

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 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 bargaining agreements, designated operating activities and unanticipated employee separation costs.

FY 2010 BUDGET SUMMARY

The FY 2010 approved General Fund budget for Non-Departmental is \$205,897,700, an increase of \$2,209,055 or 1.1% over the FY 2009 approved budget.

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2009 ESTIMATED	FY 2010 APPROVED	CHANGE FY09 - FY10
Debt Service	\$ 71,025,862	\$ 71,708,900	\$ 69,468,400	\$ 89,305,800	24.5%
Grants and Transfers	30,417,018	35,760,345	30,580,300	27,418,900	-23.3%
Other Non-Departmental	79,794,782	76,219,400	82,682,000	89,173,000	16.9%
Contingency	2,068,066	20,000,000	-	-	-100.0%
TOTAL	\$ 183,305,728	\$ 203,688,645	\$ 182,730,700	\$ 205,897,700	1.1%

FY 2010 FISCAL OVERVIEW

- \$12 million for Dimensions Healthcare System.
- \$3.7 million is allocated in grants and transfers for various capital improvement projects, including road resurfacing.
- \$23.0 million is included to address resource levels for Other Post-Employment Benefits (OPEB) for retiree life and health benefits.

FY 2009 KEY NOTATIONS

- Provided \$1.5 million to the Maryland Housing Fund (MHF) for the Home Owners Preserving Equity Program (HOPE) to provide credit assurance for county residents utilizing the HOPE/MHF Refinance Mortgage Program.
- Provided funding for the Prince George's County African-American Museum and Cultural Center at North Brentwood.
- Allocated \$23.0 million to fund Other Post Employment Benefits (OPEB) for retiree life and health benefits.

DEBT SERVICE

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2009 ESTIMATED	FY 2010 APPROVED	CHANGE FY09-FY10
PRINCIPAL					
Schools (GOB's)	\$ 24,383,796	\$ 27,278,900	\$ 27,278,900	\$ 29,244,100	7.2%
Mass Transit	3,134,007	3,252,700	3,252,700	3,103,200	-4.6%
Roads (GOB's)	16,756,749	17,436,200	17,436,200	18,340,500	5.2%
Public Buildings	5,242,802	5,268,900	5,268,900	5,674,500	7.7%
Fire	920,929	957,400	957,400	1,089,100	13.8%
Community College	1,470,838	1,341,900	1,341,900	1,456,100	8.5%
Correctional Facilities	1,176,064	924,300	924,300	947,800	2.5%
Library	1,449,216	1,529,700	1,529,700	1,557,100	1.8%
Health	439,290	508,000	508,000	547,300	7.7%
Police	842,772	697,000	697,000	680,200	-2.4%
Hospital	18,861	15,900	15,900	15,700	-1.3%
MILA Debt	22,950	24,600	24,600	26,300	6.9%
Local Government Insurance Trust (LGIT) Debt	1,120,000	1,185,000	1,185,000	1,255,000	5.9%
TOTAL	\$ 56,978,074	\$ 60,420,400	\$ 60,420,400	\$ 63,936,900	5.8%

Note: Numbers may not add due to rounding.

NON-DEPARTMENTAL

GENERAL FUND

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2009 ESTIMATED	FY 2010 APPROVED	CHANGE FY09-FY10
INTEREST AND SERVICE CHARGES					
Schools (GOB's)	\$ 21,956,830	\$ 22,351,500	\$ 23,568,400	\$ 22,977,200	2.8%
Mass Transit	1,566,500	1,480,400	1,480,800	1,349,600	(7.6%)
Roads (GOB's)	13,330,417	13,613,700	14,128,700	13,634,600	0.2%
Public Buildings	4,286,024	4,544,900	5,167,400	5,312,900	16.9%
Fire	1,017,305	1,159,300	1,246,700	1,260,500	8.7%
Community College	1,173,844	1,179,900	1,194,800	1,137,000	(3.6%)
Correctional Facilities	630,684	596,100	596,100	555,700	(6.8%)
Library	964,165	955,700	1,008,900	966,800	1.2%
Health	319,756	352,500	352,500	326,700	(7.3%)
Police	741,945	731,700	731,700	725,300	(0.9%)
Hospital	14,658	14,300	14,300	13,900	(2.8%)
MILA Debt	19,020	17,400	17,400	15,700	(9.8%)
Local Government Insurance Trust (LGIT) Debt	437,158	368,000	368,000	294,200	(20.1%)
Current Year Bond Sale/Refinancing	141,201	3,400,000	-	1,625,000	(52.2%)
TOTAL INTEREST AND SERVICE CHARGES	\$ 46,599,507	\$ 50,745,300	\$ 49,873,500	\$ 50,195,100	(1.1%)
PRINCIPAL	56,978,074	60,420,400	60,420,400	63,936,900	5.8%
TOTAL PRINCIPAL, INTEREST AND SERVICE CHARGES	\$ 103,577,581	\$ 111,165,700	\$ 110,293,900	\$ 114,132,100	2.7%
Less:					
Mass Transit	(4,700,507)	(4,713,100)	(4,733,200)	(4,452,800)	(5.5%)
Pre-TRIM Debt	(10,670)	-	-	-	
School Surcharge	(23,845,720)	(29,626,400)	(29,069,300)	(18,584,400)	(37.3%)
Telecommunications Tax Supported School Projects	-	(1,148,300)	(1,120,500)	(1,789,100)	55.8%
Interest and Premiums	(3,994,822)	(3,969,000)	(5,902,500)		
NET COUNTY DEBT	\$ 71,025,862	\$ 71,708,900	\$ 69,468,400	\$ 89,305,800	24.5%

Note: Numbers may not add due to rounding.

\$9.9 million and \$12.5 million additional school surcharge revenues were used to fund General Fund debt service in FY 2008 and FY 2009, respectively.

FY 2010 Debt Issuance Plan

In June 2009, Prince George's County is planning to issue new general obligation debt of approximately \$65 million, compared with \$110 million issued in June 2008. The main factor behind the debt issuance continues to be the construction of public schools, followed by road repair and roadway enhancements. During the last five years, the County's bond rating has been upgraded consecutively each year by at least one of the rating agencies. Standard & Poor's upgraded the County from AA+ to AAA in June 2008. The County's current bond rating with Fitch and Moody's are AA+ and Aa1, respectively.

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, 2006, the County's outstanding net direct debt totaled \$709.8 million; on June 30, 2007, it was \$746.0 million; and on June 30, 2008, it increased to \$755.2 million. This excludes 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, i.e., 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)		
	6/30/2007	6/30/2008
Mass Transit Debt (WSTC)	\$ 30.6	\$ 28.2
Stormwater Management	44.3	49.9
County Solid Waste Management Bonds	51.5	47.9
School Facilities Supported by School Surcharge	216.8	237.0
School Facilities Supported by Telecommunications Tax	13.2	27.7
Maryland Development Debt	0.3	0.3
Maryland CDA Infrastructure	0.9	0.8
State Bonds	0.0	0.0
Total Self-Supporting Debt	\$ 357.5	\$ 391.8

SOURCE:
 FY 2008: Comprehensive Annual Financial Report (CAFR) for the Year Ending June 30, 2008, Prince George's County, Maryland, Page 148 (Table 13).
 Official Statement (OS), 6/1/2008, Prince George's County General Obligation Consolidated Public Improvement Bonds, Series 2008, Page 64. (All FY 2008 debt numbers are from CAFR except the \$27.7 million supported by telecommunications tax.
 FY 2007: Comprehensive Annual Financial Report for the Year Ending June 30, 2007, Prince George's County, Maryland, Page 142 (Table 13).
 Official Statement (OS), 6/1/2007, Prince George's County General Obligation Consolidated Public Improvement Bonds, Series 2008, Page 72. (FY 2007 debt numbers are from CAFR except the \$13.2 million supported by telecommunications tax.

NET TAX-SUPPORTED GENERAL FUND DEBT			
(Millions \$'s)			
	Actual 6/30/2006	Actual 6/30/2007	Actual 6/30/2008
Net Direct Debt	\$ 709.8	\$ 746.0	\$ 755.2
Overlapping Debt	52.2	50.4	48.6
TOTAL	\$ 762.0	\$ 796.3	\$ 803.8
ANNUAL GROWTH	\$ 11.5	\$ 34.3	\$ 7.5
SOURCE:			
FY 2008: Comprehensive Annual Financial Report (CAFR) for the Year Ending June 30, 2008, Prince George's County, Maryland, Page 148 (Table 13) Official Statement (OS), 6/1/2008, Prince George's County General Obligation Consolidated Public Improvement Bonds, Series 2008, Page 64.			
FY 2007: Comprehensive Annual Financial Report (CAFR) for the Year Ending June 30, 2007, Prince George's County, Maryland, Page 142 (Table 13) Official Statement (OS), 6/1/2007, Prince George's County General Obligation Consolidated Public Improvement Bonds, Series 2007A, Page 72.			
FY 2006: Comprehensive Annual Financial Report for the Year Ending June 30, 2006, Prince George's County, Maryland, Page 142 (Table 13)			

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, 2008, the outstanding general fund net overlapping debt was \$48.6 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 their 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 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 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. However, the debt level remains relatively low as measured by various indicators shown in the following table. 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
2008	n.a.	\$75,719,377,781	\$755,237,125	1.0%	n.a.	2.7%
2007	828,110	63,544,194,607	745,988,646	1.2%	901	3.1%
2006	841,315	55,100,673,191	709,848,849	1.3%	844	2.9%
2005	842,764	49,441,014,340	696,507,549	1.4%	826	3.3%
2004	837,837	46,022,798,662	661,141,076	1.4%	789	4.2%
2003	832,761	43,832,133,344	551,729,272	1.3%	663	3.8%
2002	825,815	42,190,778,637	512,986,731	1.2%	621	3.9%
2001	815,927	18,182,903,909	507,496,857	2.8%	622	4.2%
2000	802,712	17,891,768,130	468,598,727	2.6%	584	4.3%
1999	789,037	17,525,978,395	426,735,523	2.4%	541	4.3%

Notes:

1. Population estimates are from the U.S. Census Bureau, Population Estimates Branch. Population figures are determined at the close of each calendar year.
2. 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.
3. 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: Comprehensive Annual Financial Report for the Year Ended June 30, 2008, Prince George's County, Maryland, Page 139 (Table 5), Page 148 (Table 13) and Page 152 (Table 17)
 Official Statement, 6/1/2008, Prince George's County General Obligation Consolidated Public Improvement Bonds, Series 2008, Page 63, 64, and 68

GRANTS AND TRANSFER PAYMENTS

GRANT PROGRAM	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2009 ESTIMATED	FY 2010 APPROVED	CHANGE FY09 - FY10
Grants to Community Organizations	\$ 4,235,487	\$ 2,741,500	\$ 2,446,500	\$ 2,030,300	-25.9%
Required Payments	203,790	202,500	202,500	202,500	0.0%
Economic Development Corporation	2,886,700	3,013,200	2,923,200	2,923,200	-3.0%
Financial Services Corporation	680,000	680,000	650,000	613,100	-9.8%
Prince George's Community Television	996,900	1,036,900	1,016,900	1,016,900	-1.9%
Other Economic Development	499,092	724,000	674,000	674,000	-6.9%
Conference and Visitors Bureau	866,600	1,000,000	950,000	950,000	-5.0%
Memberships	543,486	558,600	558,600	563,900	0.9%
Strategic Goals Initiative	295,953	1,134,000	609,000	859,000	-24.3%
Dimensions Health Corporation	8,000,000	12,000,000	12,000,000	12,000,000	0.0%
Transfers to Capital Improvement Fund	10,075,000	7,333,145	4,333,145	3,700,000	-49.5%
Other Payments	1,134,012	5,336,500	4,186,500	1,886,000	-64.7%
TOTAL	\$ 30,417,018	\$ 35,760,345	\$ 30,550,345	\$ 27,418,900	-23.3%

Grants to Community Organizations -- \$2,030,300

Funding supports a variety of community based organizations serving county residents.

Required Payments -- \$202,500

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

Economic Development Corporation -- \$2,923,200

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 -- \$613,100

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 -- \$1,016,900

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

Other Economic Development -- \$674,000

Regional marketing and administrative programs are supported by these funds. In addition, funding is included per CR-73-2005 for community organizations impacted by the professional football stadium.

Conference and Visitors Bureau -- \$950,000

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.

Memberships -- \$563,900

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

Strategic Goals Initiative -- \$859,000

Funding will be utilized to further the Livable Communities strategy and the County's economic development initiatives.

Dimensions Health Care System, Inc. -- \$12,000,000

These resources are designated to support the County's public hospital – Prince George's Hospital Center.

Transfers to CIP -- \$3,700,000

These resources are designated to support several facilities, public infrastructure, and redevelopment projects included in the FY 2010 Capital Budget including \$2.1 million for Redevelopment Authority projects, \$1.3 million for road resurfacing and \$300,000 for the Administrative Information System.

Other Payments -- \$1,886,000

This funding includes grants to various health and human service agencies.

OTHER NON-DEPARTMENTAL EXPENSES

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2009 ESTIMATED	FY 2010 APPROVED	CHANGE FY09 - FY10
General Fund Insurance	\$ 7,500,000	\$ 7,500,000	\$ 7,500,000	\$ 5,500,000	-26.7%
Judgments and Losses	63,167	300,000	300,000	300,000	0.0%
Postage	1,554,275	1,340,000	1,290,000	1,500,000	11.9%
Real Estate Acquisition Program	4,298,564	4,608,100	4,608,100	4,607,000	0.0%
Equipment Leases	12,334,831	13,438,700	13,438,700	16,978,600	26.3%
Other Leases	12,555,643	12,864,000	13,108,900	16,195,600	25.9%
Utilities	7,382,139	6,930,000	8,407,000	8,930,000	28.9%
Streetlight Electricity	4,907,285	2,400,000	4,867,900	4,400,000	83.3%
Traffic Signal Electricity	4,440,128	5,100,000	5,100,000	5,100,000	0.0%
Miscellaneous Expenses	2,576,334	1,271,000	1,524,600	6,163,700	384.9%
State Debt Assumption Payments	1,137,084	1,137,200	1,137,200	1,095,200	-3.7%
Deferred Compensation in Lieu of State Retirement	88,280	130,000	130,000	130,000	0.0%
Miscellaneous Pensions	2,713	3,000	3,000	3,000	0.0%
Unemployment Insurance	382,190	250,000	250,000	250,000	0.0%
Retiree Life Benefits/Annuities	944,602	935,000	945,000	950,000	1.6%
Retiree Health Benefits	22,033,840	22,048,400	22,048,400	22,048,400	0.0%
Other Benefit Cost	(3,887)	0	0	0	0.0%
Department of Justice Settlement Costs	2,613,949	1,576,200	1,681,200	698,000	-55.7%
Sub-Total	\$ 84,811,137	\$ 81,831,600	\$ 86,340,000	\$ 94,849,500	15.9%
Expenditure Recoveries					
Retiree Benefits	(159)	0	0	0	0.0%
Leases/Utilities	(2,660,992)	(2,693,900)	(2,800,000)	(2,693,900)	0.0%
Washington Suburban Transit Corp.	0	(200,600)	0	(200,600)	0.0%
Acquisition Program	(391,153)	(537,600)	(390,000)	(397,000)	-26.2%
Postage	(250,913)	(215,100)	(215,000)	(220,000)	2.3%
Other	(1,713,137)	(1,965,000)	(1,965,000)	(2,165,000)	10.2%
Sub-Total	\$ (5,016,355)	\$ (5,612,200)	\$ (5,370,000)	\$ (5,676,500)	1.1%
Total	\$ 79,794,782	\$ 76,219,400	\$ 80,970,000	\$ 89,173,000	17.0%

General Fund Insurance (Self-Insurance Fund) -- \$5,500,000

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 Library, 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 -- \$1,500,000

The postage appropriation for FY 2010 reflects an increase in expenses for metered mail, permit mail, and courier services due to an anticipated rate increase. Approximately 16% of postage costs are recovered from various agencies each year.

Real Estate Acquisition Program (REAP) -- \$4,607,000

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 -- \$16,978,600

The FY 2010 expenditures include the principal and interest payment of the 2004, 2005, and 2007 lease purchase payments. It also includes resources for voting machine rentals and an additional lease purchase to replace public safety vehicles.

Other Leases -- \$16,195,600

The Office of Central Services is responsible for maintaining the County's lease agreements for various locations. The County has agreed to pay the Industrial Development Authority of Prince George's County 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. The FY 2010 appropriation includes resources for the 911 Call Center Equipment.

Utilities -- \$8,930,000

Utility costs reflect FY 2010 projected increased expenditure levels for most electricity, gas, oil, and propane used by the County resulting from higher energy costs.

Streetlights -- \$4,400,000

Projected energy costs for streetlights maintained by the County resulting from higher energy cost.

Traffic Signals -- \$5,100,000

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

Miscellaneous Expenses -- \$6,163,700

This category includes resources for general and administrative services related to the implementation of the County's strategic plan. Additional resources in the FY 2010 appropriation are for the collection and processing of ambulance service fees.

State Debt Assumption Payments -- \$1,095,200

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

Deferred Compensation in Lieu of State Retirement -- \$130,000

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 -- \$250,000

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

Retiree Life and Health Insurance -- \$22,998,400

The County portion of health and life insurance costs for retired employees are funded in this category. It includes \$950,000 for retiree life insurance, \$35,000 for retiree annuities, and \$22.0 million 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. In addition to the contributions in the General Fund, the County also has budgeted \$5 million in other funds for OPEB in FY 2010.

Department of Justice Settlement Costs -- \$698,000

Funding is budgeted for anticipated costs associated with the Department of Justice settlement with the Police Department. In FY 2009, the Police Department met all requirements ending the independent oversight monitoring.

Expenditure Recoveries (Project Charges) -- (\$5,676,500)

Expenditure Recoveries are from non-general funds for the use of space at the Inglewood Center and REAP II recoveries, recovery of costs from the Washington Suburban Transit Commission for mass transit activities, charges for utilities, maintenance and equipment usage payments, retiree health insurance recoveries, and postage recoveries from various funds. The FY 2010 recoveries include certain payments by the State of Maryland for a portion of the IDA lease payments.

CONTINGENCY

	FY 2008 ACTUAL	FY 2009 BUDGET	FY 2009 ESTIMATED	FY 2010 APPROVED	CHANGE FY09 - FY10
Compensation Contingency	\$ 718,424	\$13,934,578	\$ -	\$ -	-100.0%
Operating Contingency	601,350	-	-	-	0.0%
Leave Payout Contingency		-	-	-	0.0%
Fringe Benefits Contingency	748,293	6,065,422	-	-	-100.0%
TOTAL	\$ 2,068,066	\$20,000,000	\$ -	\$ -	-100.0%

The FY 2010 approved contingency budget of \$0 represents a decrease of \$20,000,000 or 100% under the FY 2009 approved budget.

