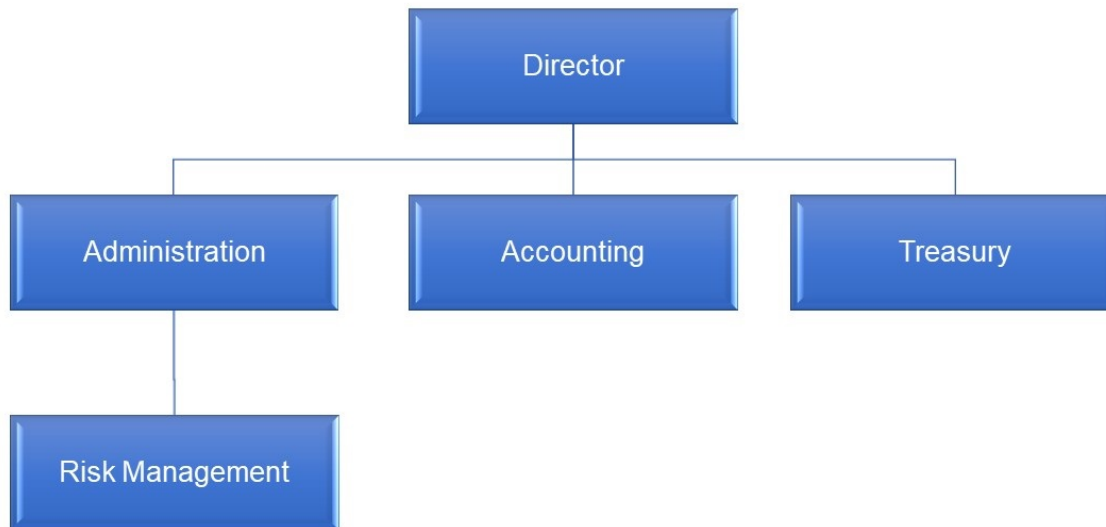


Office of Finance



MISSION AND SERVICES

The Office of Finance collects and invests revenue as well as provides funds disbursement, accounting, debt management and risk management services in line with best practices to County residents and agencies in order to ensure the delivery of fiscally accountable and effective local government services.

CORE SERVICES

- Revenue collection and investment
- Accounting and financial reporting
- Risk management
- Funds disbursement operations
- Debt management, including the preparation of documents for County bond issuance

FY 2025 KEY ACCOMPLISHMENTS

- Launched the inaugural issuance of the County’s annual debt report.
- Completed the first full year of the cybersecurity self-insurance program to realize anticipated long term savings on insurance premiums.
- Implemented the Public Safety Officer Tax Credit Program, processing over 350 applications.
- Issued approximately \$372.6 million in secured bonds, of which up \$80 million may be taxable.
- Issued FY 2024 Annual Comprehensive Financial Report and received the Certificate of Achievement for Excellence in Financial Reporting for FY 2023.

STRATEGIC FOCUS AND INITIATIVES FOR FY 2026

- Continue implementation of County mandated tax credit, grant and incentive programs, including CB-007-2024 Revised Property Tax Credit for Elderly Individuals, CB-87-2023 Public Safety Officer Real Property Tax Credit and CB-99-2018/CB-076-2023 Fair Election Fund.
- Partner with the Office of Information Technology to continue the transition from legacy systems to the new Treasury Management system for property tax collections and administration.
- Continue partnership with the Offices of the County Executive and Management and Budget to reduce the risk management fund deficit by reducing payments to claimants and implementing a more calibrated actuarial funding contribution level.
- Enhance staffing resources to ensure continuity of operations and support efficient service delivery.
- Begin the operations of the grant indirect cost program.

FY 2026 BUDGET SUMMARY

The FY 2026 proposed budget for the Office of Finance is \$6,864,900, an increase of \$670,500 or 10.8% over the FY 2025 approved budget.

Expenditures by Fund Type

Fund Types	FY 2024 Actual		FY 2025 Budget		FY 2025 Estimate		FY 2026 Proposed	
	Amount	% Total	Amount	% Total	Amount	% Total	Amount	% Total
General Fund	\$5,439,258	100.0%	\$5,794,400	93.5%	\$6,335,200	100.0%	\$6,064,900	88.3%
Special Revenue Funds	—	0.0%	400,000	6.5%	—	0.0%	800,000	11.7%
Total	\$5,439,258	100.0%	\$6,194,400	100.0%	\$6,335,200	100.0%	\$6,864,900	100.0%

GENERAL FUND

The FY 2026 proposed General Fund budget for the Office of Finance is \$6,064,900, an increase of \$270,500 or 4.7% over the FY 2025 approved budget.

Reconciliation from Prior Year

	Expenditures
FY 2025 Approved Budget	\$5,794,400
Increase Cost: Compensation - Mandated Salary Requirements	\$203,500
Increase Cost: Fringe Benefits — Due to increased compensation and a slight increase in fringe benefits rate from 36.2% to 36.3%	198,400
Add: Compensation - New Position — ARPA grant funded position cost moving to General Fund	146,400
Add: Compensation - New Position — Accountant 3G to assist in the implementation of a new Grant Indirect Cost Rate Pilot	98,500
Add: Fringe Benefits - New Position — American Rescue Plan Act (ARPA) grant funded position cost moving to General Fund	53,100
Add: Fringe Benefits - New Position — Accountant 3G to assist in the implementation of a new Grant Indirect Cost Rate Pilot	35,800
Increase Cost: Operating — Increase in costs for office and operating equipment to align with historical costs	19,700

Reconciliation from Prior Year *(continued)*

	Expenditures
Increase Cost: Operating — Increase to support certifications and professional development	19,100
Increase Cost: Operating - Technology — Increase in OIT charges based on anticipated countywide costs for technology	18,800
Increase Cost: Operating - Contract Services — Legal services added to contract services	14,400
Increase Cost: Operating — Increase in costs for telephone, postage, training and disposal fees to align with anticipated costs	3,500
Decrease Cost: Operating — Decrease in costs for printing, periodicals, advertising, membership fees, mileage reimbursement and operating contract services	(40,400)
Decrease Cost: Recoveries — Increase in recoveries to align with mandated salary requirements	(500,300)
FY 2026 Proposed Budget	\$6,064,900

SPECIAL REVENUE FUNDS

Fair Election Special Revenue Fund

The FY 2026 proposed Fair Election Special Revenue Fund budget is \$800,000, an increase of \$400,000 or 100.0% over the FY 2025 approved budget.

Reconciliation from Prior Year

	Expenditures
FY 2025 Approved Budget	\$400,000
Increase Cost: Operating — Reserves in support of the 2026 general election	\$400,000
FY 2026 Proposed Budget	\$800,000

STAFF AND BUDGET RESOURCES

Authorized Positions	FY 2024 Budget	FY 2025 Budget	FY 2026 Proposed	Change FY25-FY26
General Fund				
Full Time - Civilian	67	68	70	2
Full Time - Sworn	0	0	0	0
Subtotal - FT	67	68	70	2
Part Time	2	2	2	0
Limited Term	0	0	0	0
Grants				
Full Time - Civilian	1	1	0	(1)
Full Time - Sworn	0	0	0	0
Subtotal - FT	1	1	0	(1)
Part Time	0	0	0	0
Limited Term	1	1	0	(1)
TOTAL				
Full Time - Civilian	68	69	70	1
Full Time - Sworn	0	0	0	0
Subtotal - FT	68	69	70	1
Part Time	2	2	2	0
Limited Term	1	1	0	(1)

Positions By Classification	FY 2026		
	Full Time	Part Time	Limited Term
Account Clerks	22	2	0
Accountants	26	0	0
Accounting Services Manager	1	0	0
Accounting Technicians	3	0	0
Administrative Aides	2	0	0
Administrative Assistants	6	0	0
Administrative Specialist	3	0	0
Associate Director	2	0	0
Deputy Director	1	0	0
Director	1	0	0
Executive Administrative Aide	1	0	0
Info Tech Proj Coord	2	0	0
TOTAL	70	2	0

Expenditures by Category - General Fund

Category	FY 2024 Actual	FY 2025 Budget	FY 2025 Estimate	FY 2026 Proposed	Change FY25-FY26	
					Amount (\$)	Percent (%)
Compensation	\$6,286,654	\$6,574,600	\$7,153,600	\$7,111,900	\$537,300	8.2%
Fringe Benefits	2,136,952	2,383,200	2,561,000	2,581,600	198,400	8.3%
Operating	1,456,003	1,515,500	1,536,700	1,550,600	35,100	2.3%
Capital Outlay	—	—	—	—	—	
SubTotal	\$9,879,609	\$10,473,300	\$11,251,300	\$11,244,100	\$770,800	7.4%
Recoveries	(4,440,351)	(4,678,900)	(4,916,100)	(5,179,200)	(500,300)	10.7%
Total	\$5,439,258	\$5,794,400	\$6,335,200	\$6,064,900	\$270,500	4.7%

In FY 2026, compensation expenditures increase \$537,300 or 8.2% above the FY 2025 budget primarily due to the annualization of FY 2025 and anticipated FY 2026 salary adjustments and two new positions: one for an American Rescue Plan Act grant-funded position for which costs will be moved to the general fund and one Accountant 3G to assist in the implementation of a new Grant Indirect Cost Rate Pilot. Fringe benefit expenditures increase 8.3% to align with projected costs.

Operating expenditures increase 2.3% over the FY 2025 budget primarily due to an increase in the OIT technology allocation charge as well as a contract for legal services.

Recoveries increase 10.7% over the FY 2025 budget due to mandated salary increases.

Expenditures by Division - General Fund

Category	FY 2024 Actual	FY 2025 Budget	FY 2025 Estimate	FY 2026 Proposed	Change FY25-FY26	
					Amount (\$)	Percent (%)
Administration	\$674,234	\$850,100	\$818,500	\$679,900	\$(170,200)	-20.0%
Accounting Division	2,002,549	1,925,800	2,312,900	2,385,700	459,900	23.9%
Treasury Division	2,762,475	3,018,500	3,203,800	2,999,300	(19,200)	-0.6%
Total	\$5,439,258	\$5,794,400	\$6,335,200	\$6,064,900	\$270,500	4.7%

General Fund - Division Summary

Category	FY 2024 Actual	FY 2025 Budget	FY 2025 Estimate	FY 2026 Proposed	Change FY25-FY26	
					Amount (\$)	Percent (%)
Administration						
Compensation	\$1,781,229	\$1,963,600	\$1,972,800	\$1,997,600	\$34,000	1.7%
Fringe Benefits	586,237	712,100	706,300	725,200	13,100	1.8%
Operating	212,533	199,000	215,900	199,000	—	0.0%
Capital Outlay	—	—	—	—	—	—
SubTotal	\$2,579,999	\$2,874,700	\$2,895,000	\$2,921,800	\$47,100	1.6%
Recoveries	(1,905,765)	(2,024,600)	(2,076,500)	(2,241,900)	(217,300)	10.7%
Total Administration	\$674,234	\$850,100	\$818,500	\$679,900	\$(170,200)	-20.0%
Accounting Division						
Compensation	\$2,486,187	\$2,468,700	\$2,868,500	\$2,913,400	\$444,700	18.0%
Fringe Benefits	859,233	894,400	1,026,900	1,057,500	163,100	18.2%
Operating	532,057	571,900	573,700	593,500	21,600	3.8%
Capital Outlay	—	—	—	—	—	—
SubTotal	\$3,877,477	\$3,935,000	\$4,469,100	\$4,564,400	\$629,400	16.0%
Recoveries	(1,874,928)	(2,009,200)	(2,156,200)	(2,178,700)	(169,500)	8.4%
Total Accounting Division	\$2,002,549	\$1,925,800	\$2,312,900	\$2,385,700	\$459,900	23.9%
Treasury Division						
Compensation	\$2,019,238	\$2,142,300	\$2,312,300	\$2,200,900	\$58,600	2.7%
Fringe Benefits	691,482	776,700	827,800	798,900	22,200	2.9%
Operating	711,413	744,600	747,100	758,100	13,500	1.8%
Capital Outlay	—	—	—	—	—	—
SubTotal	\$3,422,133	\$3,663,600	\$3,887,200	\$3,757,900	\$94,300	2.6%
Recoveries	(659,658)	(645,100)	(683,400)	(758,600)	(113,500)	17.6%
Total Treasury Division	\$2,762,475	\$3,018,500	\$3,203,800	\$2,999,300	\$(19,200)	-0.6%
Total	\$5,439,258	\$5,794,400	\$6,335,200	\$6,064,900	\$270,500	4.7%

DIVISION OVERVIEW

Administration

The Administration Division oversees the activities of the office and has direct responsibility for coordinating and financing bond sales for capital projects including infrastructure, facility, equipment and technology acquisition.

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 workers’ compensation.

Fiscal Summary

In FY 2026, the division expenditures decrease -\$170,200 or -20.0% below the FY 2025 budget. Staffing resources remain unchanged from the FY 2025 budget. The primary budget changes include:

- An increase in personnel costs due to mandated salary increases.
- An increase in recoveries due to prior year salary adjustments.

	FY 2025 Budget	FY 2026 Proposed	Change FY25-FY26	
			Amount (\$)	Percent (%)
Total Budget	\$850,100	\$679,900	\$(170,200)	-20.0%
STAFFING				
Full Time - Civilian	16	16	0	0.0%
Full Time - Sworn	0	0	0	0.0%
Subtotal - FT	16	16	0	0.0%
Part Time	0	0	0	0.0%
Limited Term	0	0	0	0.0%

Accounting Division

The Accounting Division is responsible for the timely and accurate recording and reporting of the financial activities of the County and the Redevelopment Authority 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 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 Annual Comprehensive 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 financial systems staff is responsible for maintaining and operating the County’s automated accounting systems.

Fiscal Summary

In FY 2026, the division expenditures increase \$459,900 or 23.9% over the FY 2025 budget. Staffing resources increase by two positions over the FY 2025 budget. The primary budget changes include:

- An increase in personnel costs due to one position’s costs moving from the ARPA grant to the general fund, as well as the addition of an Accountant 3G position to assist in the implementation of a new Grant Indirect Cost Rate Pilot.
- An increase in operating due to increased funding needed for printing and office and operating equipment.
- An increase in recoveries due to mandated salary requirements.

	FY 2025 Budget	FY 2026 Proposed	Change FY25-FY26	
			Amount (\$)	Percent (%)
Total Budget	\$1,925,800	\$2,385,700	\$459,900	23.9%
STAFFING				
Full Time - Civilian	27	29	2	7.4%
Full Time - Sworn	0	0	0	0.0%
Subtotal - FT	27	29	2	7.4%
Part Time	0	0	0	0.0%
Limited Term	0	0	0	0.0%

Treasury Division

The Treasury Division collects and accounts for various taxes and fees including real property taxes, business personal property taxes, transfer and recordation taxes, telecommunication taxes and solid waste service charges. It also handles special area assessments for the County as well as taxes and charges for the State of Maryland, the Washington Suburban Sanitary Commission, the Maryland-National Capital Park and Planning Commission and all 27 municipalities. Other taxes administered include 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 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.

Fiscal Summary

In FY 2026, the division expenditures decrease -\$19,200 or -0.6% under the FY 2025 budget. Staffing resources remain unchanged from the FY 2025 budget. The primary budget changes include:

- An increase in personnel costs due to mandated salary requirements.
- An increase in operating due to an increased OIT allocation.
- A significant increase in recoveries to align with mandated salary requirements and to reflect recoverable work from other funding sources.

	FY 2025 Budget	FY 2026 Proposed	Change FY25-FY26	
			Amount (\$)	Percent (%)
Total Budget	\$3,018,500	\$2,999,300	\$(19,200)	-0.6%
STAFFING				
Full Time - Civilian	25	25	0	0.0%
Full Time - Sworn	0	0	0	0.0%
Subtotal - FT	25	25	0	0.0%
Part Time	2	2	0	0.0%
Limited Term	0	0	0	0.0%

OTHER FUNDS

Fair Election Special Revenue Fund

The Fair Election Fund supports the County’s public campaign financing program established to promote and encourage broader access to County elected office. The program is intended to enable citizens of Prince George’s County to run for office on the strength of their ideas, supported by small donations from residents and others combined with matching funds from the Fair Election Fund. The fund and associated public campaign financing program were established by CB-099-2018 and later amended by CB-076-2023.

Fiscal Summary

Revenues increase \$400,000 or 100.0% over the FY 2025 approved budget and reflect the use of appropriated fund balance.

Expenditures for the Fair Election Special Revenue Fund total \$800,000. FY 2026 funding will be transferred to the fund reserves to support candidates for office in the 2026 general election cycle.

Expenditures by Category

Category	FY 2024 Actual	FY 2025 Budget	FY 2025 Estimate	FY 2026 Proposed	Change FY25-FY26	
					Amount (\$)	Percent (%)
Operating	\$—	\$400,000	\$—	\$800,000	\$400,000	100.0%
Total	\$—	\$400,000	\$—	\$800,000	\$400,000	100.0%
Total	\$—	\$400,000	\$—	\$800,000	\$400,000	100.0%

Fund Summary

Category	FY 2024 Actual	FY 2025 Budget	FY 2025 Estimated	FY 2026 Proposed	FY 2025-2026	
					Change \$	Change %
BEGINNING FUND BALANCE	\$—	\$400,000	\$—	\$400,000	\$—	0.0%
General Fund Transfer	\$—	\$—	\$400,000	\$400,000	\$400,000	0.0%
Appropriated Fund Balance	—	400,000	—	400,000	—	0.0%
Total Revenues	\$—	\$400,000	\$400,000	\$800,000	\$400,000	100.0%
EXPENDITURES						
Transfer to fund reserves for the 2026 general election	\$—	\$400,000	\$—	\$800,000	\$400,000	100.0%
Total Expenditures	\$—	\$400,000	\$—	\$800,000	\$400,000	100.0%
EXCESS OF REVENUES OVER EXPENDITURES	—	—	400,000	—	—	0.0%
OTHER ADJUSTMENTS	—	(400,000)	—	(400,000)	—	0.0%
ENDING FUND BALANCE	\$—	\$—	\$400,000	\$—	\$—	0.0%

SERVICE DELIVERY PLAN AND PERFORMANCE

Goal 1 — To ensure optimal revenue collection, financial and investment services are provided to County stakeholders in order to effectively obtain the funds to support County services.

Objective 1.1 — Increase the percent of real property tax revenue collected.

FY 2030 Target	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimated	FY 2026 Projected	Trend
100%	100%	99%	100%	100%	↔

Trend and Analysis

The Office of Finance is responsible for cash and investment management, billing and collecting the County's real and personal property taxes, conducting the annual sale of tax lien certificates, processing documents for transfer and recordation tax collection, managing various property credits and collecting other business taxes. Real property taxes are the largest source of revenue for the County. The annual sale of tax lien certificates is a tax collection technique to recover payment of delinquent taxes by auctioning liens against a property. While the number of tax liens varies, the sale of the tax liens mitigates the loss of uncollected revenues. Real property tax collection rates have remained consistent at close to 100%.

Performance Measures

Measure Name	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimated	FY 2026 Projected
Resources (Input)					
Treasury Division staff	21	23	25	27	28
Workload, Demand and Production (Output)					
Tax payments processed	497,315	500,743	506,242	516,367	518,949
Tax sale certificates processed	2,470	2,106	1,961	2,000	2,040
Tax lien certificates sold to purchasers	99%	95%	89%	95%	95%
Revenue collected through E-payments services	\$93.8	\$250.5	\$305.5	\$311.4	\$317.6
Tax inquiry calls received	45,618	39,254	43,974	44,000	44,250
Clean lot liens processed	114	54	71	50	50
Tax bills generated	384,801	387,958	410,812	432,136	435,830
Efficiency					
Tax payments processed per staff member	23,682	21,771	20,420	20,500	20,000
Impact (Outcome)					
Real property taxes collected	100%	100%	100%	100%	100%
Personal property taxes collected	96%	93%	93%	94%	94%

Goal 2 — To provide management/advisory services and training to County agencies in order to minimize the County's risk exposure.

Objective 2.1 — Reduce risk management payments to claimants.

FY 2030 Target	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimated	FY 2026 Projected	Trend
\$36.0	\$43.0	\$35.0	\$35.0	\$35.0	↔

Trend and Analysis

The Risk Management Office provides management oversight over the County's Risk Pool (County, Board of Education, Community College and Memorial Library) claims administration servicing contract for third party liability, property claims and first party employee(s) workers' compensation claims. Other essential functions include the management of the County's self-insurance program as approved by both the County Council and the State of Maryland. The number of new risk management claims decreased approximately 8% from FY 2023 to FY 2024 and is expected to remain relatively flat in FY 2025.

Note: After consultation with the Risk Manager for the County, it has been decided that the measure, "Claims reported and closed," was no longer relevant to the objective and was retired.

Performance Measures

Measure Name	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimated	FY 2026 Projected
Resources (Input)					
Adjusters	19	18	16	16	16
Workload, Demand and Production (Output)					
New risk management claims processed	2,068	1,846	1,693	1,750	1,768
Risk management claims closed	3,012	2,741	2,209	2,532	2,560
Claims settled through the Office of Law	431	231	166	200	210
Efficiency					
Claims received per adjuster	9	8	10	10	10
Impact (Outcome)					
Risk management reserve payments to claimants	\$33.0	\$43.0	\$35.0	\$35.0	\$35.0

Goal 3 — To provide funds disbursement operations to County agencies in order to pay County obligations.

Objective 3.1 — Increase the percent of all County obligations paid on time.

FY 2030 Target	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimated	FY 2026 Projected	Trend
99%	97%	97%	98%	98%	↔

Trend and Analysis

County obligations consist of payroll payments and vendor payments; 100% of payroll payments are made on time. The percentage of vendor payments paid on time has improved from 87% in FY 2023 to 88% in FY 2024.

Performance Measures

Measure Name	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimated	FY 2026 Projected
Resources (Input)					
Payroll staff	6	5	7	7	7
Accounts payable staff	6	5	5	5	5
Workload, Demand and Production (Output)					
Payroll payments	250,517	252,800	246,560	250,000	251,000
Vendor payments	63,800	75,631	84,544	85,000	85,900
Efficiency					
Payroll payments per payroll staff person	41,753	50,560	44,027	43,600	43,600
Vendor payments per accounts payable staff	10,633	15,126	15,331	16,900	17,060
Quality					
Payroll obligations processed without error	100%	100%	100%	100%	100%
Vendor payments issued by due date	86%	87%	88%	90%	91%
Impact (Outcome)					
County obligations paid on time	97%	97%	97%	98%	98%

Goal 4 — To provide debt management services to ensure that County government has access to low-cost borrowing for long-term investments in infrastructure, facilities, equipment and technology.

Objective 4.1 — Maintain the number of bond rating agencies awarding the County an AAA rating (the highest bond rating) at three.

FY 2030 Target	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimated	FY 2026 Projected	Trend
3	3	3	3	3	↔

Trend and Analysis

Bond ratings are key determinants of the County's cost of funds for long term capital projects including education, public safety, infrastructure, administrative facilities, equipment and technology. The County has maintained its AAA ratings from all three major agencies since FY 2012.

Additionally, given that the Maryland State Comptroller has not yet provided data on 2024 Net Taxable Income, the Office of Management and Budget is only able to provide an estimate for FY 2023, "County resident personal income (billions)," based on an approximately 3.8% growth rate. Bear in mind as well that this measure in particular is tracked by tax year not fiscal year.

Performance Measures

Measure Name	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimated	FY 2026 Projected
Resources (Input)					
County resident personal income (billions)	\$21.6	\$24.40	25.3	26.3	27.3
Workload, Demand and Production (Output)					
Annual general fund net debt service	\$163.1	\$172.7	\$170.6	\$187.7	\$197.7
Efficiency					
Net direct debt as a percent of County resident personal income	1%	1%	1%	1%	1%
Quality					
Net direct debt per capita	\$1.9	\$1.8	\$1.8	\$2.0	\$2.1
General Fund expenditures that are annual debt service payments	7%	7%	7%	7%	7%
Impact (Outcome)					
Bond rating agencies giving the County the highest rating	3	3	3	3	3

