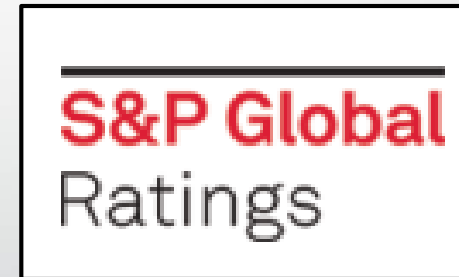


Office of Finance
County Council Review
FY 2024 Proposed Budget
May 10, 2023

Billie Penley, Controller

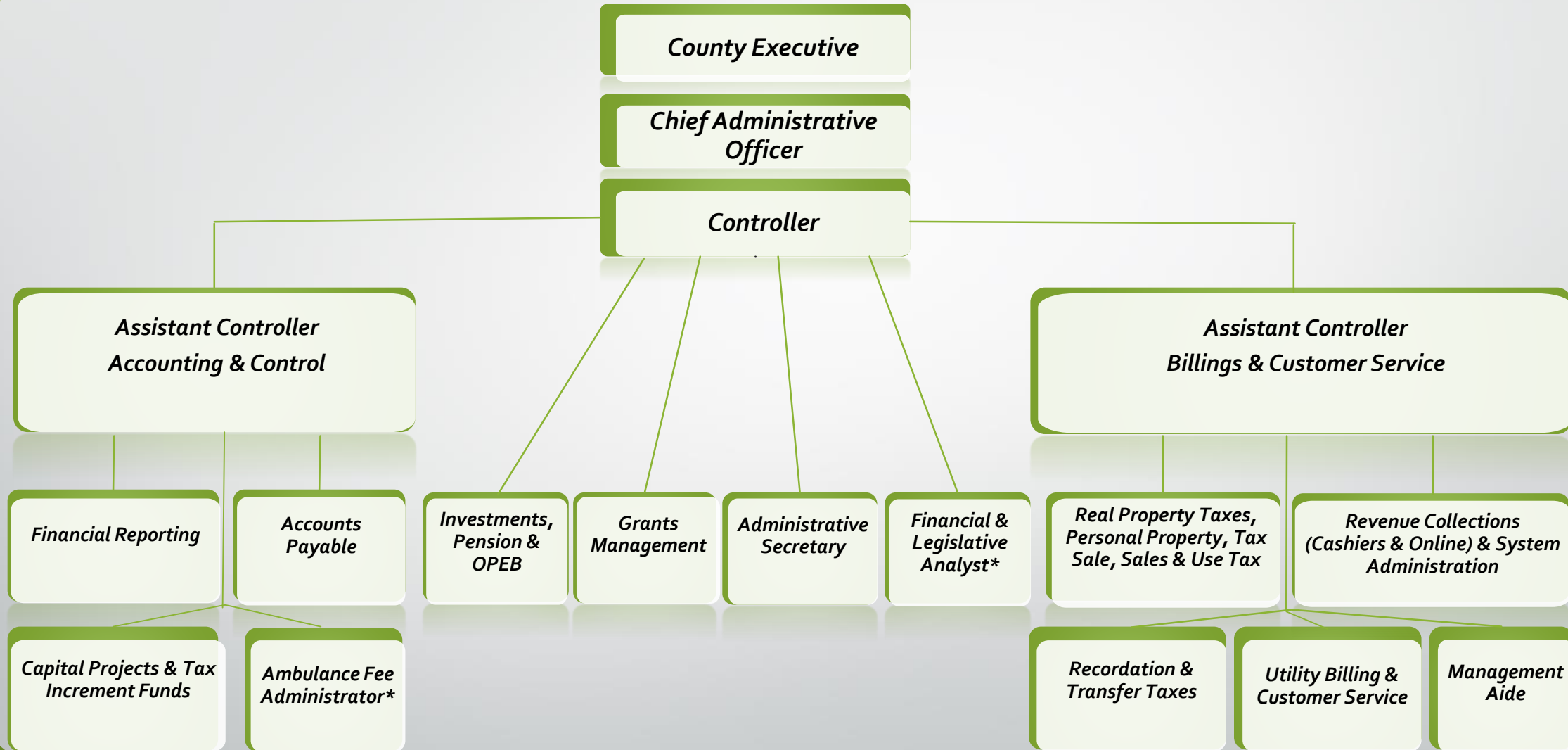
Our Mission

- ***Manage the County's Finances***
- ***Protect the County's Financial Assets***
- ***Strengthen the County's Financial Position and Reputation***

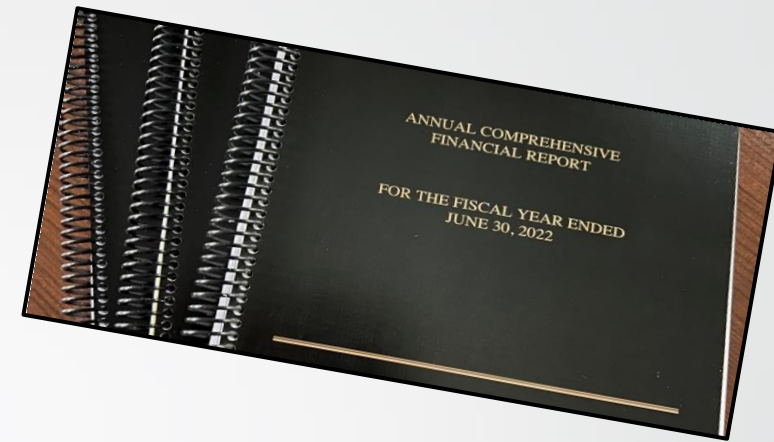


Received an "AAA" bond rating – the highest rating available – from all three major bond rating agencies.

Our Organization



*New in FY 2023.



What We Do

Accounting and Control

- *Prepares the Annual Comprehensive Financial Report*
- *Conducts the County's annual bond sale*
- *Invests General County Funds in accordance with County policy*
- *Provides capital project accounting, cash and debt management, and general billing*
- *Ensures proper grant accounting and reporting*
- *Undertakes financial reporting on the County's pension and Other Post-Employment Benefit (OPEB) trust funds*
- *Pays County vendors*

What We Do



Billing and Customer Service

- *Oversees utility billing for water and wastewater for approximately 144,000 customers*
- *Manages the billing for real and personal property taxes for over 220,000 accounts*
- *Administers tax sales and tax credit programs*
- *Reviews, assesses, and collects recordation and transfer taxes on real estate transfers*
- *Processes deeds and lien certificates and provides support to title and mortgage companies*
- *Oversees 3 Cashier's Offices in receiving funds and addressing billing and collection questions from the public*

What We Did

➤ Accounts Payable

- 22,000 paper checks
- 5,500 electronic payments
- 93,000 invoices

➤ Customer Service

- 77,000 phone calls
- 19,000 emails
- 50,000 deeds
- 1,600 walk-in customers

➤ Recordation and Transfer

- 69,500 instruments (trusts/mortgages, easements, and assignments)

➤ Personal Property

- 13,450 personal property bills

➤ Real Property

- 214,000 real estate bills

➤ Utility Billing

- 590,000 utility bills
- 177,334 delinquent notices
- 139,700 residential/4,300 non-residential

➤ Cashier's Office

- 145,000 counter transactions
- 210,000 lockbox
- 6,960 pay-by-phone since September
- 102,331 online payments
- 5,531 accounts set up for auto-pay

Our Accomplishments

- ***Obtained clean audit opinions for the FY 2022 Annual Comprehensive Financial Report and Retiree Health Benefits Trust Fund.***
- ***Implemented an online payment system offering County residents auto-pay options for their water and property tax bills.***
- ***Satisfied federal accounting and reporting requirements for ARPA funding.***
- ***Provided additional, user-friendly property tax information on the County's website.***

Comparative Statement of Expenditures

General Classifications of Expenditure	Actual FY2022	Original FY2023	Estimate FY2023	Budget FY2024	Inc (Dec) from Orig.
Fund					
General Fund	10,444,214	11,302,000	11,180,300	12,167,500	865,500
Total by Fund	10,444,214	11,302,000	11,180,300	12,167,500	865,500
Character					
Accounting & Control	4,963,529	5,403,100	5,180,800	5,845,200	442,100
Billings & Customer Svc	5,480,686	5,898,900	5,999,500	6,322,300	423,400
Total by Character	10,444,214	11,302,000	11,180,300	12,167,500	865,500
Object					
Personal Services	7,828,717	8,298,800	7,907,200	8,919,900	621,100
Contractual Services	1,962,024	2,291,400	2,495,200	2,457,500	166,100
Supplies & Materials	648,319	689,400	767,400	767,500	78,100
Business & Travel	5,155	19,200	4,700	17,200	(2,000)
Capital Outlay	0	3,200	5,800	5,400	2,200
Total by Object	10,444,214	11,302,000	11,180,300	12,167,500	865,500

Accounting & Control

Office of Finance Accounting & Control

FY2024 Proposed Budget

Program Statement

The Accounting and Control Unit and the Operations Unit comprises the general County government's financial accounting staff and services. This includes:

Administering the daily operations of the Office of Finance.

Administering the accounts payable functions for the general County government. This unit processes all County payments to vendors, prepares Federal and State mandated reports, and processes all Federal 1099 reports to County vendors.

Administering the financial affairs of the County including capital project accounting, investments, cash and debt management, as well as collecting taxes other than property taxes, fees, fines, and other revenues.

Preparing the Annual Comprehensive Financial Report for both the County and Pension Trust Funds, the Single Audit Schedule of Federal Financial Assistance, the County Indirect Cost Report, the Uniform Financial Report for filing with the State, and various other reports for internal and external use. Grant accounting and reporting includes filing and aiding others in filing grant reimbursement reports.

Handling the offering statements for County General Obligation Debt, and coordinating the sale of these bonds and the "commercial paper" program of short-term debt, as well as originating all debt service payments.

The unit also handles the financial aspects of the County's special assessments and tax increment districts.

Budget Summary

General Class of Expenditure	Actual FY2022	Original FY2023	Estimate FY2023	Budget FY2024	Inc (Dec) from Orig.
Fund					
General Fund	4,963,529	5,403,100	5,180,800	5,845,200	442,100
Total by Fund	4,963,529	5,403,100	5,180,800	5,845,200	442,100
Object					
Personal Services	3,312,252	3,525,100	3,123,600	3,809,400	284,300
Contractual Services	1,612,988	1,822,500	2,026,200	1,985,200	162,700
Supplies & Materials	34,449	42,300	30,700	36,800	(5,500)
Business & Travel	3,840	13,200	300	12,100	(1,100)
Capital Outlay	0	0	0	1,700	1,700
Total by Object	4,963,529	5,403,100	5,180,800	5,845,200	442,100

- The increase in Personal Services is attributable to a new Budget & Management Analyst III and a new Financial Clerk II positions, in addition to countywide increases to the pay package and benefits.
- The increase in Contractual Services is attributable to the increase in contractual charges for ambulance fee collection services.

- **New Positions**
Budget & Management Analyst III
Financial Clerk II (Ambulance Billing Program)
- **Reclassified Position**
Financial Clerk II (W-9 Statements and Financial System)

Page 131 Proposed Current Expense Budget

- *A new Financial Clerk II to assist with the County's ambulance billing program, cash receipts, and other duties.*
- *Provides one-time support to develop and train staff on more efficient and effective year-end practices and financial statement preparation.*
- *Reclasses a vacant Office Support Assistant II to a Financial Clerk II to address complex duties such as correct preparation of W-9 statements and financial system cleanup.*

Billings & Customer Service

Office of Finance Billings & Customer Svc

FY2024 Proposed Budget

Program Statement

The Billings and Customer Service Unit comprises the principal revenue collection functions of the County's government. The Unit's main office is in Annapolis, and satellite operations are located at the Heritage Office Complex and in Glen Burnie.

Cashier Operations – collects the vast majority of all County funds. This program controls deposits of County collections and manages lockbox operations and the County mass payment program.

Utility Billing – bills for water and wastewater services for 140,000 customers, as well as front foot, capital facility assessments, and installment agreements. The Unit also administers utility credit programs, and commercial surcharges, as well as disconnecting and reconnecting delinquent accounts.

Tax Billing – bills for real and personal property taxes for 225,000 accounts for the State, the City of Annapolis and Highland Beach, and numerous special community benefit districts. This Unit also bills the County waste collection fees and local sales and use taxes while administering various property tax credit programs including County and State Homeowner and Homestead Credits. The Unit also manages tax sales and handles bankruptcy cases, as well as debt collection.

Customer Service – communicates with the public by telephone, letter, in-person, and electronically with regard to all County billing and collection issues. A major function is educating the public regarding eligible credit programs, available services, and remediating utility, tax, and waste collection problems. Other important functions handled by customer service include: processing deeds, preparing lien certificates, and providing support to title and mortgage companies.

Recordation and Transfer Tax – reviews and processes documents presented for recording. Calculates tax and collects according to fee schedule.

Budget Summary

General Class of Expenditure	Actual FY2022	Original FY2023	Estimate FY2023	Budget FY2024	Inc (Dec) from Orig.
Fund					
General Fund	5,480,686	5,898,900	5,999,500	6,322,300	423,400
Total by Fund	5,480,686	5,898,900	5,999,500	6,322,300	423,400
Object					
Personal Services	4,516,464	4,773,700	4,783,600	5,110,500	336,800
Contractual Services	349,036	468,900	469,000	472,300	3,400
Supplies & Materials	613,870	647,100	736,700	730,700	83,600
Business & Travel	1,315	6,000	4,400	5,100	(900)
Capital Outlay	0	3,200	5,800	3,700	500
Total by Object	5,480,686	5,898,900	5,999,500	6,322,300	423,400

- The increase in Personal Services is attributable to a new Accountant I position, in addition to countywide increases to the pay package and benefits.
- The increase in Contractual Services is attributable to the increase in financial and audit services, offset by the decrease in data processing hardware and software.
- The increase in Supplies and Materials is attributable to the increase in mailing and commercial printing costs.

Page 132 Proposed Current Expense Budget

- **New Position**
Accountant I (Hotel/Motel Occupancy Tax Collection)
- **Reclassified Positions**
Accountant I (Online Payment System)
Financial Clerk I (Utility & Billing)
Financial Clerk II (Recordation & Transfer Tax Collection)
- **Postage and Envelopes**

- ***A new Accountant I to assist with the monthly processing of approximately 300 short-term residential, hotel, and motel accounts subject to the County's occupancy tax.***
- ***Reclasses a vacant Cashier I to an Accountant I to assume new responsibilities such as processing online payment debits arising from the online payment system.***
- ***Reclasses an Office Support Assistant II to a Financial Clerk I and a Financial Clerk I to a Financial Clerk II to more appropriately align job responsibilities in the Utility Billing and Recordation and Transfer Tax Sections.***

Office of Finance



Where Everybody Counts

Thank you!