

# 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 the Prince George's Arts and Humanities Council. Funding is also provided to support transfers to various capital improvement projects and other funds.
- 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.
- Alternative Construction Financing – supports payments for the Alternative Construction Financing school construction program on behalf of the Prince George's County Public School System.
- Contingency – provides resources for costs related to unsettled collective bargaining agreements, designated operating activities and unanticipated employee separation costs.

## FY 2025 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 \$4.6 million of grant support to County Development Disabilities Administration (DDA) service providers.

## FY 2026 FISCAL OVERVIEW

- \$9.0 million allocated for grants to community organizations.
- \$46.1 million to address resource levels for retiree life and health benefits.
- \$6.8 million for operating costs associated with the speed camera program and other fine programs.
- \$12.5 million for transfers to the Capital Improvement Program (CIP).
- \$10.4 million provided to the County's economic development and tourism agencies.
- \$1.0 million for Youth Employment Program to support jobs for County youth.

- \$13.0 million for Retirement State Payments for Board of Education/Teacher and Community College.
- \$42.6 million for Alternative Construction Financing for the school projects on behalf of the Board of Education.

## FY 2026 BUDGET SUMMARY

The FY 2026 approved General Fund budget for Non-Departmental is \$452,101,300, an increase of \$11,335,900 or 2.6% over the FY 2025 approved budget.

### NON-DEPARTMENTAL OVERVIEW

Category	FY 2024	FY 2025	FY 2025	FY 2026	Change	FY25-FY26
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
Debt Service	\$170,622,812	\$184,296,200	\$187,700,100	\$197,682,200	\$13,386,000	7.3%
Grants and Transfers	44,829,920	44,991,800	81,584,600	51,510,500	6,518,700	14.5%
Operational Expenditures	178,257,612	151,670,200	161,072,700	160,308,600	8,638,400	5.7%
Alternative Construction Financing Payment	-	42,600,000	42,000,000	42,600,000	-	0.0%
Contingency	-	17,207,200	-	-	(17,207,200)	-100.0%
<b>Total</b>	<b>\$393,710,344</b>	<b>\$440,765,400</b>	<b>\$472,357,400</b>	<b>\$452,101,300</b>	<b>\$11,335,900</b>	<b>2.6%</b>

### Reconciliation from Prior Year

		Expenditures
<b>FY 2025 Approved Budget</b>		<b>\$440,765,400</b>
<b>Increase Cost: Debt Service</b>	— Increase in the Debt Service category to reflect principal and interest payments for current outstanding debt and anticipated costs related to the FY 2025 bond sale	\$13,386,000
<b>Increase Cost: Operational Expenditures</b>	— Increase for Retirement State Payments on behalf of the PGCPS teachers and the Prince George's Community College	13,000,100
<b>Increase Cost: Grants and Transfers</b>	— Increase in the Other Payments category for Video Lottery Terminal (VLT) costs for various non-profit grants	6,676,800
<b>Increase Cost: Grants and Transfers</b>	— Increase in the County grant for the Redevelopment Authority (RDA); funding supports RDA personnel expenditures	2,017,300
<b>Increase Cost: Grants and Transfers</b>	— Increase in funding for CIP transfer to Maryland 210 capital projects	1,625,200
<b>Increase Cost: Operational Expenditures</b>	— Net increase in the Other Leases category to align with rental and lease costs	1,183,900
<b>Increase Cost: Operational Expenditures</b>	— Increase in the Miscellaneous Expenses category for various operational costs	1,065,500
<b>Increase Cost: Grants and Transfers</b>	— Increase in the Grants to Community Organizations category for the County Council and County Executive designated community grants	930,000
<b>Increase Cost: Operational Expenditures</b>	— Increase in the budget for streetlight and traffic light electricity to align with projected costs	308,000
<b>Increase Cost: Grants and Transfers</b>	— Increase in funding for CIP transfer to Redevelopment Authority and Health Department for WSSC Septic	146,000
<b>Increase Cost: Grants and Transfers</b>	— Increase in the Memberships category to align with anticipated membership costs	55,600
<b>Decrease Cost: Grants and Transfers</b>	— Decrease in the Strategic Initiatives category to align with anticipated costs	(25,000)

**Reconciliation from Prior Year (continued)**

	<b>Expenditures</b>
<b>Decrease Cost: Operational Expenditures</b> — Net decrease in the Equipment Leases category to align with the debt service payment schedule requirements; an additional \$6 million is allocated for Fire/EMS self-contained breathing apparatus (SCBA) equipment	(31,100)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the County grant for Experience Prince George's	(33,800)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the County grant for Financial Services Corporation	(58,900)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the County grant for Prince George's Arts and Humanities Council and removal of the one-time reimbursement payment	(70,700)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the Other Payments category for operational expenses	(90,000)
<b>Decrease Cost: Grants and Transfers</b> — Net decrease in the Transfers to Other Funds category for the Local Business Bond and an increase for the Fair Election Funds	(100,000)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the County grant for Economic Development Corporation	(213,600)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the County grant for Employ Prince George's	(584,700)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in the budget for postage to align with anticipated costs	(700,000)
<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	(700,000)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in the Expenditure Recoveries category for charges for salaries and maintenance	(801,600)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in funding for the Summer Youth Employment Program	(1,498,600)
<b>Decrease Cost: Operational Expenditures</b> — Decrease in the budget for utility costs to reflect projected expenditure levels for electricity, gas, oil, and propane use by the County	(3,187,800)
<b>Decrease Cost: Grants and Transfers</b> — Decrease in the Dimensions Health Corporation category for County debt service payment to the University of Maryland Medical System to align with anticipated costs	(3,755,500)
<b>Decrease Cost: Contingency</b> — Decrease in Contingency due to the reallocation of FY 2025 salary adjustments to various agencies/departments	(17,207,200)
<b>FY 2026 Approved Budget</b>	<b>\$452,101,300</b>

**DEBT SERVICE****Principal**

Debt Service	FY 2024	FY 2025	FY 2025	FY 2026	Change	FY25-FY26
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
<b>PRINCIPAL</b>						
Schools - General Obligation Bonds (GOB's)	\$ 61,821,938	\$ 62,784,400	\$ 62,784,400	\$ 112,353,000	\$49,568,600	79.0%
Schools (Q-bonds)	3,149,679	3,149,700	3,149,700	3,149,700	-	0.0%
Mass Transit	704,236	589,100	589,100	553,000	(36,100)	-6.1%
Roads (GOB's)	37,708,343	37,834,100	37,834,100	39,202,300	1,368,200	3.6%
Public Buildings	23,994,667	24,579,400	24,579,400	25,651,900	1,072,500	4.4%
Fire	4,604,709	4,487,200	4,487,300	4,463,600	(23,600)	-0.5%
Community College	7,886,662	8,391,300	8,391,300	9,505,000	1,113,700	13.3%
Correctional Facilities	3,605,301	3,527,300	3,527,300	3,568,700	41,400	1.2%
Library	7,018,380	7,346,100	7,346,100	7,832,200	486,100	6.6%
Health	1,821,810	1,928,900	1,928,900	2,195,200	266,300	13.8%
Police	5,927,423	6,177,600	6,177,600	6,572,200	394,600	6.4%
<b>Total</b>	<b>\$158,243,149</b>	<b>\$160,795,100</b>	<b>\$160,795,200</b>	<b>\$215,046,800</b>	<b>\$54,251,700</b>	<b>33.7%</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 2024	FY 2025	FY 2025	FY 2026	Change	FY25-FY26
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
<b>INTEREST AND SERVICE CHARGES</b>						
Schools - (GOB's)	\$ 34,011,754	\$ 33,341,400	\$ 34,271,600	\$ 32,655,600	(\$685,800)	-2.1%
Mass Transit	55,075	34,800	34,800	21,500	(13,300)	-38.2%
Roads (GOB's)	19,682,179	19,008,200	19,810,100	18,892,100	(116,100)	-0.6%
Public Buildings	14,148,349	13,522,700	13,681,600	13,004,900	(517,800)	-3.8%
Fire	2,177,371	2,006,600	1,990,100	1,831,200	(175,400)	-8.7%
Community College	4,504,613	4,133,000	4,660,100	4,612,800	479,800	11.6%
Correctional Facilities	1,701,084	1,573,200	1,561,200	1,439,900	(133,300)	-8.5%
Library	4,578,660	4,509,500	4,577,400	4,342,500	(167,000)	-3.7%
Health	1,658,103	1,571,600	1,686,600	1,669,600	98,000	6.2%
Police	2,758,650	2,555,000	2,731,100	2,587,400	32,400	1.3%
Service Charges	207,209	-	-	6,084,800	6,084,800	100.0%
<b>Total Interest and Service Charges</b>	<b>\$85,483,047</b>	<b>\$82,256,000</b>	<b>\$85,004,600</b>	<b>\$87,142,300</b>	<b>\$4,886,300</b>	<b>5.9%</b>
<b>Principal</b>	<b>\$158,243,149</b>	<b>\$160,795,100</b>	<b>\$160,795,200</b>	<b>\$215,046,800</b>	<b>\$54,251,700</b>	<b>33.7%</b>
<b>TOTAL PRINCIPAL, INTEREST AND SERVICE CHARGES</b>						
	<b>\$243,726,196</b>	<b>\$243,051,100</b>	<b>\$245,799,800</b>	<b>\$302,189,100</b>	<b>\$59,138,000</b>	<b>24.3%</b>
Less:						
Mass Transit	(\$759,311)	(623,900)	(623,900)	(574,400)	\$49,500	-7.9%
School Surcharge	(\$46,084,827)	(44,200,000)	(44,099,800)	(91,181,700)	(46,981,700)	106.3%
Telecommunications Tax Supported School Projects	(\$1,866,506)	(1,598,500)	(1,598,500)	(1,235,000)	363,500	-22.7%
Internal Revenue Service (IRS) Subsidy	(\$1,700,082)	-	-	-	-	0.0%
Bond Premiums	(\$22,692,658)	(12,332,500)	(11,777,500)	(11,515,800)	816,700	-6.6%
<b>SubTotal</b>	<b>(\$73,103,384)</b>	<b>\$ (58,754,900)</b>	<b>(\$58,099,700)</b>	<b>\$ (104,506,900)</b>	<b>\$ (45,752,000)</b>	<b>77.9%</b>
<b>Total - Net County Debt</b>	<b>\$170,622,812</b>	<b>\$184,296,200</b>	<b>\$187,700,100</b>	<b>\$197,682,200</b>	<b>\$13,386,000</b>	<b>7.3%</b>

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

## FY 2026 Debt Issuance Plan

Prince George's County plans to issue new general obligation bonds totaling approximately \$276.2 million in FY 2026. 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 from Fitch and S&P and AA1 for Moody's.

### 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, 2022, it was \$1,707.7 million; on June 30, 2023, it was \$1,757.1 million; and on June 30, 2024, it increased to \$1,739.3 million.

### Net Tax-Supported General Fund Debt

(millions \$'s)

	Actual	Actual	Actual
	6/30/2022	6/30/2023	6/30/2024
Net Direct Debt	\$ 1,707.7	\$ 1,757.1	\$ 1,739.3
<b>TOTAL</b>	<b>\$1,707.7</b>	<b>\$1,757.1</b>	<b>\$1,739.3</b>
<b>ANNUAL GROWTH</b>	<b>\$ 30.1</b>	<b>\$ 49.4</b>	<b>\$ (17.8)</b>

#### SOURCE:

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)

FY 2024: ACFR for the Year Ending June 30, 2024, Prince George's County, Maryland, Page 195 (Table 14)

**Self-Supporting Direct Debt**

(millions)

	6/30/2022	6/30/2023	6/30/2024
<b>General Obligation Bonds:</b>			
Mass Transit Debt - Washington Suburban Transit Commission (WSTC)	\$ 2.8	\$ 2.0	\$ 1.3
Stormwater Management	357.5	358.8	401.7
County Solid Waste Management Bonds	73.4	76.6	81.4
School Facilities Supported by School Surcharge	428.5	395.4	364.0
School Facilities Supported by Telecommunications Tax	7.8	5.9	4.2
<b>Revenue Bonds:</b>			
Maryland Water Quality Loans	45.2	43.7	71.3
<b>Total Self-Supporting Debt</b>	<b>\$ 915.2</b>	<b>\$ 882.4</b>	<b>\$ 923.9</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 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).

FY 2024: ACFR for the Year Ending June 30, 2024, Prince George's County, Maryland, Page 195 (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
2024	947,430	\$ 129,262,360,090	\$ 1,739,313,631	1.3%	1,836	4.5%
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%

#### Notes:

- (1) Population estimates are from the U.S. Census Bureau, Population Estimates Branch. The fiscal year 2026 population estimate is from the American Communities Survey, U.S. Census Bureau for 2023.
- (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 2024	FY 2025	FY 2025	FY 2026	Change	FY25-FY26
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
Grants to Community Organizations	\$11,041,682	\$8,050,000	\$12,379,700	\$8,980,000	\$930,000	11.6%
Required Payments	404,064	550,900	530,900	550,900	-	0.0%
Prince George's Arts and Humanities Council	414,000	464,000	464,000	393,300	(70,700)	-15.2%
Economic Development Corporation	4,772,200	4,272,200	5,272,200	4,058,600	(213,600)	-5.0%
Employ Prince George's	2,989,600	2,994,300	2,994,300	2,409,600	(584,700)	-19.5%
Financial Services Corporation	1,177,100	1,177,100	1,959,900	1,118,200	(58,900)	-5.0%
Prince George's Community Television	924,600	924,600	924,600	924,600	-	0.0%
Experience Prince George's	1,556,900	1,556,900	1,556,900	1,523,100	(33,800)	-2.2%
Redevelopment Authority	-	-	-	2,017,300	2,017,300	100.0%
Memberships	860,764	930,600	930,600	986,200	55,600	6.0%
Strategic Goals Initiative	91,997	500,000	500,000	475,000	(25,000)	-5.0%
University of Maryland Medical System	3,954,750	3,755,500	3,755,500	-	(3,755,500)	-100.0%
Other Payments	5,029,000	6,175,000	6,085,000	6,085,000	(90,000)	-1.5%
Other Payments - VLT	3,905,500	2,899,700	9,576,500	9,576,500	6,676,800	230.3%
Transfer to Capital Improvement Program - VLT	6,707,763	6,491,000	7,691,000	8,116,200	1,625,200	25.0%
Transfers to Capital Improvement Program	1,000,000	3,250,000	25,563,500	3,396,000	146,000	4.5%
Transfers to Other Funds	-	1,000,000	1,400,000	900,000	(100,000)	100.0%
<b>Total</b>	<b>\$44,829,920</b>	<b>\$44,991,800</b>	<b>\$81,584,600</b>	<b>\$51,510,500</b>	<b>\$6,518,700</b>	<b>14.5%</b>

### Grants to Community Organizations -- \$8,980,000

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 --

#### \$393,300

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 -- \$4,058,600

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 -- \$2,409,600

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 -- \$1,118,200

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 non-profit cable access station.

**Experience Prince George's -- \$1,523,100**

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.

**Redevelopment Authority -- \$2,017,300**

This funding supports Redevelopment Authority, a quasi-agency that develops, redevelops, revitalizes and preserves targeted communities, with an emphasis within the Beltway, in support of community development, transit-oriented development and affordable housing.

**Memberships -- \$986,200**

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

**Strategic Goals Initiative -- \$475,000**

Funding will be utilized to further various County initiatives.

**Other Payments -- \$6,085,000**

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 (\$500,000), as well as a grant to support County developmental disability service providers (\$4,585,000).

**Other Payments – VLT -- \$9,576,500**

Funding reflects a portion of the video lottery terminal (VLT) funds allocated for the following projects - Local

Development Council Community Impact Grants – Designated Grantees (\$3,811,500); the Workforce Development and Training Program (\$200,000); a grant to the Excellence in Education Foundation (\$215,000) for student scholarships, a grant for Senior Services with Second District CDC (\$4,250,000); a grant for the Town of Forest Heights for police athletics league (\$45,000) and Sanitation and Beautification (\$120,000); a grant for Education Programs, designated grantees (\$580,000); a grant for Other Public Services (\$275,000) and grants to communities within 2.5 miles northeast of the MGM facility (\$80,000).

**Transfers to Capital Improvement Program – VLT -- \$8,116,200**

This category reflects General Funds allocated to capital improvement projects including the VLT - MD 210 Improvement.

**Transfers to Capital Improvement Program -- \$3,396,000**

This category reflects General Funds allocated to capital improvement projects including the Suitland Manor project (\$1,236,000) for Redevelopment Authority; Health Department for WSSC Septic (\$160,000); and the Office of Information Technology CIP project (\$2,000,000).

**Transfers to Other Funds -- \$900,000**

This category reflects General Fund transfers to other County funds. This funding will be utilized as a transfer to the Local Business Bond Fund (\$500,000) and Fair Election Fund (\$400,000).

## OPERATIONAL EXPENDITURES

Operational Expenditures	FY 2024	FY 2025	FY 2025	FY 2026	Change	FY25-FY26
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
General Fund Insurance	\$ 10,400,000	\$ 10,400,000	\$ 10,400,000	\$ 10,400,000	\$ -	0.0%
Judgments and Losses	-	100,000	20,000	100,000	-	0.0%
Postage	1,348,546	2,700,000	3,000,000	2,000,000	(700,000)	-25.9%
Equipment Leases	22,583,067	20,652,700	29,884,100	20,621,600	(31,100)	-0.2%
Other Leases	34,214,260	30,959,200	31,983,900	32,143,100	1,183,900	3.8%
Utilities	15,330,743	21,000,000	18,903,800	17,812,200	(3,187,800)	-15.2%
Streetlight Electricity	2,226,433	2,099,200	2,300,000	2,400,000	300,800	14.3%
Traffic Signal Electricity	901,358	192,800	190,000	200,000	7,200	3.7%
Miscellaneous Expenses	18,916,351	10,670,200	12,296,400	11,735,700	1,065,500	10.0%
Retirement State Payments	-	-	-	13,000,100	13,000,100	100.0%
Youth Employment Program	1,486,255	2,498,600	2,498,600	1,000,000	(1,498,600)	-60.0%
Automated Programs-Speed Camera, Red-Light, False Alarm	5,452,438	7,500,000	7,500,000	6,800,000	(700,000)	-9.3%
Compensated Absences	(832,461)	-	-	-	-	0.0%
Deferred Compensation in Lieu of State Retirement	224,839	226,400	226,400	226,400	-	0.0%
Unemployment Insurance	511,141	475,000	475,000	475,000	-	0.0%
Retiree Life Benefits/Annuities	20,221,464	2,027,000	2,027,000	2,027,000	-	0.0%
Retiree Health Benefits	49,953,983	44,048,400	44,048,400	44,048,400	-	0.0%
<b>SubTotal</b>	<b>\$ 182,938,417</b>	<b>\$ 155,549,500</b>	<b>\$ 165,753,600</b>	<b>\$ 164,989,500</b>	<b>\$ 9,440,000</b>	<b>6.1%</b>
<b>Expenditure Recoveries</b>						
Leases/Utilities	\$ (3,441,554)	\$ (3,441,600)	\$ (3,441,600)	\$ (3,441,600)	-	0.0%
Other	(1,239,251)	(437,700)	(1,239,300)	(1,239,300)	(801,600)	183.1%
<b>SubTotal</b>	<b>\$ (4,680,805)</b>	<b>\$ (3,879,300)</b>	<b>\$ (4,680,900)</b>	<b>\$ (4,680,900)</b>	<b>\$ (801,600)</b>	<b>20.7%</b>
<b>Total</b>	<b>\$ 178,257,612</b>	<b>\$ 151,670,200</b>	<b>\$ 161,072,700</b>	<b>\$ 160,308,600</b>	<b>\$ 8,638,400</b>	<b>5.7%</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 -- \$100,000

This appropriation represents contingent small claims payouts by the County.

### Postage -- \$2,000,000

Postage costs reflect projected expenditure levels for postage.

### Equipment Leases -- \$20,621,600

The FY 2026 expenditures include the principal and interest costs of the 2017, 2018, 2019, 2020, 2022, 2023, 2024 and 2025 lease purchase payments. It also includes resources for voting machine rentals.

### Other Leases -- \$32,143,100

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.

**Utilities -- \$17,812,200**

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

**Streetlights -- \$2,400,000**

Projected energy costs for streetlights maintained by the County.

**Traffic Signals -- \$200,000**

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

**Miscellaneous Expenses -- \$11,735,700**

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 (\$4.9 million in FY 2026); also includes funding for local business assistance program (\$1.0 million in FY 2026) and camera incentive program (\$250,000).

**Retirement State Payments -- \$13,000,100**

Reflects funding allotted for the Board of Education and Community College retirement.

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

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

**Automated Programs -- \$6,800,000**

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) -- (\$4,680,900)**

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.

## ALTERNATIVE CONSTRUCTION FINANCING PAYMENT

Alternative Construction Financing Payment	FY 2024	FY 2025	FY 2025	FY 2026	Change	FY25-FY26
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Fringe Benefits	-	-	-	-	-	0.0%
Operating	-	42,600,000	42,000,000	42,600,000	-	0.0%
Capital Outlay	-	-	-	-	-	0.0%
<b>Total</b>	<b>\$ -</b>	<b>\$42,600,000</b>	<b>\$42,000,000</b>	<b>\$42,600,000</b>	<b>\$0</b>	<b>0.0%</b>

In FY 2026, expenditures total \$42,600,000 and remain unchanged from the FY 2025 approved budget. This category reflects the County's required payments toward this programmatic cost.

## CONTINGENCY

Contingency	FY 2024	FY 2025	FY 2025	FY 2026	Change FY25-FY26	
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
Compensation	\$ -	\$12,207,200	-	-	(12,207,200)	-100.0%
Fringe Benefits	-	5,000,000	-	-	(5,000,000)	-100.0%
Operating	-	-	-	-	-	0.0%
Capital Outlay	-	-	-	-	-	0.0%
<b>Total</b>	<b>\$ -</b>	<b>\$17,207,200</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$17,207,200)</b>	<b>-100.0%</b>

In FY 2026, contingency expenditures decrease -\$17,207,200 or -100.0% under the FY 2025 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 2024	FY 2025	FY 2025	FY 2026	Change	FY25-FY26
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Fringe Benefits	-	-	-	-	-	0.0%
Operating	3,450,330	9,000,000	4,255,000	9,000,000	-	0.0%
Capital Outlay	-	-	-	-	-	0.0%
<b>Total</b>	<b>\$ 3,450,330</b>	<b>\$9,000,000</b>	<b>\$4,255,000</b>	<b>\$9,000,000</b>	<b>\$ -</b>	<b>0.0%</b>

### Economic Development Incentive Fund Summary

Category	FY 2024	FY 2025	FY 2025	FY 2026	Change	FY25-FY26
	Actual	Budget	Estimate	Approved	Amount (\$)	Percent (%)
<b>BEGINNING FUND BALANCE</b>	<b>\$29,732,270</b>	<b>\$24,882,270</b>	<b>\$31,639,576</b>	<b>\$31,164,576</b>	<b>\$6,282,306</b>	<b>25.2%</b>
<b>REVENUES</b>						
Interest Income	\$ 2,905,280	\$ 350,000	\$ -	\$ 350,000	\$ -	0.0%
Loan Repayments (Principal and Interest)	2,452,357	1,300,000	3,780,000	1,300,000	-	0.0%
Appropriated Fund Balance	-	7,350,000	475,000	7,350,000	-	0.0%
<b>Total Revenues</b>	<b>\$ 5,357,637</b>	<b>\$ 9,000,000</b>	<b>\$ 4,255,000</b>	<b>\$ 9,000,000</b>	<b>\$ -</b>	<b>0.0%</b>
<b>EXPENDITURES</b>						
Small Business Loans and Grants	\$ 3,450,330	\$ 9,000,000	\$ 4,255,000	\$ 9,000,000	\$ -	0.0%
<b>Total Expenditures</b>	<b>\$ 3,450,330</b>	<b>\$ 9,000,000</b>	<b>\$ 4,255,000</b>	<b>\$ 9,000,000</b>	<b>\$ -</b>	<b>0.0%</b>
EXCESS OF REVENUES OVER EXPENDITURES	\$1,907,307	-	-	-	-	0.0%
OTHER ADJUSTMENTS	\$ -	\$ (7,350,000)	\$ (475,000)	\$ (7,350,000)	\$ -	0.0%
<b>ENDING FUND BALANCE</b>	<b>\$31,639,576</b>	<b>\$ 17,532,270</b>	<b>\$31,164,576</b>	<b>\$23,814,576</b>	<b>\$ 6,282,306</b>	<b>35.8%</b>

## GRANT FUNDS SUMMARY

### Expenditures by Category - Grant Funds

Category	FY 2024 Actual	FY 2025 Budget	FY 2025 Estimate	FY 2026 Approved	Change FY25-FY26
					Amount (\$)
					Percent (%)
Compensation	\$11,956,211	\$—	\$—	\$—	\$—
Fringe Benefits	141,880	—	—	—	—
Operating	16,377,363	—	—	—	—
Capital Outlay	(1,478,290)	—	—	—	—
<b>SubTotal</b>	<b>\$26,997,164</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>
Recoveries	—	—	—	—	—
<b>Total</b>	<b>\$26,997,164</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>

The FY 2026 approved grant budget remains at \$0 and unchanged from the FY 2025 approved budget. Beginning in FY 2021, the County received both and State and federal funds to administer various relief and economic stimulus programs. The resulting programs were managed within Non-Departmental as they were not direct assistance programs for a single agency. The Recovery for the Economy, Livelihoods, Industries, Entrepreneurs and Families (RELIEF) act was signed into law February of 2021. In accordance with the RELIEF Act, the Maryland Department of Commerce, through the Maryland Economic Development Assistance Authority established several economic relief grant programs for local jurisdictions to provide financial assistance to individuals, businesses and non-profit organizations. Non-Departmental administered the Maryland Department of Commerce COVID-19 Restaurant Assistance Program/ Restaurant and Caterers Covid RELIEF, Online Sales and Telework Assistance Covid RELIEF and Lodging and Accommodations Covid/Hotel RELIEF. Each of these programs were housed within the Non-Departmental budget and have since closed. Additionally, the County also administered the State and Local Fiscal Recovery Fund (SLFRF) also known as the American Rescue Plan Act or ARPA. This program was closed as of December 31, 2024 in accordance with US Treasury guidelines. The actual data displayed is representative of the final activities funded through this program.

Non-Departmental also maintains two lines of appropriation authority - Public/Private Partnerships and Unanticipated Grants/Interim Appropriation Authority. Throughout the fiscal year, agencies may request a credit of appropriation authority based on two criteria: 1) an unanticipated grant award or 2) an expected award that is higher than previously estimated. While priority is given to unanticipated grant awards, no single interim appropriation request may exceed \$3 million. This practice allows agencies to begin program/project implementation upon award while official legislative approval is requested and adopted via supplemental appropriation resolution.

## Grant Funds by Division

Grant Name	FY 2024 Actual	FY 2025 Budget	FY 2025 Estimate	FY 2026 Approved	Change FY25-FY26	
					Amount (\$)	Percent (%)
<b>Grants and Transfers</b>						
American Rescue Plan Act (ARPA) - State and Local Fiscal Recovery Funds (SLFRF)	\$26,997,164	\$—	\$—	\$—	\$—	\$—
<b>Total Grants and Transfers</b>	<b>\$26,997,164</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>
<b>Subtotal</b>	<b>\$26,997,164</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>
Total Transfer from General Fund - (County Contribution/Cash Match)	—	—	—	—	—	—
<b>Total</b>	<b>\$26,997,164</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>

