>	<b>\$ 915.2</b>	<b>\$ 882.4</b>

**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:

**SOURCE:**

FY 2021: ACFR for the Year Ending June 30, 2021, Prince George's County, Maryland, Page 171 (Table 14).

FY 2022: ACFR for the Year Ending June 30, 2022, Prince George's County, Maryland, Page 171 (Table 14).

FY 2023: ACFR for the Year Ending June 30, 2023, Prince George's County, Maryland, Page 193 (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. 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 to support 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.

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
2023	946,971	\$ 118,053,014,090	\$ 1,757,113,050	1.5%	1,856	4.6%
2022	967,201	\$ 112,696,780,390	\$ 1,707,674,001	1.5%	1,766	4.5%
2021	908,743	\$ 108,467,097,890	\$ 1,588,461,609	1.5%	1,748	4.2%
2020	909,327	\$ 102,527,101,300	\$ 1,530,187,259	1.5%	1,683	3.8%
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%

### Notes:

- (1) Population estimates are from the U.S. Census Bureau, Population Estimates Branch. The fiscal year 2023 population estimate is from the American Communities Survey, U.S. Census Bureau for 2022.
- (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. It includes Parking Authority's (component unit) bonded debt.

SOURCE: Office of Finance



**GRANTS & TRANSFER PAYMENTS**

Grants and Transfers	FY 2023	FY 2024	FY 2024	FY 2025	Change FY24-FY25	
	Actual	Budget	Estimate	Proposed	Amount (\$)	Percent (%)
Grants to Community Organizations	\$9,582,233	\$10,046,000	\$10,046,000	\$4,950,000	(\$5,096,000)	-50.7%
Required Payments	452,172	480,900	535,200	550,900	\$70,000	14.6%
Prince George's Arts and Humanities Council	400,000	414,000	414,000	464,000	\$50,000	12.1%
Economic Development Corporation	3,982,600	4,772,200	4,772,200	4,272,200	(\$500,000)	-10.5%
Employ Prince George's	2,922,300	1,989,600	2,989,600	2,694,300	\$704,700	35.4%
Financial Services Corporation	1,137,300	1,177,100	1,177,100	1,177,100	-	0.0%
Prince George's Community Television	924,600	924,600	924,600	924,600	-	0.0%
Experience Prince George's	2,228,900	1,556,900	1,556,900	1,556,900	-	0.0%
Memberships	838,405	869,500	860,900	930,600	\$61,100	7.0%
Strategic Goals Initiative	150,638	1,500,000	1,500,000	500,000	(\$1,000,000)	-66.7%
University of Maryland Medical System	4,142,250	3,954,800	3,954,800	3,755,500	(\$199,300)	-5.0%
Other Payments	8,407,951	10,041,700	9,889,500	9,795,500	(\$246,200)	-2.5%
Transfers to Capital Improvement Program	9,206,955	10,681,700	10,511,300	9,491,000	(\$1,190,700)	-11.1%
Transfers to Other Funds	303,500	-	3,400,000	1,400,000	\$1,400,000	100.0%
<b>Total Expenditures</b>	<b>\$44,679,804</b>	<b>\$48,409,000</b>	<b>\$52,532,100</b>	<b>\$42,462,600</b>	<b>(\$5,946,400)</b>	<b>-12.3%</b>

**Grants to Community Organizations -- \$4,950,000**

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

**Required Payments -- \$550,900**

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

**Prince George's Arts and Humanities Council -- \$464,000**

These resources are designated to support the Prince George's Arts and Humanities Council to coordinate financial support and advocacy for the arts and humanities through grants, artistic programs and creative partnerships among business, education, government and residents. Please note that in prior fiscal years, funding allocated to this organization was budgeted under the Grants to Community Organizations category.

**Economic Development Corporation -- \$4,272,200**

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. -- \$2,694,300**

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 -- \$1,177,100**

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 -- \$924,600**

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

**Experience Princes George's -- \$1,556,900**

This funding supports Experience Prince George's, a promotional agency under contract with the County that assists in the implementation of the County's

comprehensive economic and cultural development program. Funding per CB-077-2016 is provided for the County branding campaign to advertise and promote the County.

transfer to the Local Business Bond Fund and the Fair Election Fund.

### **Memberships -- \$930,600**

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 initiatives.

### **University of Maryland Medical System -- \$3,755,500**

These resources are designated to support the University of Maryland Medical System (formerly the Dimensions Healthcare System) in partnership with the State of Maryland. The budgeted funding reflects debt service costs related to the 2013 certificate of purchase refunding transaction. Debt payments will end in FY 2025

### **Other Payments -- \$9,795,500**

Funding reflects local impact grant funds allocated to the County for public safety projects within five miles of Rosecroft Raceway (\$1,000,000), PGC Re-entry-wrap around services (\$300,000), as well as a grant to support County developmental disability service providers (\$4,585,000). Additionally, the total includes a portion of the video lottery terminal (VLT) funds allocated for the following projects - Local Development Council Community Impact Grants (\$400,000), the Workforce Development and Training Program (\$637,700), grants to nonprofits (\$2,547,800), a grant to the Excellence in Education Foundation (\$200,000) for student scholarships and grants to communities within 2.5 miles northeast of the MGM facility (\$125,000).

### **Transfers to Capital Improvement Program -- \$9,491,000**

This category reflects General Funds allocated to capital improvement projects including the VLT - MD 210 Improvement (\$6,491,000); and the Office of Information Technology CIP project (\$3,000,000).

### **Transfers to Other Funds -- \$1,400,000**

This category reflects General Fund transfers to other County funds. This funding will be utilized as a

**OPERATIONAL EXPENDITURES**

Operational Expenditures	FY 2023	FY 2024	FY 2024	FY 2025	Change FY24-FY25	
	Actual	Budget	Estimate	Proposed	Amount (\$)	Percent (%)
General Fund Insurance	\$ 10,400,000	\$ 10,400,000	\$ 6,100,000	\$ 10,400,000	\$ -	0.0%
Judgments and Losses	-	200,000	-	200,000	-	0.0%
Postage	2,012,935	2,700,000	1,600,000	2,700,000	-	0.0%
Equipment Leases	24,173,580	26,723,000	26,396,000	22,952,700	(3,770,300)	-14.1%
Other Leases	30,339,841	30,607,800	30,579,600	39,234,200	8,626,400	28.2%
Utilities	20,394,510	17,114,000	21,249,500	21,000,000	3,886,000	22.7%
Streetlight Electricity	1,999,252	1,800,000	1,800,000	2,099,200	299,200	16.6%
Traffic Signal Electricity	183,589	100,000	100,000	192,800	92,800	92.8%
Miscellaneous Expenses	14,951,111	17,080,100	13,911,300	10,510,200	(6,569,900)	-38.5%
Youth Employment Program	2,890,937	2,498,600	2,498,400	2,498,600	-	0.0%
Automated Programs - Speed Camera, Red-Light, False Alarm	6,742,069	8,162,000	7,424,100	7,500,000	(662,000)	-8.1%
Compensated Absences	(24,194)	-	(24,200)	-	-	0.0%
Deferred Compensation in Lieu of State Retirement	226,437	200,000	226,400	226,400	26,400.00	13.2%
Unemployment Insurance	475,000	475,000	475,000	475,000	-	0.0%
Retiree Life Benefits/Annuities	2,014,898	1,870,000	1,870,000	2,027,000	157,000	8.4%
Retiree Health Benefits	44,048,400	44,048,400	44,048,400	44,048,400	-	0.0%
<b>SubTotal</b>	<b>\$ 160,828,365</b>	<b>\$ 163,978,900</b>	<b>\$ 158,254,500</b>	<b>\$ 166,064,500</b>	<b>\$ 2,085,600</b>	<b>1.3%</b>
<b>Expenditure Recoveries</b>						
Leases/Utilities	\$ (3,441,554)	\$ (2,751,800)	\$ (3,441,600)	\$ (3,441,600)	(689,800)	25.1%
Postage	-	(10,000)	-	-	10,000	-100.0%
Other	(430,041)	(1,196,000)	(437,600)	(437,700)	758,300	-63.4%
<b>SubTotal</b>	<b>\$ (3,871,595)</b>	<b>\$ (3,957,800)</b>	<b>\$ (3,879,200)</b>	<b>\$ (3,879,300)</b>	<b>\$ 78,500</b>	<b>-2.0%</b>
<b>Total</b>	<b>\$156,956,770</b>	<b>\$160,021,100</b>	<b>\$154,375,300</b>	<b>\$162,185,200</b>	<b>\$2,164,100</b>	<b>1.4%</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 -- \$2,700,000**

Postage costs reflect projected expenditure levels for postage.

**Equipment Leases -- \$22,952,700**

The FY 2025 expenditures include the principal and interest costs of the 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020 and 2021 lease purchase payments. It also includes resources for voting machine rentals.

**Other Leases -- \$39,234,200**

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. Additionally, this category includes funding to support debt service costs for various public finance transactions including the Regional Medical Center; this also includes funding for Alternative Financing Construction/P3 school projects (\$10 million in FY 2025).

**Utilities -- \$21,000,000**

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

**Streetlights -- \$2,099,200**

Projected energy costs for streetlights maintained by the County.

**Traffic Signals -- \$192,800**

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

**Miscellaneous Expenses -- \$10,510,200**

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 2025); also includes funding for local business assistance program (\$1.0 million in FY 2025) and camera incentive program (\$250,000).

**Youth Employment Program -- \$2,498,600**

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

**Automated Programs -- \$7,500,000**

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 -- \$226,400**

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 -- \$46,075,400**

This represents both the Retiree Life Benefits/Annuities (\$2.0 million) and the Retiree Health Benefits (\$44.0 million) costs. The County portion of health and life insurance costs for retired employees are funded in this category. It includes \$1,950,000 for retiree life insurance, \$77,000 for retiree annuities, and \$44,048,400 for retiree health benefits, or Other Post Employment Benefits (OPEB).

**Expenditure Recoveries (Project Charges) -- (\$3,879,300)**

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**

Contingencies	FY 2023	FY 2024	FY 2024	FY 2025	Change FY24-FY25	
	Actual	Budget	Estimate	Proposed	Amount (\$)	Percent (%)
Compensation	\$0	\$1,600,000	\$1,600,000	\$5,707,200	4,107,200	256.7%
Fringe Benefits	-	1,500,000	1,500,000	5,000,000	3,500,000	233.3%
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$3,100,000</b>	<b>\$3,100,000</b>	<b>\$10,707,200</b>	<b>\$7,607,200</b>	<b>245.4%</b>

In FY 2025, contingency expenditures increase \$7,607,200 or 245.4% over the FY 2024 approved budget. Contingency funding supports potential countywide salary improvements for employees.

**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 2023	FY 2024	FY 2024	FY 2025	Change FY24-FY25	
	Actual	Budget	Estimate	Proposed	Amount (\$)	Percent (%)
Compensation	-	-	-	-	-	0.0%
Fringe Benefits	-	-	-	-	-	0.0%
Operating	1,164,180	9,000,000	7,580,000	9,000,000	-	0.0%
Capital Outlay	-	-	-	-	-	0.0%
<b>Total Expenditures</b>	<b>\$1,164,180</b>	<b>\$9,000,000</b>	<b>\$7,580,000</b>	<b>\$9,000,000</b>	<b>-</b>	<b>0.0%</b>

**Economic Development Incentive Fund Summary**

Category	FY 2023	FY 2024	FY 2024	FY 2025	Change FY24-FY25	
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
<b>BEGINNING FUND BALANCE</b>		\$28,544,346	\$27,244,346	\$29,732,270	\$24,882,270	(\$2,362,076) -8.7%
<b>REVENUES</b>						
Interest Income	\$ 1,795,517	\$ 350,000	\$ -	\$ 350,000	\$ -	0.0%
Loan Repayments (Principal and Interest)	556,588	1,300,000	2,730,000	1,300,000	-	0.0%
Appropriated Fund Balance	-	7,350,000	4,850,000	7,350,000	-	0.0%
<b>Total Revenues</b>	<b>\$ 2,352,105</b>	<b>\$ 9,000,000</b>	<b>\$ 7,580,000</b>	<b>\$ 9,000,000</b>	<b>\$ -</b>	<b>0.0%</b>
<b>EXPENDITURES</b>						
Small Business Loans and Grants	\$ 1,164,180	\$ 9,000,000	\$ 7,580,000	\$ 9,000,000	\$ -	0.0%
<b>Total Expenditures</b>	<b>\$ 1,164,180</b>	<b>\$ 9,000,000</b>	<b>\$ 7,580,000</b>	<b>\$ 9,000,000</b>	<b>\$ -</b>	<b>0.0%</b>
EXCESS OF REVENUES OVER EXPENDITURES	\$1,187,925	-	-	-	-	0.0%
OTHER ADJUSTMENTS	\$ -	\$ (7,350,000)	\$ (4,850,000)	\$ (7,350,000)	\$ -	0.0%
<b>ENDING FUND BALANCE</b>	<b>\$29,732,270</b>	<b>\$ 19,894,346</b>	<b>\$24,882,270</b>	<b>\$17,532,270</b>	<b>\$ (2,362,076)</b>	<b>-11.9%</b>

## GRANT FUNDS SUMMARY

### Expenditures by Category - Grant Funds

Category	FY 2023 Actual	FY 2024 Budget	FY 2024 Estimate	FY 2025 Proposed	Change FY24-FY25	
					Amount (\$)	Percent (%)
Compensation	\$644,148	\$—	\$1,621,410	\$—	\$—	
Fringe Benefits	166,514	—	308,475	—	—	
Operating	40,669,107	—	14,461,039	—	—	
Capital Outlay	13,799,564	—	10,511,613	—	—	
<b>SubTotal</b>	<b>\$55,279,333</b>	<b>\$—</b>	<b>\$26,902,537</b>	<b>\$—</b>	<b>\$—</b>	
Recoveries	—	—	—	—	—	
<b>Total</b>	<b>\$55,279,333</b>	<b>\$—</b>	<b>\$26,902,537</b>	<b>\$—</b>	<b>\$—</b>	

The FY 2025 proposed grant budget remains unchanged from FY 2024 approved budget. The FY 2024 estimate reflects funding received from the State and federal governments to address the COVID-19 pandemic. The primary sponsor for the majority of these program initiatives is the U.S. Treasury Department. The American Rescue Plan Act (ARPA) also known as the State and Local Fiscal Recovery Fund (SLFRF program) is the remaining COVID-19 program funded and underway as the remaining COVID-19 Recovery Response programs begin to phase out. The following grant programs have phased out: Maryland Department of Commerce COVID-19 Restaurant Assistance Program, Online Sales and Telework, Pulse Point Marketing and the Prince George's County Hotel Relief Fund. Please refer to Appendix A - Grant Programs for the detailed agency spending of the American Rescue Plan Act grant program funds. Additionally, please note that Non-Departmental also maintains two lines of appropriation authority - Public/Private Partnerships and Unanticipated Grants/Interim Appropriation - that agencies may request for unanticipated grant awards received after budget adoption. This line of appropriation authority allows agencies to begin program/project implementation upon award while official legislative approval is requested and adopted via resolution.

**Grant Funds by Division**

Grant Name	FY 2023 Actual	FY 2024 Budget	FY 2024 Estimate	FY 2025 Proposed	Change FY24-FY25	
					Amount (\$)	Percent (%)
<b>Grants and Transfers</b>						
American Rescue Plan Act (ARPA) - State and Local Fiscal Recovery Funds (SLFRF)	\$47,948,304	\$—	\$26,902,537	\$—	\$—	
Coronavirus Aid, Relief and Economic Securities Act (CARES) - Coronavirus Relief Fund (CRF)	7,331,029	—	—	—	—	
<b>Total Grants and Transfers</b>	<b>\$55,279,333</b>	<b>\$—</b>	<b>\$26,902,537</b>	<b>\$—</b>	<b>\$—</b>	
<b>Subtotal</b>	<b>\$55,279,333</b>	<b>\$—</b>	<b>\$26,902,537</b>	<b>\$—</b>	<b>\$—</b>	
Total Transfer from General Fund - (County Contribution/Cash Match)	55,279,333		26,902,537			—
<b>Total</b>	<b>\$110,558,666</b>	<b>\$—</b>	<b>\$53,805,074</b>	<b>\$—</b>	<b>\$—</b>	