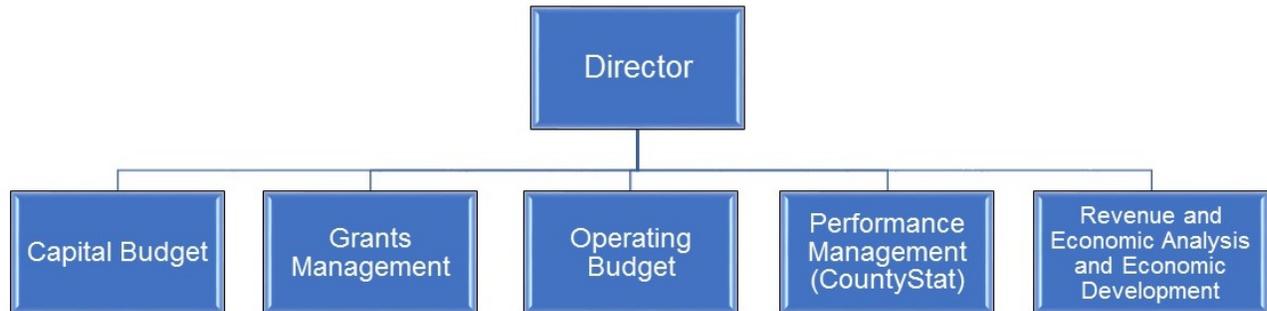


Office of Management and Budget



MISSION AND SERVICES

The Office of Management and Budget (OMB) provides financial planning and performance management to County agencies in order to ensure fiscal accountability and cost-effective use of service delivery resources.

CORE SERVICES

- Financial planning, including the formulation, implementation, and monitoring of the County's operating budget, the capital budget and six-year Capital Improvement Program (CIP), and the grants budget
- Fiscal and economic analysis, including administration of the County's tax differential program, monitoring and forecasting of revenues, and analysis of legislative impacts at the County, State, and federal level
- Performance management in conjunction with CountyStat, including analysis of agency operational data, business processes, policy, regional benchmarks, and national best practices

FY 2026 KEY ACCOMPLISHMENTS

- Invested in the Capital Improvement Program (CIP) by reallocating \$31,400,000 in unspent bond proceeds related to capital projects, enabling more efficient allocation of financial resources, and by streamlining agency submission requirements, simplifying the process and improving the accuracy of submissions.
- Improved engagement and communication with internal and external stakeholders by hosting a budget kick-off training session with County agency fiscal coordinators in July 2025, the annual Budget School training for agency leaders and fiscal coordinators in September 2025, and three public budget listening sessions in January 2026.
- Provided staff and support to the Spending Affordability Committee, which issues spending recommendations in October and January each year.
- Implemented improvements to the grants management process including simplifying budget loads, streamlining legal and risk review, simplifying the process for capturing multi-year grants, increasing liquidity for grant execution with interim appropriation authority, and extending the grant closeout period to allow agencies more time to reconcile and submit expenses.
- Worked with 27 municipalities across the County to support the preparation and review of tax differential submissions. The Municipal Tax Differential program lowers the County tax rate for residents in municipalities to ensure that residents are not taxed twice for services provided by both the County and their municipal government.

STRATEGIC FOCUS AND INITIATIVES FOR FY 2027

The agency’s top priorities in FY 2027 are:

- Maintain and strengthen the County’s general fund reserves and improve liquidity while working to strategically match budgetary resources with needs.
- Provide regular reporting to the Office of the County Executive in order to identify areas of financial risk and take corrective action where appropriate.
- Monitor capital spending and the use of bond proceeds to ensure the long-term affordability of the County’s capital improvement program.
- Continue to invest in process improvements surrounding grants management to maximize availability and impact while mitigating risks.

FY 2027 BUDGET SUMMARY

The FY 2027 proposed budget for the Office of Management and Budget is \$5,190,300, an increase of \$541,300 or 11.6% over the FY 2026 approved budget.

Expenditures by Fund Type

Fund Types	FY 2025 Actual		FY 2026 Budget		FY 2026 Estimate		FY 2027 Proposed	
	Amount	% Total						
General Fund	\$4,375,937	100.0%	\$4,649,000	100.0%	\$4,632,900	100.0%	\$5,190,300	100.0%
Total	\$4,375,937	100.0%	\$4,649,000	100.0%	\$4,632,900	100.0%	\$5,190,300	100.0%

Reconciliation from Prior Year

	Expenditures
FY 2026 Approved Budget	\$4,649,000
Increase Cost: Compensation - Mandated Salary Requirements	\$418,300
Add: Compensation - New Positions — Funding for a new Budget Management Analyst 3G and Budget Management Analyst 4G position; a third new position (Budget Management Analyst 1G) is unfunded in FY 2027	225,400
Increase Cost: Fringe Benefits — Increase in the fringe benefit rate from 31.9% to 32.0% to align with projected costs as well as the addition of two Budget Management Analyst positions	208,500
Increase Cost: Operating — Increased costs for temporary staff support, travel/training, and space rental for events such as Budget School and public budget listening sessions	68,500
Decrease Cost: Recovery Increase — Increased recoveries due to increased compensation, fringe benefits, and the recovery rate for staff dedicated to the capital improvement program (CIP)	(77,700)
Decrease Cost: Technology Cost Allocation — Decrease in OIT charges based on anticipated countywide costs for technology	(301,700)
FY 2027 Proposed Budget	\$5,190,300

STAFF AND BUDGET RESOURCES

Authorized Positions	FY 2025 Budget	FY 2026 Budget	FY 2027 Proposed	Change FY26-FY27
General Fund				
Full Time - Civilian	29	30	33	3
Full Time - Sworn	0	0	0	0
Subtotal - FT	29	30	33	3
Part Time	0	0	0	0
Limited Term	0	0	0	0
Grant Program Funds				
Full Time - Civilian	0	0	0	0
Full Time - Sworn	0	0	0	0
Subtotal - FT	0	0	0	0
Part Time	0	0	0	0
Limited Term	2	0	0	0
TOTAL				
Full Time - Civilian	29	30	33	3
Full Time - Sworn	0	0	0	0
Subtotal - FT	29	30	33	3
Part Time	0	0	0	0
Limited Term	2	0	0	0

Positions By Classification	FY 2027		
	Full Time	Part Time	Limited Term
Administrative Aide	1	0	0
Administrative Assistant	1	0	0
Budget Aide	1	0	0
Budget Management Analyst	26	0	0
Deputy Director	1	0	0
Director	1	0	0
General Clerk	1	0	0
Programmer/Systems Analyst	1	0	0
TOTAL	33	0	0

Expenditures by Category - General Fund

Category	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change FY26-FY27	
					Amount (\$)	Percent (%)
Compensation	\$3,081,395	\$3,202,800	\$3,191,400	\$3,846,500	\$643,700	20.1%
Fringe Benefits	936,008	1,021,700	973,000	1,230,200	208,500	20.4%
Operating	568,033	635,500	676,500	402,300	(233,200)	-36.7%
Capital Outlay	—	—	—	—	—	
SubTotal	\$4,585,436	\$4,860,000	\$4,840,900	\$5,479,000	\$619,000	12.7%
Recoveries	(209,499)	(211,000)	(208,000)	(288,700)	(77,700)	36.8%
Total	\$4,375,937	\$4,649,000	\$4,632,900	\$5,190,300	\$541,300	11.6%

In FY 2027, compensation expenditures increase 20.1% over the FY 2026 budget primarily due to the annualization of FY 2026 and planned FY 2027 salary adjustments, the addition of one Budget Management Analyst 3G position, the addition of one Budget Management Analyst 4G position, and one unfunded Budget Management Analyst 1G position. Compensation costs include funding for 32 out of 33 full time positions. Fringe benefit expenditures increase 20.4% over the FY 2026 budget in alignment with projected compensation increases.

Operating expenditures decrease -36.7% under the FY 2026 budget due to a decrease in the OIT technology allocation charge. Funding is also provided for training, printing, office supplies, interpretation services, advertising, membership costs, and office equipment.

Recoveries increase 36.8% over the FY 2026 budget due to increased compensation, fringe benefits, and the recovery rate for staff dedicated to the capital improvement program (CIP).

SERVICE DELIVERY PLAN AND PERFORMANCE

Goal 1 — To provide sound financial planning and monitoring of agency operations and expenditures in order to improve the fiscal health of County government.

Objective 1.1 — Maintain the County's General Fund balance at or above 7% of the General Fund budget.

FY 2031 Target	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimated	FY 2027 Projected	Trend
10%	16%	16%	17%	16%	↔

Trend and Analysis

The percentage of total expenditures that reside in the County's fund balance is a critical indicator of the County's fiscal well-being, sustainability, and a significant factor in maintaining the County's strong investment-grade bond ratings. It also provides critical protection against financial risk due to the County's limited ability to generate revenue as a result of charter-mandated and State-imposed tax caps or restrictions. The County's 5% charter mandated committed reserve and policy required committed operation reserve were established to control the County's exposure to financial risks and provide reserves in the event of emergencies. The policy reserve had been set at 2% for many years but has now been increased to 5% based on the recommendation of the County's Spending Affordability Committee. The Committee was concerned that revenue levels needed to be increased based on a review of revenue volatility following economic downturns as well as a comparison of reserve levels maintained by other AAA-rated counties in Maryland. In FY 2024, the policy reserve was increased to 3%, 4% in FY 2025, and finally to 5% for FY 2026. The County has successfully kept its General Fund balance above 8% of its annual budget; however, this is at risk due to growing pressures on both revenues and expenditures. Fund balances are achieved through prudent revenue forecasting, effective expenditure monitoring, and the application of sound fiscal policies (such as limiting use of fund balance to one-time nonrecurring expenditures). The County will continue to have a structural imbalance arising from the mismatch between limited revenue growth and significant service delivery cost increases. This is largely driven by an expansion in base budget costs such as personnel compensation and fringe benefits based on collective bargaining agreements. However, spending pressure has also come from the State-mandated spending on K-12 education through the Blueprint for Maryland's Future legislation. Multi-year fiscal planning including projections for operating budget levels in future fiscal years will be restored and expanded in order to execute a plan to reconcile the structural balance between revenues and expenditures.

Performance Measures

Measure Name	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimated	FY 2027 Projected
Resources (Input)					
Operating budget analysts	12	20	20	16	19
Workload, Demand and Production (Output)					
Position requests processed for all funds	1,877	1,977	2,138	1,923	2,031
Travel requests received for all funds	532	998	935	674	804
Quality					
Recipient of Government Financial Officers Association Distinguished Budget Presentation Award	0	0	1	1	1

Performance Measures *(continued)*

Measure Name	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimated	FY 2027 Projected
Variance of the General Fund budget and actual expenditures (negative numbers indicate overspending)	2%	2%	-1%	-2%	0%
Variance between actual and budgeted General Fund revenues (negative numbers indicate lower revenue collections)	-1%	0%	3%	4%	0%
Impact (Outcome)					
General Fund budget that is in fund balance	17%	16%	16%	1%	16%

Objective 1.2 — Maintain grant budgets availability at fewer than 10 business days after submission to OMB.

FY 2031 Target	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimated	FY 2027 Projected	Trend
10	10	9	9	10	↔

Trend and Analysis

The Agency is responsible for financial planning and ensuring that financial resources are available for agencies to utilize for their business operations. This metric reflects the duration of time between an agency forwarding the Notice of Grant Award (NGA) to OMB and the subsequent loading of grant funds into the County's financial system. Due to recent process improvements suggested and implemented on behalf of grant receiving agencies, the agency is currently re-evaluating County policy and procedures and its methodology used to certify this metric. Data and additional analysis will be published once this review and analysis is complete.

Performance Measures

Measure Name	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimated	FY 2027 Projected
Resources (Input)					
Grant analysts	9	11	11	11	13
Workload, Demand and Production (Output)					
Agency trainings completed	2	1	2	2	4
Grant supplementals completed	2	3	2	2	2
Grant awards created	222	211	218	180	214
Grant funds appropriated from external sources (millions)	\$304.9	\$312.9	\$300.7	\$285.7	\$256.7
General funds used as a match for grant funds (millions)	\$2.1	\$10.9	\$22.9	\$5.9	\$5.7

Performance Measures *(continued)*

Measure Name	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimated	FY 2027 Projected
Efficiency					
Grants monitored per analyst	25	19	19	16	16
Impact (Outcome)					
Days for grant budget to be available upon submission to the Office of Management and Budget (OMB)	6	10	9	9	10

Objective 1.3 — Maintain the County's annual debt service payment at or below 8% of the General Fund County source revenues.

FY 2031 Target	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimated	FY 2027 Projected	Trend
8%	7%	7%	7%	8%	↔

Trend and Analysis

The County's fiscal policy requires that the ratio of debt service costs to General Fund County source revenues does not exceed 8%. It is anticipated that the County will exceed this target by the end of FY 2028 as revenue growth is expected to moderate, and debt costs associated with the capital improvement program continue to grow.

In recent years, debt service payments have benefited from bond premiums, which help lower overall debt costs. The County continues to use other revenue sources, such as public safety surcharge revenues, to support the cost of many public safety capital projects, thereby reducing the need to pay for debt costs over a 20-year period. As the capital program expands, OMB will continue to monitor the County's debt affordability and prioritize CIP projects within a long-term strategic framework in collaboration with all stakeholders.

Performance Measures

Measure Name	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimated	FY 2027 Projected
Resources (Input)					
Capital budget analysts	11	11	11	11	12
Workload, Demand and Production (Output)					
Capital projects authorized	419	400	406	377	377
New capital projects	16	11	0	0	7
Projects supported by GO Bonds in budget year	66	61	54	50	42
General obligation bond sales (#)	1	1	1	1	1
General obligation bond sales (millions)	\$169.5	\$110.0	\$172.7	\$276.2	\$277.5
Impact (Outcome)					
Debt service expenditures (millions)	\$172.7	\$170.6	\$187.1	\$197.7	\$218.3
Annual debt service as a percentage of General Fund County Source revenues	7%	7%	7%	7%	8%

Goal 2 — Use data-driven decision-making to ensure the execution of administration priorities by developing, monitoring, and evaluating calculable theories of change.

Objective 2.1 — Increase the percent of initiatives with active interventions demonstrating improved conditions.

FY 2031 Target	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimated	FY 2027 Projected	Trend
100%	100%	100%	100%	100%	↔

Trend and Analysis

In recent years, CountyStat has undergone a strategic business-process re-evaluation to shift from a predominantly micro-level, compliance-focused reporting model to a more solution-oriented, data-driven, and programmatic approach to performance management. This transition reflects a growing need to support executive-level decision-making, cross-agency coordination, and outcome-based accountability.

As the County enters FY 2027 under a new administration, CountyStat's role continues to evolve to align with the County Executive's seven priority focus areas: Collaborative Governance; Environment; Public Safety and Accountability; Youth and First-Class Education; Economic Growth and Development; Transportation and Infrastructure; and Equitable Communities. CountyStat is recalibrating its performance framework to ensure that agency measures and major initiatives are clearly connected to these priorities and can be monitored consistently across the agencies.

Over the past two fiscal years, the CountyStat team has increasingly shifted toward program and project management support, focusing on complex, cross-cutting initiatives that require coordinated oversight beyond traditional agency boundaries. This includes executive priorities such as service delivery timeliness, flooding mitigation, procurement modernization, permitting efficiency, public safety outcomes, and beautification efforts. Rather than solely tracking historical outputs, CountyStat is working with agencies to define outcome-focused measures, implementation milestones, and performance indicators that better reflect progress toward strategic goals.

As part of this transition, CountyStat is also overhauling the performance-measure structure included in the budget process. Emphasis is being placed on:

- Reducing duplicative or low-value measures
- Improving data consistency and comparability across agencies
- Strengthening alignment between budget investments and performance outcomes
- Centralizing performance monitoring for executive review and advisory purposes

CountyStat has also emphasized strengthening Countywide data management practices to support a more reliable and timely performance reporting system. The team has improved data definitions, clarified data ownership, and emphasized clearer data collection methods. This has helped data quality, comparability, and report sustainability as performance changes in scope and grows more complex.

The team also approaches engagement with other County divisions in a more formalized way, project collaborations have been made clearer through the establishment of scopes of work, expectations around deliverables, timelines, data responsibilities, and communication.

CountyStat will continue to collaborate with agencies during FY 2027 to refine and standardize performance measures aligned with the County Executive's priorities, with enhanced reporting and trend analysis expected as data maturity improves. This approach positions CountyStat to serve as a centralized performance and advisory function that supports transparency, accountability, and continuous improvement across Prince George's County government.

Performance Measures

Measure Name	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimated	FY 2027 Projected
Resources (Input)					
Performance management analysts	3	3	3	2	2
Workload, Demand and Production (Output)					
Agencies participating in performance management	35	40	40	40	40
Projects/programs actively being managed by CountyStat	10	6	6	7	10
Impact (Outcome)					
Tracked projects/programs with outcomes trending toward improvement	100%	100%	100%	100%	100%

