

FY 2024 BUDGET OVERVIEW

MAY 1, 2023

OFFICE OF FINANCE

Stephen J. McGibbon
Director

Linda V. Allen
Deputy Director





ADMINISTRATION

ACCOUNTING



TREASURY

THREE DIVISIONS. ONE TEAM.

ADMINISTRATION

Stephen McGibbon - Director

Linda Allen - Deputy Director

Executive Administrative Aide - Shenita Picou-Bailey

DEBT MANAGEMENT • RISK MANAGEMENT • FINANCIAL SYSTEMS • BUDGET • HUMAN
RESOURCES

DEBT MANAGEMENT

2 POSITIONS

GENERAL OBLIGATION BONDS
CERTIFICATES OF
PARTICIPATION
SPECIAL OBLIGATION BONDS/
TAX INCREMENT FINANCING
EQUIPMENT LEASES
CONDUIT DEBT

RISK MANAGEMENT

4 POSITIONS

SELF-INSURANCE POOL
CLAIMS ADMINISTRATION
OCCUPATIONAL HEALTH &
SAFETY (OSHA) STANDARDS
INSURANCE PROGRAM
CONTRACT REVIEWS

FINANCIAL SYSTEMS

3 POSITIONS + 1 NEW FTE (FY24)

SYSTEM MAINTENANCE
(KRONOS, SAP)
ELECTRONIC FILE
PROCESSING
HARDWARE/SOFTWARE MGMT

BUDGET

1 POSITION

BUDGET AND CONTRACT
ADMINISTRATION

HUMAN RESOURCES

1 POSITION

RECRUITING
FMLA, ADA
EMPLOYEE ACTIONS



ACCOUNTING

Associate Director - Cheryl Douglas

Administrative Aide - Jean Huber

REPORTING • ACCOUNTS RECEIVABLE • ACCCOUNTS PAYABLE • PAYROLL

ACCOUNTING & REPORTING

13 POSITIONS

ANNUAL CONSOLIDATED
FINANCIAL REPORT
SINGLE AUDIT/GRANT
ACCOUNTING
ANNUAL AUDIT
GENERAL LEDGER MGMT

ACCOUNTS RECEIVABLE

3 POSITIONS

BILLING & COLLECTIONS
ESCHEATMENT
BANK RECONCILIATION
PURCHASING CARD
COMPLIANCE

ACCOUNTS PAYABLE

6 POSITIONS

VENDOR PAYMENTS
PANDEMIC RELIEF PAYMENTS
JUROR PAYMENTS
1099s

PAYROLL

7 POSITIONS

BI-WEEKLY PAYROLL (7,000 emps)
RETIREE PAYROLL (5,800 retirees)
SYEP PAYROLL
PAYROLL TAX COMPLIANCE
W-2s



TREASURY

Associate Director - Cindy Bucci

Admin Aide - Kimmy Kearse

TAX BILLING & COLLECTIONS • TAX ADMINISTRATION & CREDITS •
CASH MANAGEMENT & INVESTMENTS • REVENUE COLLECTIONS • CUSTOMER

SERVICE

TAX BILLING & COLLECTIONS

7 POSITIONS

ANNUAL & QRTLTY TAX BILLING

TAX PAYMENTS - LOCKBOX/MORTGAGE

TAX SALE

MUNICIPAL & AGENCY
COLLECTIONS

BUSINESS COLLECTIONS -
HOTEL/MOTEL, ENERGY

TAX ADMINISTRATION & TAX CREDITS/REFUNDS

4 POSITIONS + 2 NEW PT IN FY24
(ELDERLY PROPERTY TAX CREDIT
PROGRAM)

BILLING & COLLECTIONS
COMPLIANCE

TAX INCENTIVES - CREDITS,
TIFS, PILOTS
REFUNDS

CASH MANAGEMENT & INVESTMENTS

2 POSITIONS

BANK ACCOUNT MGMT

AGENCY E-PAYMENT
APPLICATIONS

\$2B INVESTMENT PORTFOLIO
COMPLIANCE

REVENUE COLLECTIONS

9 POSITIONS

COLLECTIONS

PROPERTY TAXES
TRANSFER & RECORDATION
COMPLIANCE

CUSTOMER SERVICE

3 POSITIONS

CITIZEN CALLS & INQUIRIES

(TELEPHONE & WEBSITE)

TAX PAYMENTS - MAILED



FY24 STRATEGIC FOCUS & INITIATIVES

- IMPLEMENT CB-29-2022 - Property Tax Credit for Elderly Individuals
- TRANSITION from legacy systems to the new Treasury Management system for property tax revenue collections
- ENHANCE staffing resources to ensure Continuity of Operations
- COORDINATE multi-agency effort to administer newly implemented indirect cost allocation program
- ENSURE the periodic review of risk management reserves to identify potential policy changes to improve its fiscal integrity



ELDERLY PROPERTY TAX CREDIT

Effective July 1, 2023



Provides up to a 20% credit on County Taxes, inclusive of Homeowners & Homestead credits, for up to five years.

Eligibility for this credit

1. At least one homeowner is age 65 and over (by June 30 of the prior fiscal year); **AND**
2. The eligible homeowner has resided at the property for which the credit is sought for at least the *previous* 10 fiscal years; **AND**
3. The assessed value of the property does not exceed \$500,000* as of July 1, 2023; **AND**
4. Applications must be received by October 1st of the fiscal year the credit is sought.

*Adjusted annually by the lesser of CPI or 3%.

Implementation

- Anticipate 7,000+ applicants the first year
- Online and paper applications available
- Partner with Department of Aging to reach and assist target population.
 - Created and distributed flyers
 - Will attend community events and host WKC Building "enrollment fairs"
- Technology development to streamline the application evaluation and credit posting processes
- Hiring 1,000-hour and two new permanent part-time employees to assist with processing
- Planned postcard mailing (mid-May) and FY24 tax billing insert

Application Go Live - End of April 2023



STRATEGIC FOCUS: TRANSITION TO THE NEW TAX BILLING & COLLECTIONS SYSTEM

Existing Mainframe System

- Built in the 80's
- Limited support resources
 - Supported by two County programmers (retired, but working part-time)

Key Uses

- Billing for all real and personal property accounts for County, State, MNCPPC, and municipalities
- Revenue Collection, FY2022 values: County (\$1B), State (\$120MM), MNCPPC (\$326MM), Municipalities (\$152MM), & other agencies (\$187MM)
- Interfaces with Annual Online Property Tax Sale

New Treasury System

- Built in-house
- Takes advantage of newer technology to streamline processes
- Gains efficiencies with ability to automate some manual processes (spreadsheets!)
- Reduces paper and improves customer service interactions with ability to save account related documents in the system
- Cost savings anticipated with sunset of mainframe system

Target Go Live - April 2024



STRATEGIC FOCUS: ENHANCE STAFFING RESOURCES TO ENSURE CONTINUITY OF OPERATIONS

Hire temporary and permanent PT employees to
assist with Elderly Property Tax Credit
Implementation

Provide Employee Training and Professional
Development

71 Positions Agencywide

68 Positions (FY23) + 1 FT and 2 PT Positions in FY24

Administration

15 Positions

14 Filled
+1 FT in FY24

Accounting

29 Positions

26 Filled
3 Vacancies

Treasury

27 Positions

22 Filled
3 Vacancies
+2 PT in FY24



STRATEGIC FOCUS: COORDINATE MULTI-AGENCY EFFORT TO ADMINISTER INDIRECT COST ALLOCATION PROGRAM

What Are Indirect Cost Rates (ICR's)?

Computed percentages representing the ratio of selected indirect expenses to specific elements of cost.

Why Are Indirect Cost Rates Important?

Indirect rates will provide Prince George's County with a mechanism to:

1. Optimize cost recoveries by developing ICR's for specific departments.
2. Recover overhead costs above the standard 10% currently being requested on grants.
3. Facilitate budget management and resource consumption.

Next Steps

1. Schedule a meeting between Maximus and the PGC ICR Team for week of May 1, 2023 to discuss:
 - a. the results of this exercise, i.e. individual Agency and overall County ICR
 - b. unallocated costs
 - c. problems encountered
 - d. any additional calculations needed
2. Begin the cost allocation process for FY22.

RISK MANAGEMENT FUND

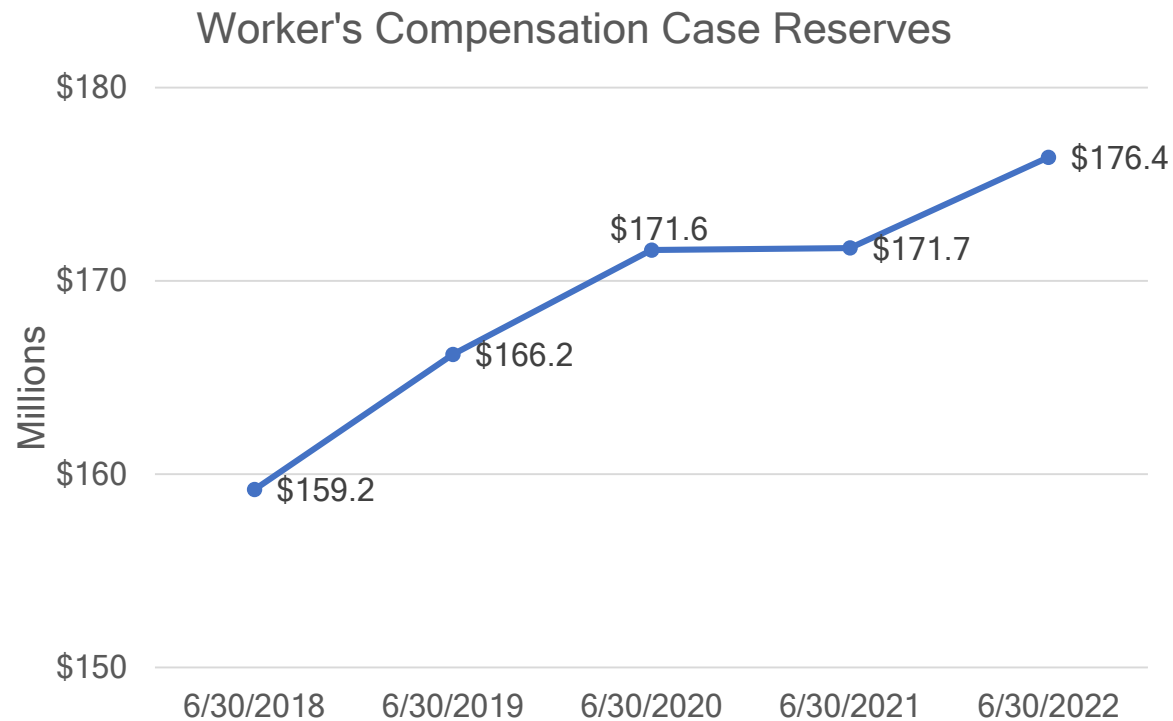
ACTUARIAL ESTIMATE OF OUTSTANDING LOSSES

Program	As of June 30, 2021 (Prior Study)			As of June 30, 2022 (Current Study)		
	Low-End	Expected	High-End	Low-End	Expected	High-End
Workers Compensation	\$164.9	\$165.7	\$171.7	\$168.3	\$170.1	\$176.4
General Liability	21.8	23.6	28.5	16.4	17.8	21.3
Automobile Liability	4.0	4.5	5.1	3.7	4.1	4.7
Property	0.2	0.3	0.3	0.2	0.2	0.3
Total	\$190.9	\$194.1	\$205.6	\$188.6	\$192.2	\$202.7



STRATEGIC FOCUS: REVIEW RISK MANAGEMENT FUND RESERVES TO IDENTIFY POTENTIAL POLICY CHANGES

Increasing outstanding losses for FY24 driven by Worker's Compensation case reserves



TRAINING TO MEET ANNUAL OSHA AND COUNTY-SPECIFIC REQUIREMENTS

Annual OSHA Required Program Trainings

- Hazard Communication
- PPE and Safe Power Tools
- Powered Industrial Trucks (PIT)
- Powered Work Platforms and Aerial Lifts
- Fall Prevention Slips, Trips, Falls and Ladders
- Summer Safety and Heat Stress
- Ergonomics and Safe Lifting
- Distracted Driving: Preventing Motor Vehicle Accidents
- National Preparedness Month Courses
- Fire Prevention and Fire Extinguisher
- Winter Work Safety
- Electrical Safety and Lockout/Tagout

County-Specific Trainings

- Forklift Operation
- Active Shooter Safety
- Virtual departmental Risk Coordinator meetings
- Plus, 30 sponsored on-demand safety training courses available through the County's NEOGOV Learning Management System



FY23-24 DEBT ISSUANCE CALENDAR

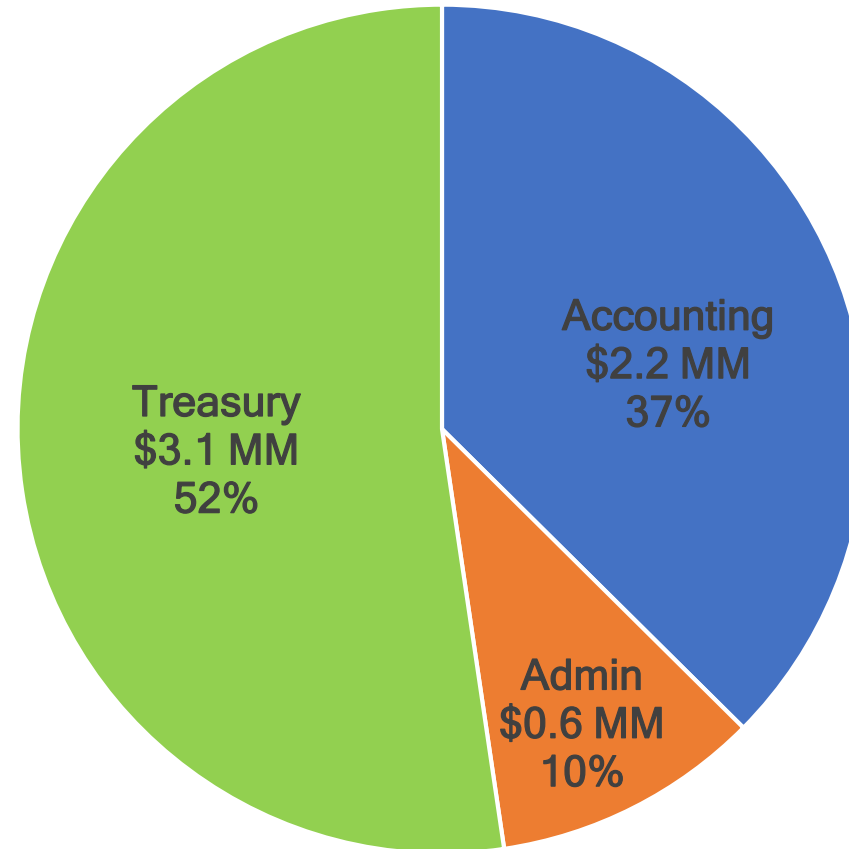
General Obligation Bonds	Approximate Timing
\$260M ⁽¹⁾ - Consolidated Public Improvement Bonds	Spring 2023
\$241M ⁽¹⁾ - Consolidated Public Improvement Bonds	Spring 2024
Double Barreled	Approximate Timing
\$65M - Water Quality Loan ⁽²⁾	Spring 2023
\$35M - Water Quality Loan ⁽²⁾	Summer 2023
Annual Appropriation	Approximate Timing
\$25M Equipment Lease Purchase Financing or COP	Spring 2023
\$25M Equipment Lease Purchase Financing or COP	Spring 2024
Special Obligation Developer Note	Approximate Timing
\$5.7M ⁽³⁾ Amore Apollo Project	Spring 2023

- (1) Estimated General Fund Component
- (2) Annual Appropriation and System Revenues
- (3) TIF Revenues



FY 2024 PROPOSED BUDGET BY DIVISION

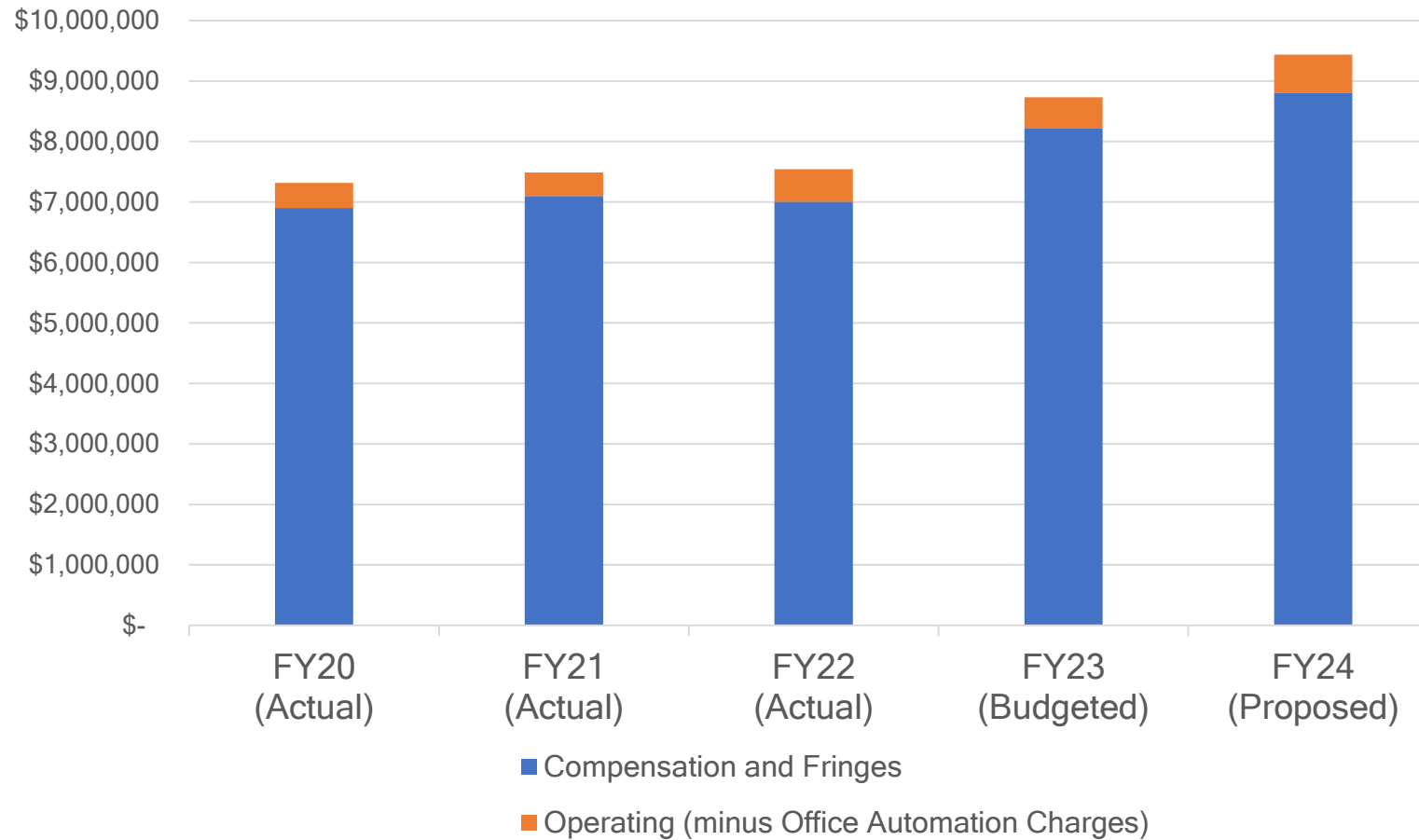
\$5.9 Million*



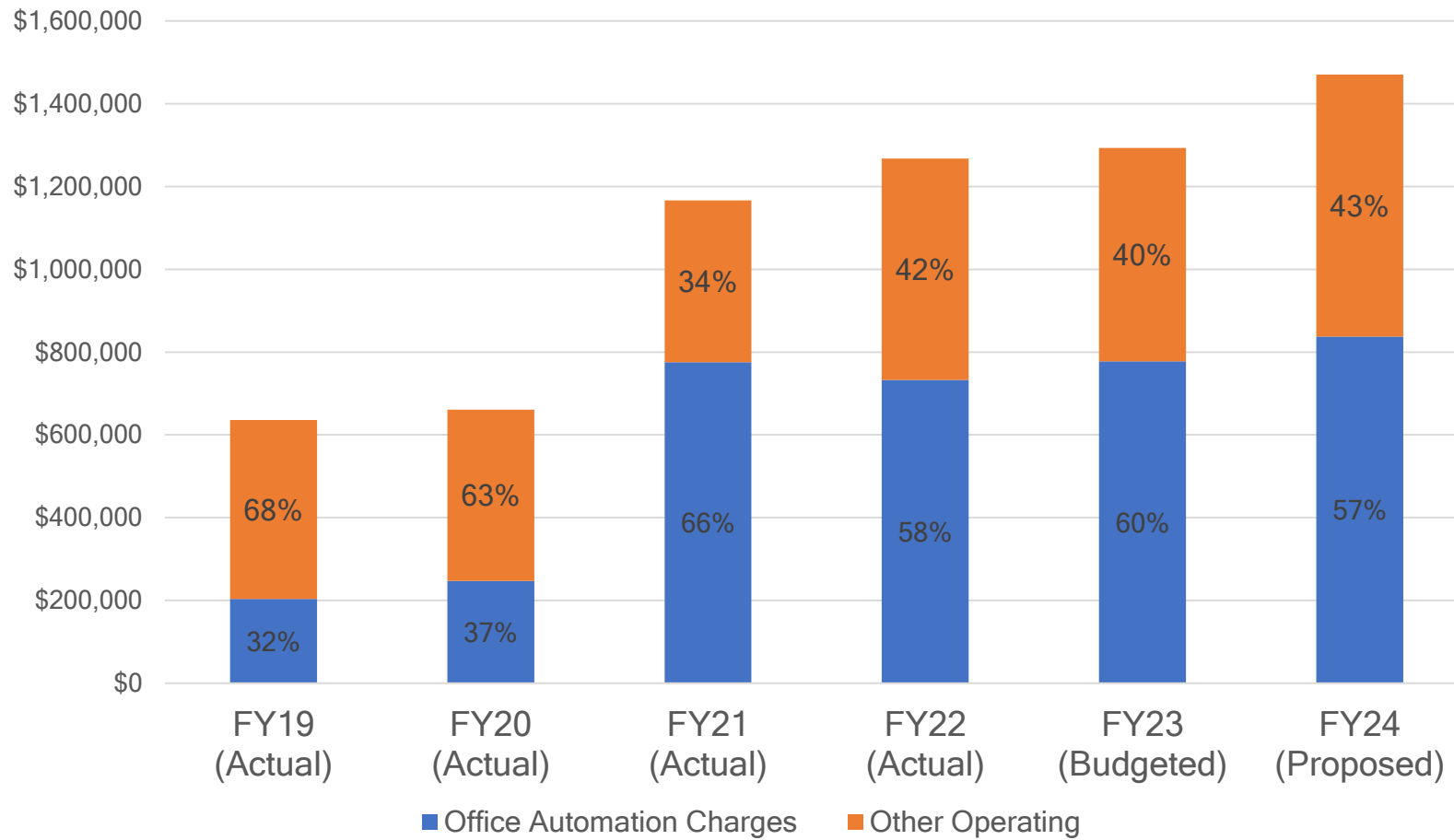
*Includes Recoveries



AGENCY EXPENDITURES FY20-24



OPERATING EXPENDITURES FY19-24





QUESTIONS

