

NON-DEPARTMENTAL

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, Other 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 and the Conference and Visitors Bureau. It also provides transfers to various capital improvement projects.
- Other – manages operational transactions that are not agency specific including office space and utilities, special compliance efforts, retiree benefits and equipment leases.
- Contingency – provides resources for costs related to unsettled collective bargaining agreements, designated operating activities and unanticipated employee separation costs.

FY 2014 BUDGET SUMMARY

The FY 2014 approved General Fund budget for Non-Departmental is \$224,241,600, a decrease of \$3,072,900 or 1.4% under the FY 2013 approved budget.

	FY 2012 ACTUAL	FY 2013 BUDGET	FY 2013 ESTIMATED	FY 2014 APPROVED	CHANGE FY13 - FY14
Debt Service	\$ 89,889,161	\$ 80,187,600	\$ 66,990,300	\$ 97,306,800	21.3%
Grants and Transfers	38,572,290	53,627,400	56,531,800	35,371,200	-34.0%
Other Non-Departmental	96,823,896	93,249,500	107,674,800	96,517,400	3.5%
Contingency	50,000,000	250,000	250,000	(4,953,800)	-2081.5%
TOTAL	\$275,285,347	\$ 227,314,500	\$ 231,446,900	\$ 224,241,600	-1.4%

FY 2014 FISCAL OVERVIEW

- \$3.6 million allocated for grants to community organizations.
- \$2 million allocated to reduce accumulated deficit in Risk Management.
- \$26 million to address resource levels for retiree life and health benefits.
- \$15 million provided to Dimensions Healthcare System.
- \$6.8 million for operating costs associated with the speed camera program.
- \$5.8 million for transfers to the Capital Improvement Program (CIP) (Transforming Neighborhoods Initiative area projects).
- (\$5.0) million to account for net savings from the retirement incentive program and other (program-based) cost saving strategies.

FY 2013 KEY NOTATIONS

- Distributed over \$5.8 million to community-based organizations for various programs serving County residents.
- Provided \$1 million to the Alice Ferguson Foundation.
- Provided funding for the purchase of new public safety vehicles.

DEBT SERVICE

	FY2012 ACTUAL	FY2013 BUDGET	FY2013 ESTIMATED	FY2014 APPROVED	CHANGE FY13-FY14
PRINCIPAL					
Schools (GOB's)	\$ 34,024,178	\$ 33,066,216	\$ 33,066,216	\$ 33,226,120	0.5%
Schools (Q-bonds)	3,188,808	-	3,141,783	3,094,758	100.0%
Mass Transit	3,364,113	2,638,870	2,638,870	1,992,980	-24.5%
Roads (GOB's)	20,822,096	19,400,702	19,400,702	20,054,373	3.4%
Public Buildings	7,641,553	7,586,260	7,586,260	8,138,772	7.3%
Fire	1,560,151	1,419,128	1,419,128	1,476,852	4.1%
Community College	1,700,040	1,857,078	1,857,078	2,005,351	8.0%
Correctional Facilities	1,356,127	932,801	932,801	994,667	6.6%
Library	1,648,222	1,686,808	1,686,808	1,795,754	6.5%
Health	597,446	320,393	320,393	318,692	-0.5%
Police	753,373	335,979	335,979	106,440	-68.3%
Hospital	22,701	10,766	10,766	-	-100.0%
MILA Debt	30,128	32,249	32,249	34,520	7.0%
Local Government Insurance Trust (LGIT) Debt	1,410,000	1,495,000	1,495,000	-	-100.0%
Current Year Bond Sale	-	3,705,900	-	5,850,500	57.9%
Sinking Fund Payments	-	3,141,800	-	-	-100.0%
TOTAL	\$ 78,118,936	\$ 77,630,000	\$ 73,924,000	\$ 79,089,800	1.9%

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 Comprehensive Annual Financial Report (CAFR).

NON-DEPARTMENTAL

GENERAL FUND

	FY2012 ACTUAL	FY2013 BUDGET	FY2013 ESTIMATED	FY2014 APPROVED	CHANGE FY13-FY14
INTEREST AND SERVICE CHARGES					
Schools - General Obligation Bonds (GOB's)	\$ 19,211,881	\$ 24,086,400	\$ 19,523,600	\$ 17,911,300	-25.6%
Mass Transit	774,369	717,500	647,300	521,200	-27.4%
Roads (GOB's)	11,625,960	14,877,100	12,433,100	11,474,900	-22.9%
Public Buildings	6,874,625	8,119,600	7,377,400	7,005,000	-13.7%
Fire	1,388,240	1,496,900	1,402,500	1,332,400	-11.0%
Community College	993,731	1,301,400	1,129,100	1,033,900	-20.6%
Correctional Facilities	786,540	1,045,800	911,900	865,600	-17.2%
Library	1,071,325	1,522,600	1,374,900	1,291,300	-15.2%
Health	251,677	240,000	240,000	224,000	-6.7%
Police	80,329	57,300	57,300	39,800	-30.5%
Hospital	1,791	600	600	-	-100.0%
MILA Debt	11,842	9,700	9,700	7,500	-22.7%
Local Government Insurance Trust (LGIT) Debt	133,100	45,200	45,200	-	-100.0%
Current Year Bond Sale/Refinancing	135,668	2,949,300	-	8,675,000	194.1%
Service Charges	-	-	-	-	0.0%
TOTAL INTEREST AND SERVICE CHARGES	\$ 43,341,078	\$ 56,469,400	\$ 45,152,600	\$ 50,381,900	-10.8%
PRINCIPAL	\$ 78,118,936	\$ 77,630,000	\$ 73,924,000	\$ 79,089,800	1.9%
TOTAL PRINCIPAL, INTEREST AND SERVICE CHARGES	\$ 121,460,014	\$ 134,099,400	\$ 119,076,600	\$ 129,471,700	-3.5%
Less:					
Mass Transit	\$ (4,138,032)	\$ (3,356,400)	(3,286,200)	\$ (2,514,200)	-25.1%
School Surcharge	(20,857,114)	(25,905,400)	(22,990,300)	(23,433,000)	-9.5%
Telecommunications Tax Supported					
School Projects	(1,902,675)	(2,219,400)	(2,119,400)	(2,270,300)	2.3%
IRS Subsidy	(2,321,782)	(1,348,700.00)	(2,537,400)	(2,537,400)	88.1%
Bond Premiums	(2,351,250)	(21,081,900.00)	(21,153,000)	(1,410,000)	-93.3%
CP35 Q Bond Payments	-	-	-	-	0.0%
NET COUNTY DEBT	\$ 89,889,161	\$ 80,187,600	\$ 66,990,300	\$ 97,306,800	21.3%
Note: Numbers may not add due to rounding. MILA debt is accounted for in State Debt Assumption Payments.					

FY 2014 Debt Issuance Plan

Prince George's County plans to issue new general obligation bonds of \$210 million in the spring of 2014. 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, 2010, the County's outstanding net direct debt totaled \$705.3 million; on June 30, 2011, it was \$714.4 million; and on June 30, 2012, it increased to \$714.7 million. These figures exclude overlapping debt of the Industrial Development Authority Lease Revenue Bonds.

Self-Supporting Debt. Portions of the gross direct debt are considered to be self-supporting, (e.g., 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:

SELF-SUPPORTING DIRECT DEBT (Millions \$'s)		
	6/30/2011	6/30/2012
General Obligation Bonds:		
Mass Transit Debt-Washington Suburban Transit Commission (WSTC)	\$ 18.5	\$ 15.0
Stormwater Management	67.0	85.4
County Solid Waste Management Bonds	37.2	36.0
School Facilities Supported by School Surcharge	267.9	252.4
School Facilities Supported by Telecommunications Tax	26.8	26.1
Maryland Development Debt	0.2	0.2
Maryland Community Development Administration (CDA) Infrastructure	0.6	0.6
State Bonds	0.0	0.0
Revenue Bonds:		
Solid Waste Management System	5.0	2.9
Total Self-Supporting Debt	\$ 423.2	\$ 418.6
SOURCE:		
FY 2012: CAFR for the Year Ending June 30, 2012, Prince George's County, Maryland, Page 153 (Table 14).		
FY 2011: CAFR for the Year Ending June 30, 2011, Prince George's County, Maryland, Page 152 (Table 13).		

NET TAX-SUPPORTED GENERAL FUND DEBT			
(Millions \$'s)			
	Actual	Actual	Actual
	6/30/2010	6/30/2011	6/30/2012
Net Direct Debt	\$ 705.3	\$ 714.4	\$ 714.7
Overlapping Debt	69.4	67.5	65.3
TOTAL	\$ 774.7	\$ 781.9	\$ 780.0
ANNUAL GROWTH	\$ 23.2	\$ 7.2	\$ (1.9)
SOURCE:			
FY 2010: CAFR for the Year Ending June 30, 2010, Prince George's County, Maryland, Page 148 (Table 13)			
FY 2011: CAFR for the Year Ending June 30, 2011, Prince George's County, Maryland, Page 148 (Table 13)			
FY 2012: CAFR for the Year Ending June 30, 2012, Prince George's County, Maryland, Page 153 (Table 14)			

Overlapping Debt

In addition to the direct debt, the County has formally agreed to pay the Industrial Development Authority of Prince George's County for the payments due on lease revenue bonds through annual lease payments. The Authority uses the lease payments made by the County to retire its outstanding debt. Most of the proceeds of the debt issued by the Authority were used to build the Prince George's County Courthouse in Upper Marlboro. On June 30, 2012, the outstanding general fund net overlapping debt was \$65.3 million.

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. In addition, the County receives certain payments by the State of Maryland for a portion of the Industrial Development Authority (IDA) lease payments. 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 between the Highway Maintenance Division in the Department of Public Works and Transportation and 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
2012	865,200	\$82,964,524,909	\$714,695,331	0.9%	826	3.4%
2011	871,233	95,135,150,806	714,419,526	0.8%	820	3.8%
2010	863,420	96,054,707,346	705,280,978	0.7%	817	3.4%
2009	834,560	85,155,247,625	704,467,333	0.8%	844	2.7%
2008	820,852	72,900,955,419	782,927,125	1.1%	954	2.7%
2007	828,770	60,716,650,060	759,188,646	1.3%	916	3.1%
2006	841,315	52,277,304,579	709,848,849	1.4%	844	2.9%
2005	842,764	46,612,628,987	686,662,549	1.5%	815	3.3%
2004	837,837	43,066,687,540	661,141,076	1.5%	789	4.2%
2003	832,761	40,794,370,145	551,729,272	1.4%	663	3.8%

Notes:

- Population estimates are from the U.S. Census Bureau, Population Estimates Branch, except FY 2012. Population figures are determined at the close of each calendar year. (FY 2012 estimate is provided by County Planning Department.)
- 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 Assessment and Taxation. Personal property assessed value remains unchanged at full market value.
- 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 - and includes Parking Authority's (component unit) bonded debt.

SOURCE: CAFR for the Year Ended June 30, 2012, Prince George's County, Maryland, Page 143 (Table 5), Page 153 (Table 14) and Page 157 (Table 18).

GRANTS AND TRANSFER PAYMENTS

GRANT PROGRAM	FY 2012 ACTUAL	FY 2013 BUDGET	FY 2013 ESTIMATED	FY 2014 APPROVED	CHANGE FY13 - FY14
Grants to Community Organizations	\$ 3,110,550	\$ 3,376,300	\$ 3,376,300	\$ 3,611,300	7.0%
Required Payments	198,583	219,400	219,400	234,400	6.8%
Economic Development Corporation	2,751,200	2,983,200	2,983,200	2,934,000	-1.6%
Financial Services Corporation	680,000	789,700	789,700	750,200	-5.0%
Prince George's Community Television	975,700	935,100	935,100	935,100	0.0%
Conference and Visitors Bureau	865,800	822,500	822,500	781,400	-5.0%
Other Economic Development	39,333	80,400	80,400	80,400	0.0%
Memberships	563,817	588,500	589,100	589,200	0.1%
Strategic Goals Initiative	212,450	172,700	276,500	172,700	0.0%
Dimensions Health Corporation	15,000,000	15,000,000	15,800,000	15,000,000	0.0%
Other Payments	5,153,257	2,482,500	4,482,500	2,482,500	0.0%
Transfers to Capital Improvement Program	9,021,600	22,177,100	22,177,100	5,800,000	-73.8%
Transfers to Other Funds	-	4,000,000	4,000,000	2,000,000	-50.0%
TOTAL	\$ 33,572,290	\$ 53,627,400	\$ 56,531,800	\$ 35,371,200	-34.0%

Grants to Community Organizations -- \$3,611,300

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

Required Payments -- \$234,400

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

Economic Development Corporation -- \$2,934,000

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.

Financial Services Corporation -- \$750,200

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 -- \$935,100

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

Conference and Visitors Bureau -- \$781,400

This funding supports the Conference and Visitors Bureau, a promotional agency under contract with the County that assists in the implementation of the County's comprehensive economic and cultural development program.

Other Economic Development -- \$80,400

Regional marketing and administrative programs are supported by these funds.

Memberships -- \$589,200

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

Strategic Goals Initiative -- \$172,700

Funding will be utilized to further the County's economic development initiatives.

Dimensions Healthcare System, Inc. -- \$15,000,000

These resources are designated to support the Dimensions Healthcare System in partnership with the State of Maryland.

Other Payments -- \$2,482,500

This funding includes grants to various non-profit and health and human services agencies.

Transfers to Capital Improvement Program -- \$5,800,000

Funds allocated to capital projects, including the Redevelopment Authority and TNI areas for blight.

Transfers to Other Funds -- \$2,000,000

Funds allocated to help reduce the accumulated deficit in the Risk Management Fund.

OTHER NON-DEPARTMENTAL EXPENSES

	FY 2012 ACTUAL	FY 2013 BUDGET	FY 2013 ESTIMATED	FY 2014 APPROVED	CHANGE FY 13 - FY 14
General Fund Insurance	\$ 8,437,700	\$ 8,437,700	\$ 8,437,700	\$ 8,437,700	0.0%
Judgments and Losses	177,126	300,000	300,000	300,000	0.0%
Postage	1,323,645	1,100,000	1,100,000	1,200,000	9.1%
Real Estate Acquisition Program	4,280,015	4,291,400	4,291,400	4,291,400	0.0%
Equipment Leases	8,004,500	8,411,300	11,325,100	12,865,400	53.0%
Other Leases	16,584,447	16,157,000	16,707,000	16,696,700	3.3%
Utilities	10,052,347	9,650,000	9,630,100	9,450,000	-2.1%
Streetlight Electricity	2,686,193	2,200,000	2,098,900	2,200,000	0.0%
Traffic Signal Electricity	3,535,900	4,100,000	3,459,000	3,600,000	-12.2%
Miscellaneous Expenses	11,267,109	8,864,300	24,330,500	7,704,800	-13.1%
Speed Camera Program	5,726,263	11,167,700	7,400,000	6,754,000	-39.5%
State Debt Assumption Payments	1,095,200	95,200	95,200	95,200	0.0%
Deferred Compensation in Lieu of State Retirement	79,232	100,000	100,000	100,000	0.0%
Miscellaneous Pensions	(1,000)	3,000	3,000	3,000	0.0%
Unemployment Insurance	592,600	500,000	500,000	600,000	20.0%
Retiree Life Benefits/Annuities	994,602	950,000	950,000	1,000,000	5.3%
Retiree Health Benefits	23,445,400	25,048,400	25,048,400	25,048,400	0.0%
Other Benefit Cost	5,141,019	-	-	-	0.0%
Transfer to Grant Funds	-	-	-	-	0.0%
Department of Justice Settlement Costs	420,778	484,900	509,900	509,900	5.2%
Sub-Total	\$ 103,843,076	\$ 101,860,900	\$ 116,286,200	\$ 100,856,500	-1.0%
Expenditure Recoveries					
Retiree Benefits	\$ (117)	\$ -	\$ -	\$ -	0.0%
Leases/Utilities	(2,526,470)	(2,526,500)	(2,526,500)	(2,526,500)	0.0%
Washington Suburban Transit Commission	-	-	-	-	0.0%
Acquisition Program	(391,153)	(537,600)	(537,600)	(537,600)	0.0%
Postage	(177,586)	(220,000)	(220,000)	(175,000)	-20.5%
Other	(3,923,853)	(5,327,300)	(5,327,300)	(1,100,000)	-79.4%
Sub-Total	\$ (7,019,180)	\$ (8,611,400)	\$ (8,611,400)	\$ (4,339,100)	-49.6%
Total	\$ 96,823,896	\$ 93,249,500	\$ 107,674,800	\$ 96,517,400	3.5%

General Fund Insurance (Self-Insurance Fund) -- \$8,437,700

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 -- \$300,000

This appropriation represents contingent small claims payouts by the County.

Postage -- \$1,200,000

The postage appropriation for FY 2014 increases by \$100,000. Approximately 16% of postage costs are recovered from various agencies each year.

Real Estate Acquisition Program (REAP) -- \$4,291,400

On May 3, 1991, pursuant to the Real Estate Acquisition Program (REAP), the County financed the acquisition of two leased properties. The agreement required annual appropriations beginning in FY 1994 to pay annual purchase installment payments. REAP II was issued in August 1994 totaling \$21.9 million. The financing consisted of the purchase of five facilities and the relocation of over 600 employees in 10 different County agencies.

Equipment Leases -- \$12,865,400

The FY 2014 expenditures include the principal and interest payment of the 2011, 2012, 2013 and 2014 lease purchase payments. It also includes resources for voting machine rentals.

Other Leases -- \$16,696,700

The Office of Central Services is responsible for maintaining the County's lease agreements for various locations. The County has agreed to pay the IDA for payments due on lease revenue bonds through annual lease payments. The Authority uses the lease payments to retire its outstanding debt. Most of the debt proceeds were used to build the Prince George's Courthouse in Upper Marlboro.

Utilities -- \$9,450,000

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

Streetlights -- \$2,200,000

Projected energy costs for streetlights maintained by the County.

Traffic Signals -- \$3,600,000

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

Miscellaneous Expenses -- \$7,704,800

This category includes resources for general and administrative services related to the implementation of the County's strategic plan as well as costs associated with the School System Performance Audit, collection of emergency transportation fees and the Summer Youth Program. Starting from FY 2012, this budget also includes \$4.4 million in costs for payments to the State for the State Department of Assessment and Taxation. (FY 2013 estimate includes \$15 million for retirement incentive)

Speed Camera Program -- \$6,754,000

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 Program and parking fines managed by the Revenue Authority.

State Debt Assumption Payments -- \$95,200

The County makes payments on various County facilities that have been financed with State debt.

Deferred Compensation in Lieu of State Retirement -- \$100,000

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.

Miscellaneous Pensions -- \$3,000

A teacher who retired in 1962 is eligible for a supplementary County retirement payment in the amount of \$25.00 per month. Another retiree was added in FY 1998. Article 73B, Section 63, of the Annotated Code of Maryland requires that the County Council of Prince George's County levy and pay pensions to former judges of the People's Court or their surviving spouses. Eligibility is based on court service as provided in the aforementioned law. Additionally under State law (Estates and Trusts Article, Section 2-108), the County must pay pensions to former judges of the County's Orphans' Court.

Unemployment Insurance -- \$600,000

This represents the anticipated unemployment insurance claims payable during the fiscal year.

Retiree Life and Health Insurance -- \$26,048,400

This represents both the Retiree Life Benefits/Annuities (\$1.0 million) and the Retiree Health Benefits (\$25.0 million) costs. The County portion of health and life insurance costs for retired

NON-DEPARTMENTAL

GENERAL FUND

employees are funded in this category. It includes \$950,000 for retiree life insurance, \$50,000 for retiree annuities, and \$25,048,400 for retiree health benefits, or Other Post Employment Benefits

(OPEB). FY 2008 was the first year the County implemented its multi-year phase-in plan to meet the Governmental Accounting Standards Board's (GASB) Statement 45 requirement associated with OPEB.

Department of Justice Settlement Costs -- \$509,900

Funding is budgeted for anticipated costs associated with the Department of Justice settlement with the Police Department.

Expenditure Recoveries (Project Charges) -- (\$4,399,100)

Expenditure Recoveries are from non-general funds for the use of space at the Inglewood Center and REAP II recoveries, charges for utilities, maintenance and equipment usage payments, retiree health insurance recoveries, and postage recoveries from various funds. The FY 2014 recoveries include certain payments by the State of Maryland for a portion of the IDA lease payments.

NON-DEPARTMENTAL**OTHER FUNDS****CONTINGENCY**

	FY 2012 ACTUAL	FY 2013 BUDGET	FY 2013 ESTIMATED	FY 2014 APPROVED	CHANGE FY13 - FY14
<u>Compensation Contingency</u>					
Negotiations	\$	\$	\$	\$18,622,300	100.0%
Retirement Incentive Savings	-	-	-	(19,010,600)	-100.0%
Programmatic reductions	-	-	-	\$ (5,000,000)	-100.0%
Office Automation Savings	-	-	-	\$ 434,500	100.0%
Operating Contingency	50,000,000	250,000	250,000	-	-100.0%
Leave Payout Contingency	-	-	-	-	0.0%
Fringe Benefits Contingency	-	-	-	-	0.0%
TOTAL	\$ 50,000,000	\$ 250,000	\$ 250,000	\$ (4,953,800)	-2081.5%

The FY 2014 approved contingency budget of -\$4,953,800 represents a decrease of \$5,203,800 or 2081.5% under the FY 2013 approved budget. The contingency amount represents the costs associated with future labor negotiations and the savings associated with the retirement incentive program and other reductions.

ECONOMIC DEVELOPMENT INCENTIVE FUND

This fund will provide financial assistance in 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.

	FY 2012 ACTUAL	FY 2013 BUDGET	FY 2013 ESTIMATED	FY 2014 APPROVED	CHANGE FY13-FY14
EXPENDITURE SUMMARY					
Compensation	\$ -	\$ -	\$ -	\$ -	0.0%
Fringe Benefits	-	-	-	-	0.0%
Operating Expenses	-	11,000,000	4,910,000	12,170,400	10.6%
Capital Outlay	-	-	-	-	0.0%
Sub-Total	-	11,000,000	4,910,000	12,170,400	10.6%
Recoveries	-	-	-	-	0.0%
TOTAL	\$ -	\$ 11,000,000	\$ 4,910,000	\$ 12,170,400	10.6%
STAFF					
Full-Time - Civilian	-	-	-	-	0.0%
Full-Time - Sworn	-	-	-	-	0.0%
Part-Time	-	-	-	-	0.0%
Limited Term Grant	-	-	-	-	0.0%

NON-DEPARTMENTAL

OTHER FUNDS

Economic Development Fund - Summary - FY 2012 - FY 2016						
Preliminary Estimates - Subject to Change - For Illustrative Purposes Only						
	FY 2012 ACTUAL	FY 2013 APPROVED	FY 2013 ESTIMATED	FY 2014 PROJECTED	FY 2015 PROJECTED	FY 2016 PROJECTED
Beginning Balance - July 1st	\$ -	\$ 47,210,600	\$ 50,000,000	\$ 45,340,000	\$ 35,147,400	\$ 25,956,000
Revenues						
Transfers In - General Fund	\$ 50,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	-	200,000	250,000	226,700	175,700	129,800
Loan Repayments	-	1,751,100	-	1,751,100	3,632,900	7,396,500
Equity Investment Returns	-	-	-	-	-	135,400
Federal Aid	-	-	-	-	-	-
State Aid	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-
Appropriation from Fund Balance	-	9,048,900	4,660,000	10,192,600	9,191,400	5,338,300
Total Revenues	\$50,000,000	\$11,000,000	\$4,910,000	\$12,170,400	\$13,000,000	\$13,000,000
Expenditures						
Transfers Out - General Fund	-	-	-	\$1,170,400	-	-
Direct Grants	-	2,000,000	-	1,692,300	2,000,000	2,000,000
Small Business Loans	-	3,600,000	110,000	3,046,200	3,600,000	3,600,000
Major Project Loans	-	5,400,000	4,800,000	4,569,200	5,400,000	5,400,000
Equity Investments	-	-	-	1,692,300	2,000,000	2,000,000
Total Expenditures	\$ -	\$ 11,000,000	\$ 4,910,000	\$ 12,170,400	\$ 13,000,000	\$ 13,000,000
Surplus (Deficit) - Annual	\$50,000,000	(9,048,900)	(4,660,000)	(10,192,600)	(9,191,400)	(5,338,300)
Ending Fund Balance	\$ 50,000,000	\$ 38,161,700	\$ 45,340,000	\$ 35,147,400	\$ 25,956,000	\$ 20,617,700
Assumptions:						
(1) Excess cash balance invested annually at a rate of 0.5%.						
(2) As the EDI Fund develops, there may be additional opportunities to receive both State and Federal grants for economic development projects.						

