

MFP #1
November 12, 2009

MEMORANDUM

November 9, 2009

TO: Management and Fiscal Policy Committee
CHP
FROM: Charles H. Sherer, Legislative Analyst
SUBJECT: FY10 budget savings plan for County Government budgets reviewed by the MFP Committee

The MFP Committee reviews the County Government budgets shown in the table below. The Council staff analysts have reviewed the Executive's recommended savings for these budgets and recommend approval. The impacts are small and appear to be manageable. See ©1-15 for the Executive's October 28, 2009 transmittal memo and background information. Any questions or comments from these analysts follow the table. Council action on the savings plan recommendations from all six Committees is scheduled for November 17.

©	Budget	CE savings	Analyst
6	County Attorney	137,680	Essie McGuire
6	County Council	203,780	Steve Farber
6	County Executive	144,000	Justina Ferber
7	Ethics Commission	6,130	Justina Ferber
7	Finance	219,420	Chuck Sherer
8	Human Resources	203,330	Justina Ferber
8	Inspector General	14,280	Essie McGuire
10	Intergovernmental Relations	19,740	Shondell Foster
10	Legislative Oversight	27,000	Karen Orlansky
10	Management and Budget	83,340	Chuck Sherer
10	Merit System Protection Board	2,500	Justina Ferber
10	NDA – Desktop Computer Modernization	153,880	Costis Toregas
10	NDA – Leases	432,580	Chuck Sherer
11	Public Information	27,340	Justina Ferber
12-14	Technology Services	716,490	Costis Toregas
15	Cable	160,430	Costis Toregas

IT issues Here is a summary of the proposed technology cuts for FY10 and a small number of high level questions that should help the MFP Committee and ultimately the Council assess the effectiveness of the CE's proposals:

Summary	Strategies	FY10 Approved	CE Recommended	% cut
NDA Desktop Modernization	1. Delayed PC replacement	6,839,290	(153,880)	-2.2%
Technology Services	1. 5 vacant position lapses 2. EASD maintenance 3. ESOD equipment purchases and maintenance 4. ETSD maintenance 5. Training	31,844,190	(716,490)	-2.2%
Cable Communications Plan	1. Delay hiring for two positions till January 5, 2010 2. Reduce emergency equipment reserve	11,574,470	(160,430)	-1.4%
Totals		50,257,950	1,030,800	-2.1%

Desktop Computer Modernization What is the current effective PC replacement period (in decimal years)? What is the effect of the proposed savings on this number?

Response: The current effective PC replacement period is 5.0 years. The effect of the proposed savings is to increase the PC replacement period to 5.46 years.

Technology Services (DTS) Would the proposed reductions in maintenance costs for 5 programs lead to increased breakdown rates that could quickly wipe out expected savings? What are the maintenance dollars remaining in each product where maintenance cuts are proposed? Or is this a reduction in the duration or level of support from vendors? If so, what is the expected effect of those reduced levels of service?

Response: The proposed reduction in Integral HRMS software maintenance is not expected to lead to increased breakdown rates that could quickly wipe out expected savings. Beginning with the FY11 budget, there will be no maintenance dollars left for HRMS. The County made its final software maintenance payment to Integral at the beginning of FY10. Pursuant to amendment #16 to the Integral HRMS contract, the software maintenance has been pre-paid through December 31, 2011. ERP is expected to replace HRMS in 2011.

The following applies to PCOMM, Magic (SDE), Mercury:

The reductions for maintenance are for specific software applications. The ones selected are stable applications where the highest risk of failures occurs when the operating system is changed or other applications are added. Both we believe to be low in FY10. The larger risk is future required upgrades for business needs or operating system changes, which would require maintenance

reinstatement fees or new licenses. However, the software applications selected are deemed to have a limited remaining operational life and will need to be replaced anyway, so the removal of maintenance is not expected to increase expected long term costs. The reductions eliminate maintenance payments in total for these software applications.

The proposed reduction in the Voice Radio Maintenance Service Agreement is not expected to lead to any increased breakdown rates that could wipe out expected savings. This is an over-all negotiated rate reduction for the entire service package as it existed at time of renewal and therefore would have no negative impact on future services or maintenance by the vendor.

Intergovernmental Relations How will the reduction in professional services for Intergovernmental Relations (\$19,740) affect our ability to lobby the MD General Assembly?

Response: For FY10, the Office of Intergovernmental Relations savings plan reduction will be covered by lapse savings due to the legislative analyst vacancy and therefore there will not be any reduction in service. Both the Office of Intergovernmental Relations and the Department of Health and Human Services anticipate that the position will be filled prior to the 2010 State legislative session convenes, if not before, therefore not causing any service reduction.

Lease NDA There is one reduction for lease costs, S1, \$432,580. Could you please explain: 1) why you did not know last May that leases could be renegotiated to reduce costs, 2) the meaning of "...lower than budgeted pass-through costs.", and 3) why such costs were over budgeted?

Response: In May, DGS was not certain it would be able to get a contractor on board for the renegotiations. Further, given what was known of the economic conditions and real estate market at that time, these savings could not be projected. Pass-through costs are typically utilities, maintenance, and taxes. While taxes can be reliably projected, utilities and maintenance will vary due to economic conditions; recently, those have been favorable for lessees, as landlords have been trying to economize.



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

October 28, 2009

TO: Phil Andrews, President
County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: FY10 Savings Plan

Attached please find my Recommended FY10 Savings Plan for Montgomery County Government, as well as the other tax supported County Agencies. The attached plan identifies savings of nearly \$30 million from the current year that will be applied to close the projected gap of nearly \$370 million in FY11. We have worked to identify savings that minimize the impact upon direct services, especially to public safety and our most vulnerable residents. However, service reductions are unavoidably included in the attached proposed plan.

It is critical to consider this proposed savings plan in the context of the looming budget gap for FY11. As I have previously noted, the projected FY11 budget gap is currently nearly \$370 million. This projection does not include any shortfalls resulting from additional State aid reductions, additional revenue shortfalls or additional shortfalls that may result from the State Board of Education's maintenance of effort decision. We must realistically and responsibly plan for these challenges.

This proposed savings plan was also developed in the context of significant reductions made over the last three years. Even before the current economic downturn, I worked to bring our previously unsustainable rate of budget growth under control. As a result of three years of effort, I have brought the rate of growth down from over 14.1% to -0.4% and closed budget gaps totaling nearly \$1.2 billion. There are few "easy" reductions left to make. Given the projected FY 2011 gap, we must roll up our sleeves and begin to make the difficult decisions now.

As in the past, the Council may not be supportive of some of my proposed reductions. If the Council insists on not supporting the attached proposed reductions, I strongly recommend that it propose offsetting reductions in other areas of the budget to maintain the total amount of savings that can be used to close the projected FY11 budget gap. We are only in the first step of the process in resolving the FY11 budgetary gap and more difficult choices remain ahead in confronting these challenges. Deferring needed savings at this time will only temporarily postpone the urgent need to make difficult choices in the future. In fact, the less time in which agencies have to make the necessary reductions, the deeper and more difficult those reductions will need to be to achieve the same savings. Resolution of the budget gap is problematic because even more difficult and complex issues will need to be addressed during the Council's short time for reviewing and approving the annual budget.

And as I have made clear, I do not support and will not recommend exceeding the charter limit on property taxes in the FY11 operating budget.

Because of the weakness in the current local and national economy and the State's continuing fiscal challenges, I urge the Council to quickly approve the reductions proposed in the attached Savings Plan. The projected gap for FY11 may significantly worsen in the near future because of continued revenue deterioration and the very real potential for further and substantive reductions in State Aid. We have already absorbed cuts of nearly \$20 million in State Aid in this year and I believe further Aid reductions may be imminent.

The attached plan includes proposed targets for Montgomery County Public Schools (MCPS), the Maryland-National Capital Park and Planning Commission (M-NCPPC), the Housing Opportunities Commission (HOC), and Montgomery College (the College). The principals of these agencies have expressed their willingness to cooperate in resolving our shared fiscal challenges.

I strongly urge the Council to expedite its review and approval of the attached Savings Plan, so that the necessary actions can be implemented as soon as possible. My staff is available to assist the Council in its review of the attached proposal. Thank you for your support of our efforts to preserve our most important services while preserving the fiscal health of the County Government.

	Approved FY10 Budget	Savings Plan Target	Agency as % of Total Budget	Target as % of Savings Plan	Target as % of Budget
MCG	1,585,853,910	16,593,800	42.4%	56.4%	1.1%
MCPS	1,940,540,941	9,702,700	51.9%	32.7%	0.5%
College	107,079,321	1,070,790	2.9%	3.6%	1.0%
MNCPPC	106,646,100	2,180,000	2.9%	7.3%	2.0%
Total	3,740,120,272	29,547,290			0.8%

Notes:

1. Amounts above exclude debt service.
2. The College budget above is the FY10 local contribution.
3. MCG savings plan target above does not include approximately \$89,000 in increased revenues

- c: Timothy L. Firestine, Chief Administrative Officer
 Department and Office Directors
 Dr. Jerry Weast, Superintendent, Montgomery County Public Schools
 Dr. Hercules Pinkney, Interim President, Montgomery College
 Royce Hanson, Chair, Montgomery County Planning Board
 Michael J. Kator, Chair, Housing Opportunities Commission
 Kathleen Boucher, Assistant Chief Administrative Officer

FY10 SAVINGS PLAN ANALYSIS

Fund/Department Name	FY10 Approved <small>(per Council Resolution 10-970)</small>	CE Recommended		Savings as a percent of Original FY10 Budget
		Total \$	Revenue	
Tax Supported				
General Fund				
Board of Appeals	617,520	-7,000	0	-1.1%
Circuit Court	10,410,980	-52,050	0	-0.5%
Commission for Women	1,197,670	-26,950	0	-2.3%
Consumer Protection	2,442,010	-54,950	0	-2.3%
Correction and Rehabilitation	65,414,400	-327,070	0	-0.5%
County Attorney	5,224,980	-137,680	0	-2.6%
County Council	9,057,090	-203,780	0	-2.2%
County Executive	6,399,960	-144,000	0	-2.3%
Economic Development	7,628,240	-171,640	0	-2.3%
Emergency Management and Homeland Security	1,346,940	-6,730	0	-0.5%
Environmental Protection	3,013,960	-67,810	0	-2.2%
Ethics Commission	272,390	-6,130	0	-2.3%
Finance	9,751,930	-219,420	0	-2.3%
General Services	27,970,950	-629,350	0	-2.3%
Health and Human Services	194,074,350	-971,550	-1,180	-0.5%
Housing and Community Affairs	5,066,790	-114,000	0	-2.2%
Human Resources	8,522,410	-203,330	0	-2.4%
Human Rights	2,160,810	-48,620	0	-2.3%
Inspector General	634,730	-14,280	0	-2.2%
Intergovernmental Relations	877,400	-19,740	0	-2.2%
Legislative Oversight	1,341,070	-27,000	0	-2.0%
Management and Budget	3,703,890	-83,340	0	-2.3%
Merit System Protection Board	159,960	-2,500	0	-1.6%
NDA - Desktop Modernization	6,839,290	-153,880	0	-2.2%
NDA - Housing Opportunities Commission	6,136,340	-30,680	0	-0.5%
NDA - Leases	19,225,800	-432,580	0	-2.2%
People's Counsel	246,520	-5,390	0	-2.2%
Police	246,262,150	-1,231,310	0	-0.5%
Public Information	1,215,210	-27,340	0	-2.2%
Public Libraries	37,569,400	-1,595,310	0	-4.2%
Regional Services Centers	4,140,360	-93,260	0	-2.3%
Sheriff	20,631,770	-103,160	0	-0.5%
State's Attorney	12,148,340	-80,740	0	-0.5%
Technology Services	31,844,190	-716,490	0	-2.2%
Transportation	46,573,220	-1,047,900	0	-2.3%
Zoning & Administrative Hearings	524,440	-4,500	0	-0.9%
General Fund Total:	800,647,460	-9,041,460	-1,180	-1.1%
Special Funds				
<u>Mass Transit</u>				
DOT-Transit Services	108,457,800	-474,580	87,500	-0.5%
<u>Fire</u>				
Fire and Rescue Service	192,974,090	-965,000	0	-0.5%

FY10 SAVINGS PLAN ANALYSIS

Fund/Department Name	FY10 Approved <small>(per Council Resolution 16-976)</small>	CE Recommended		Savings as a percent of Original FY10 Budget
		Total \$	Revenue	
<u>Recreation</u>				
Recreation	30,528,520	-684,240	2,650	-2.2%
Special Funds Total:	331,960,410	-2,123,820	90,150	-0.7%
MCG Tax Supported Total:	1,132,607,870	-11,165,280	88,970	-1.0%
Non-Tax Supported				
Special Funds				
<u>Cable Television</u>				
Cable Communications Plan	11,574,470	-160,430	0	-1.4%
<u>Montgomery Housing Initiative</u>				
Housing and Community Affairs	31,140,690	-467,110	0	-1.5%
<u>Water Quality Protection Fund</u>				
Environmental Protection	8,895,850	-133,440	0	-1.5%
Enterprise Fund				
<u>Community Use of Public Facilities</u>				
Community Use of Public Facilities	9,169,440	-137,540	0	-1.5%
<u>Solid Waste Collection</u>				
DEP-Solid Waste Services	6,739,640	-100,220	0	-1.5%
<u>Solid Waste Disposal</u>				
DEP-Solid Waste Services	95,722,050	-1,118,000	0	-1.2%
<u>Parking District - Bethesda</u>				
DOT-Parking Lot Districts	11,283,280	-169,250	0	-1.5%
<u>Parking District - Montgomery Hills</u>				
DOT-Parking Lot Districts	116,430	-1,750	0	-1.5%
<u>Parking District - Silver Spring</u>				
DOT-Parking Lot Districts	10,709,410	-160,640	0	-1.5%
<u>Parking District - Wheaton</u>				
DOT-Parking Lot Districts	1,296,320	-19,440	0	-1.5%
<u>Liquor Control</u>				
Liquor Control	44,495,260	-1,001,140	0	-2.2%
<u>Permitting Services</u>				
Permitting Services	27,067,180	-406,010	0	-1.5%
MCG Non-Tax Supported Total:	258,210,020	-3,874,970	0	-1.5%
Internal Service Funds				
Internal Service Funds				
<u>Printing & Mail</u>				
General Services	6,528,490	-97,930	0	-1.5%
<u>Motor Pool</u>				
DGS-Fleet Management Services	64,694,320	-1,455,620	0	-2.2%
MCG Internal Service Funds Total:	71,222,810	-1,553,550	0	-2.2%
Montgomery County Government:	1,462,040,700	-16,593,800	88,970	-1.1%

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FY10 SAVINGS PLAN ANALYSIS

Fund/Department Name	FY10 Approved <small>(per Council Resolution 16-9/0)</small>	CE Recommended		Savings as a percent of Original FY10 Budget
		Total \$	Revenue	
Montgomery County Public Schools:	1,940,540,941	-9,702,700	0	-0.5%
Montgomery College:	107,079,321	-1,070,790	0	-1.0%
Maryland-National Capital Park and Planning:	106,646,100	-2,180,000	0	-2.0%
TOTAL ALL AGENCIES	3,616,307,062	-29,547,290	88,970	-0.8%

Ref No.	Title	\$	Revenue
Correction and Rehabilitation			
S1	DECREASE COST: LAPSE NON-UNIFORMED POSITIONS TO REDUCE PERSONNEL EXPENSES	-275,770	0
	The Department plans to reduce personnel expenses by lapsing non-uniformed positions (above budgeted lapse) to meet the assigned targeted savings. Workload will increase with the existing staff. The lapse may generate some overtime on a mandatory basis estimated to be \$17,500, and is reflected in the total estimated net savings for this item. The following positions will be lapsed: Fiscal Assistant in Management Services Division, (lapsed entire year), Office Services Coordinator in MCDC's Warden Office, (position filled, lapse already occurred), Office Services Coordinator in MCCF's Warden Office, (position filled, lapse already occurred), Office Services Coordinator in Custody and Security, MCCF, (position filled, lapse already occurred), Records Technician in MCDC, (lapse assumed until December 2009), Volunteer Coordinator, in MCCF (position filled, lapse already occurred), Principal Administrative Aide in Pre-Trial Services, (lapse assumed December 2009), Warden in MCDC, (lapse assumed until January 2010), Office Services Coordinator, Pre-Trial Services, (lapse assumed January 2010) and Correctional Specialist III, Pre-Release and Re-Entry Services, (lapse assumed November 2009).		
S2	DECREASE COST: VARIOUS OPERATING EXPENSES	-51,300	0
	The Department will discontinue a numbers of Blackberry devices and mobile phones, reduce psychological services consultant expenses, and reduce paper and printing expenses as part of the County's paper reduction initiative.		
Correction and Rehabilitation Total:		-327,070	0
County Attorney			
S1	DECREASE COST: LAPSE - ACAII - FINANCE AND PROCUREMENT DIVISION	-100,950	0
	Lapse ACAII from the Finance and Procurement Division for all of FY10. Position has been vacant since beginning of FY10.		
S2	DECREASE COST: LAPSE - ACAIII - HEALTH & HUMAN SERVICES DIVISION	-36,730	0
	Lapse ACAIII in Health & Human Services Division .25 WY. Position has been vacant since beginning of FY10.		
County Attorney Total:		-137,680	0
County Council			
S1	DECREASE COST: ABOLISH	-50,230	0
S2	DECREASE COST: TURNOVER	-23,050	0
S3	DECREASE COST: OPERATING EXPENSE	-130,500	0
County Council Total:		-203,780	0
County Executive			
S1	DECREASE COST: SENIOR IT SPECIALIST	-27,160	0
	Abolishing the full-time Sr. Information Technology Specialist and creating a comparable part-time position will reduce the amount of dedicated IT service available to the County Executive, Chief Administrative Officer and departmental staff. On the days when the Sr. IT Specialist is not scheduled to work, the office will rely on the County's IT Help Desk.		
S2	DECREASE COST: ADMINISTRATIVE ASSISTANT TO COUNTY EXECUTIVE	-40,000	0
	Position is currently filled by contract. This enables the County Executive to continue to receive the same level of support at a reduced cost.		
S3	DECREASE COST: SENIOR EXECUTIVE ADMINISTRATIVE AIDE	-40,000	0
	Not filling this vacancy will require the remaining support staff to pool their resources to temporarily fill the gap. This will necessitate additional cross-training to assure that any aide is able to seamlessly provide assistance to any Assistant CAO.		
S4	DECREASE COST: PUBLIC ADMINISTRATION INTERN	-16,500	0
	There will be little or no impact since the projects assigned to this temporary position have been completed.		
S5	DECREASE COST: GOVERNMENT ACCOUNTABILITY AND COMPLIANCE TRAINING	-20,340	0
	The training module for this initiative was developed at a cost significantly less than originally budgeted. The remaining balance in this account is sufficient to cover the cost of implementing this training. As a result, the impact of this reduction will be minimal.		

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Ref No.	Title	\$	Revenue
Environmental Protection			
S3	DECREASE COST: CENTRAL DUPLICATION - OTHER PRINTING DEP is one of the lead agencies to help implement the CAO's ongoing paper and printing reduction efforts. In support of those efforts, DEP has already implemented paper and printing reduction goals through internal monitoring of paper consumption and reduction of educational printed materials.	-4,000	0
S4	DECREASE COST: CENTRAL DUPLICATION - POSTAGE BULK DEP is one of the lead agencies to help implement the CAO's ongoing paper and printing reduction efforts. In support of those efforts, DEP has already implemented paper and printing reduction goals through internal monitoring of paper consumption and reduction of educational printed materials.	-2,360	0
Environmental Protection Total:		-67,810	0
Ethics Commission			
S1	DECREASE COST: PROFESSIONAL SERVICE EXPENSES The office will reduce consultant service expenses.	-6,130	0
Ethics Commission Total:		-6,130	0
Finance			
S1	DECREASE COST: DELAY PURCHASE OF MCTIME LICENSES Delay purchase of Mctime licenses. Mctime licenses are financed via Master Leases. By deferring the purchase, the first master lease payment would not be due until late in FY10. This action pushes out the payment schedule overall, saving money in FY10, but not increasing costs in FY11.	-219,420	0
Finance Total:		-219,420	0
General Services			
S1	DECREASE COST: ADVERTISING FOR CONTRACTS The \$6,000 decreased cost on advertising contracts will limit the number of media outlets used in our solicitation advertising.	-6,000	0
S2	DECREASE COST: OFFICE SUPPLIES The Office of Procurement and Division of Real Estate and Management Services will reduce office supplies and will shift to digitization	-16,000	0
S3	DECREASE COST: CENTRAL DUPLICATING (PAPER REDUCTION) As an additive part of the Executive's paper reduction initiative the Office of Procurement will reduce duplicating cost and will shift to an electronic method for document sharing.	-7,000	0
S4	DECREASE COST: OUTSIDE PRINTING (PAPER REDUCTION) The Office of Procurement will reduce the outside printing by implementing and utilizing electronic communications more	-3,000	0
S5	REDUCE: OUTSIDE POSTAGE The reduction of outside postage will limit the Office of Procurement capability to mail cure notices and other legal notices that require proof of mailing.	-3,000	0
S6	DECREASE COST: LAPSE - PRINCIPAL ADMINISTRATIVE AIDE The Principal Administrative Aide (PAA) position in the Office of Procurement will lapse in FY10.	-25,000	0
S7	DECREASE COST: MANAGEMENT CONSULTING Division of Real Estate And Management Services will reduce Consulting services, which will reduce our ability to assess issues as they arise.	-5,000	0
S8	DECREASE COST: OTHER PROFESSIONAL SERVICES Reduce other professional services, which will reduce our ability to assess issues as they arise.	-5,000	0
S9	DECREASE COST: MOTOR POOL Division Chief has turned county car in , will use Fleet offered WeCar to attend meetings	-15,000	0
S10	DECREASE COST: COMPUTER SOFTWARE Reducing computer software will limit our ability for technological improvements in General Fund service areas.	-5,000	0

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Ref No.	Title	\$	Revenue
Housing and Community Affairs			
S1	DECREASE COST: DELAY HIRING - INCREASED LAPSE (CHIEF OPERATING OFFICER) [02/01/10 - 06/31/10] These responsibilities of implementing Affordable Housing Task Force recommendations, serving on high-profile boards/committees, and reviewing master plans/legislation will be triaged and reassigned to other staff as appropriate. Because of the extensive requirements and volume of the work, some duties will not be accomplished.	-25,340	0
S2	DECREASE COST: DELAY HIRING - INCREASED LAPSE (LANDLORD TENANT MANAGER) [07/01/09 - 12/31/09] Delays in filling this position will result in increases in the workload of the Division Chief and Director in supervising seven investigators, mediating complaints/negotiating strategies, and supporting the Commission on Landlord Tenant Affairs. Customer service/satisfaction will be impacted by increased time in resolving cases.	-68,000	0
S3	DECREASE COST: REDUCE OPERATING EXPENSES Reductions will be made in costs such as printing, postage, and training. The department will encourage residents to obtain more information from our website and through alternative communications such as community newsletters, etc. There may be an impact on customer satisfaction.	-20,660	0
Housing and Community Affairs Total:		-114,000	0
Human Resources			
S1	DECREASE COST: LAPSE LABOR TEAM VACANT M2 POSITION AND TEMPORARY PROMOTION OF M3 TO FILL POSITION FOR 6 MONTHS Workload of M3 will increase.	-66,930	0
S2	DECREASE COST: LAPSE VACANT CHANGE MANAGEMENT AND ORGANIZATIONAL DEVELOPMENT HR SPECIALIST III POSITION FOR 0.45 WORK YEAR (POSITION WAS LAPSED 0.55 WY IN FY10) Other HR Specialists on the Team will take on additional workload and timelines of some projects may be extended.	-41,400	0
S3	DECREASE COST: DECREASE EPERFORM LICENSE AND ADMINISTRATIVE SERVICES CONTRACT WITH SUCCESS FACTOR OHR will negotiate a decrease in the licensing fee for the ePerform system.	-80,000	0
S4	DECREASE COST: PROFESSIONAL SERVICES OHR IT staff will perform support services budgeted to be performed by contractor.	-15,000	0
Human Resources Total:		-203,330	0
Human Rights			
S1	DECREASE COST: LAPSE VACANT MANAGER AND INVESTIGATOR III POSITIONS The office has a vacant Investigator III position that has been vacant since July 1, 2009. This office will lapse the position through December which will generate savings of \$37,080. In addition, the office has a vacant manager position that will be lapsed to generate an additional \$11,540 in savings. The combined lapse savings for the two positions equals the savings plan of \$48,620.	-48,620	0
Human Rights Total:		-48,620	0
Inspector General			
S1	DECREASE COST: REDUCE GROUP INSURANCE	-10,000	0
S2	DECREASE COST: REDUCE CONSULTANT SERVICES	-4,280	0
Inspector General Total:		-14,280	0
Intergovernmental Relations			

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Ref No.	Title	\$	Revenue
Intergovernmental Relations			
S1	REDUCE: PROFESSIONAL SERVICES - REDUCE OPERATING EXPENSES RESERVED FOR HEALTH AND HUMAN SERVICES' LEGISLATIVE ANALYST The office pays an HHS specialist (\$60,000 in other professional services) to lobby the state and federal governments on health and social service issues during the General Assembly Session in Annapolis. The HHS specialist is leaving County service and IGR is reducing the operating expenses in order to meet the savings plan. The office will work with HHS to find a replacement.	-19,740	0
Intergovernmental Relations Total:		-19,740	0
Legislative Oversight			
S1	REDUCE: REDUCE OPERATING EXPENSES The \$11,000 reduces the office's FY10 operating expense funding by 16%.	-11,000	0
S2	REDUCE: LAPSE PUBLIC ADMINISTRATION INTERN POSITION Lapsing this position reduces OLO's personnel complement by about 10%.	-16,000	0
Legislative Oversight Total:		-27,000	0
Management and Budget			
S1	REDUCE: PRINTING COSTS: BUDGET BOOK PUBLICATIONS Fewer budget books will be available for distribution to departments and books will have fewer pages printed in color. All publication documents will be available on the OMB web-site.	-34,000	0
S2	DECREASE COST: EDUCATION, TUITION, AND TRAVEL While employees will have fewer opportunities for professional development, they are encouraged to participate in low-cost or no-cost County sponsored training opportunities. This reduction will have minimal impact on customer service.	-12,900	0
S3	DECREASE COST: EQUIPMENT REPAIRS/MAINTENANCE Would allow for minimal repair needs.	-6,000	0
S4	DECREASE COST: OFFICE SUPPLIES Minimal impact on staff's ability to provide customer service to departments.	-8,000	0
S5	REDUCE: IT STAFF DETAILED TO ERP OMB will continue to respond to requests for customized reports or data requests but may need to prioritize requests.	-22,440	0
Management and Budget Total:		-83,340	0
Merit System Protection Board			
S1	DECREASE COST: FREEZE ON TRAVEL/TRAINING	-2,500	0
Merit System Protection Board Total:		-2,500	0
NDA - Desktop Modernization			
S1	DECREASE COST: DELAYED PC REPLACEMENT The Department will defer acquisition of 149 PCs during FY10 to achieve savings of \$153,880. PC acquisition and replacement will now be estimated at 1,611 units for FY10.	-153,880	0
NDA - Desktop Modernization Total:		-153,880	0
NDA - Housing Opportunities Commission			
S1	DECREASE COST: SALARY AND BENEFIT LAPSE HOC is able to recognize a savings of \$30,680 in salary and benefits due to the anticipated delays in filling positions that become vacant during FY'10.	-30,680	0
NDA - Housing Opportunities Commission Total:		-30,680	0
NDA - Leases			
S1	DECREASE COST: NDA LEASES The Lease NDA will achieve its FY10 Savings Plan from a combination of two areas: 1) renegotiation of leases; and, 2) anticipated FY10 surplus from lower than budgeted pass-through costs.	-432,580	0

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Ref No.	Title	\$	Revenue
		NDA - Leases Total:	432,580 0
People's Counsel			
S1	DECREASE COST: REDUCE TEMPORARY OFFICE CLERICAL SUPPORT	-2,200	0
S2	DECREASE COST: REDUCE OTHER PRINTING/COPYING COSTS	-540	0
S3	DECREASE COST: REDUCE BULK POSTAGE EXPENSE	-500	0
S4	DECREASE COST: REDUCE TRAVEL EXPENSES	-1,000	0
S5	DECREASE COST: REDUCE GENERAL OFFICE SUPPLIES EXPENSE	-500	0
S6	DECREASE COST: REDUCE BOOKS/REFERENCE MATERIALS EXPENSE	-650	0
		People's Counsel Total:	-5,390 0
Police			
S1	DECREASE COST: JANUARY 2010 RECRUIT CLASS FROM 47 TO 36 POLICE OFFICER CANDIDATES Due to the DROP and the economy, the sworn attrition rate has been reduced from 5 to 3 each month. The department is just under our sworn complement at the present time, and it is likely the attrition rate will remain the same for the foreseeable future. By programming for 36 recruits in the January 2010 class, the Department will be close to full complement in early November 2010 when these officers have completed, after graduation from the Police Academy, the 14 weeks Field Training Evaluation Program (FTEP).	-475,680	0
S2	DECREASE COST: VARIOUS OPERATING EXPENDITURES These savings can be realized from the following expense categories: Travel (frozen), uniforms, ammunition, leased equipment, towing reimbursements.	-400,000	0
S3	DECREASE COST: LAPSE CIVILIAN POSITIONS TO REDUCE PERSONNEL COST There are certain civilian vacancies that are currently vacant and can remain vacant for the balance of FY10. The following positions are currently vacant and will be lapsed for the entire FY10: Program Specialist I in Personnel Division, Program Manager I in Planning and Policy Division, Supply Technician III in Management and Budget Division, Abandoned Vehicle Code Enforcement Specialist in Management and Budget Division, and Code Enforcement Inspector III in Animal Services Division.	-355,630	0
		Police Total:	-1,231,310 0
Public Information			
S1	REDUCE: WEB SUPPORT SERVICES The office will reduce a \$60,000 contract with a web designer by \$10,000. The web designer will decrease his services in maintaining and updating the website.	-10,000	0
S2	DECREASE COST: PEDESTRIAN SAFETY OUTREACH EFFORTS. The office has \$30,000 designated for pedestrian safety and awareness. The office will have to rely on more free media and direct communications to promote pedestrian awareness and safety.	-10,000	0
S3	DECREASE COST: OFFICE SUPPLIES This reduction will impact the office's ability to purchase office supplies such as paper, pens, magic markers and note pads.	-7,340	0
		Public Information Total:	-27,340 0
Public Libraries			

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Ref No.	Title	\$	Revenue
Regional Services Centers			
S3	DECREASE COST: LAPSE UPCOUNTY REGIONAL SERVICES CENTER, PROGRAM SPECIALIST II A lapse of 5 months will eliminate the ability to provide new programs for the Upcounty community (i.e. Internet-based community forums) and support the planned transition of Clarksburg activities from the current Ombudsman whose position will not be funded after December 31. The lapse will also result in a significant reduction in current activities that introduce and publicize UpCounty Regional Services Center services (i.e. issue-related focus groups, business community forums, positive youth development strategies, senior village project, etc.).	-8,720	0
S4	DECREASE COST: LAPSE EAST COUNTY REGIONAL SERVICES CENTER, PROGRAM SPECIALIST II Lapsing the salary of the vacant part time Program Specialist II position will result in the elimination of new programs and a significant reduction in current programs such as ESOL, Jobs skills training and community focus groups. The absence of this funding will also considerably reduce the level of community outreach activities the Center is able to conduct in FY 2010.	-14,710	0
Regional Services Centers Total:		-93,260	0
Sheriff			
S1	REDUCE: INCREASE CIVILIAN LAPSE FOR VACANT POSITIONS	-103,160	0
Sheriff Total:		-103,160	0
State's Attorney			
S1	DECREASE COST: SALARY DIFFERENTIAL BETWEEN RETIRING EMPLOYEE AND REPLACEMENT ATTORNEY One employee retired from the office effective 09/18/09. Turnover savings was accomplished by replacing the retiring employee with an individual making a lower salary. The replacement attorney is currently in a group position (Public Administration Intern) and will be moved into an entry level Grade 27 Attorney II position.	-60,740	0
State's Attorney Total:		-60,740	0
Technology Services			
S1	DECREASE COST: LAPSE 5 VACANT POSITIONS Department of Technology Services (DTS) will not fill the following vacant positions in FY10: One (1) PSCS IT Project Manager, and Four (4) Sr. IT Specialists. Existing staff will absorb the workload of these positions. Some preventive maintenance will need to be delayed or performed less often. Additional system outages are possible, and may take longer to resolve. Some projects may be delayed or risk factors increased. DTS believes that it can operate the computing infrastructure with manageable risk to ongoing operations.	-214,880	0
S2	DECREASE COST: ENTERPRISE APPLICATIONS AND SOLUTIONS DIVISION (EASD): HUMAN RESOURCES MANAGEMENT SYSTEM / INTEGRAL CONTRACT In December 2008, the County executed amendment #16 to its contract with Integral Systems, Inc for software maintenance for the County's Human Resources Management System (HRMS) payroll / personnel management system. This amendment required the County to compensate Integral \$250,000 prior to 12/31/08, plus an additional \$438,606 on July 1, 2009. In June 2009, the County entered into negotiations with Integral to reduce the balance due under the contract. Subsequently, the County executed amendment #17 to the contract. This amendment reduced the amount payable on July 1, 2009 to Integral by \$37,500.	-37,500	0
S3	DECREASE COST: ENTERPRISE APPLICATIONS AND SOLUTIONS DIVISION (EASD): PERSONAL COMMUNICATIONS (PCOMM) MAINTENANCE The County has voluntarily elected to cancel its annual software maintenance for the Personal Communications (PCOMM) software. PCOMM software is used by programmers and end-users to connect to the County's mainframe applications, such as FAMIS/ADPICS, BPREP etc. By electing not to pay the annual software maintenance fees, DTS has chosen to forgo software updates, upgrades and support services that it would be entitled to under a maintenance agreement. DTS believes that it can operate the PCOMM software without the software maintenance services.	-9,500	0

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Ref No.	Title	\$	Revenue
Technology Services			
S4	DECREASE COST: ENTERPRISE APPLICATIONS AND SOLUTIONS DIVISION (EASD): GRAPHIC INTERFACE SYSTEM (GIS) PUBLIC SAFETY DATA LOAD PROCEDURES	-11,000	0
	Several years ago, as a result of on-going issues with timeliness and data quality, DTS initiated a project aimed at improving the process of delivering Graphic Interface System (GIS) data to the County's public safety data system. This project consisted of developing process maps and detailed technical and procedural documentation describing the "as-is" and "to-be" processes related to the GIS data delivery. DTS requested and received funding to retain outside technical writing professional services to help maintain the accuracy and integrity of the documentation. DTS will transition the documentation upkeep responsibility to County staff.		
S5	DECREASE COST: ENTERPRISE APPLICATIONS AND SOLUTIONS DIVISION: COMPUTER SUPPLIES; GRAPHIC INTERFACE SYSTEMS (GIS) AND ENTERPRISE SYSTEMS SERVICES (ESS)	-8,000	0
	Enterprise Applications and Systems Division (EADS) will reduce its computer supplies acquisitions during FY10 by \$8,000. This funding is used primarily to acquire supplies such as plotting paper, toner and ink cartridges, printers and other supplies used to create Graphic Interface Systems (GIS) maps as well as various other computing and supplies needs within the division. The inventory of printing supplies may be exhausted. In the event that supplies are completely exhausted, DTS will request contributions from departments using GIS services. In cases other than GIS supplies needs, EASD will defer acquisitions until FY11.		
S6	DECREASE COST: ENTERPRISE SYSTEMS AND OPERATIONS DIVISION (ESOD): MAGIC SERVICE DESK EXPRESS (SDE) MAINTENANCE	-55,000	0
	The County has voluntarily elected to cancel its annual software maintenance for the Magic (Service Desk Express) software. Magic software is used by IT support staff to manage requests for IT help. By electing not to pay the annual software maintenance fees, DTS has chosen to forgo software updates, upgrades and support services that it would be entitled to under a maintenance agreement. DTS believes that it can operate the Magic software without the software maintenance services.		
S7	DECREASE COST: ENTERPRISE SYSTEMS AND OPERATIONS DIVISION (ESOD): MERCURY MAINTENANCE	-11,000	0
	The County has voluntarily elected to cancel its annual software maintenance for the Mercury software. Mercury software is used by Departments to input IT projects for review by DTS in the Budget IT review process and the CIO approval process. By electing not to pay the annual software maintenance fees, DTS has chosen to forgo software updates, upgrades and support services that it would be entitled to under a maintenance agreement. DTS believes that it can operate the Mercury software without the software maintenance services.		
S8	DECREASE COST: ENTERPRISE SYSTEMS AND OPERATIONS DIVISION (ESOD): PAY ADVICE FORMS	-11,000	0
	With the introduction of on-line pay advices, the County can eliminate almost all printing of pay advices and reduce orders for pay advice forms.		
S9	DECREASE COST: ENTERPRISE SYSTEMS AND OPERATIONS DIVISION (ESOD): HARDWARE EQUIPMENT PURCHASES	-108,750	0
	DTS upgrades/replaces computer equipment on an ongoing basis. A one-time savings can be achieved by delaying some upgrades/replacements until the next fiscal year. By electing to delay upgrades and replacements, DTS has chosen to forgo hardware self maintenance that would normally be done. DTS believes that it can operate the computing infrastructure without the delayed upgrades and replacements with manageable risk to ongoing operations.		
S10	DECREASE COST: ENTERPRISE SYSTEMS AND OPERATIONS DIVISION (ESOD): SHARE POINT CONTRACTOR SUPPORT	-83,200	0
	DTS has provided contractor support for establishing and customizing SharePoint collaboration sites. With SharePoint infrastructure now in place and standard templates created, contractor support can be reduced. If a department or project requires a non-standard SharePoint site or requires modification to an existing site, they will need to provide funding for the project.		
S11	DECREASE COST: TRAINING	-50,000	0
	DTS will reduce its training funds during FY10 by \$50,000. This funding is used primarily to keep staff current on changes in technology and emerging trends, updating and maintaining workforce knowledge base, and making better use of the County's technological assets.		

Ref No.	Title	\$	Revenue
Technology Services			
S12	REDUCE: INTEGRATED JUSTICE INFORMATION SYSTEM (IJIS): PRODUCTION SYSTEM MAINTENANCE Integrated Justice Information System (IJIS) will reduce the contractor support for the IJIS Production System Maintenance during FY10 by \$28,660. This funding is used to maintain the IJIS Transport, Arrest History and Inquiry applications. With the implementation of E*Justice, the IJIS Inquiry and Arrest History maintenance needs have increased. Currently, a DTS contractor is providing the necessary support. Those work hours will need to be reduced to meet the FY10 savings target. Risk of issues occurring when contractor is not on duty. As State's Attorney's Office (SAO) Case Management System (CMS) and Corrections and Rehabilitation Information Management System (CRIMS) are integrated into IJIS Inquiry, the needs will significantly increase requiring full maintenance funding in FY11.	-28,660	0
S13	DECREASE COST: ENTERPRISE TELECOMMUNICATIONS AND SERVICES DIVISION (ETSD): PUBLIC SAFETY COMMUNICAITONS SYSTEM (PSCS) VOICE RADIO MAINTENANCE The savings were realized due to a negotiated one time cost reduction with Motorola for maintenance services.	-54,000	0
S14	REDUCE: ENTERPRISE TELECOMMUNICATIONS AND SERVICES DIVISION (ETSD): PRIVATE BRANCH EXCHANGE (PBX) VOICE MAIL REPLACEMENT DTS will reduce its Voicemail System operating budget by \$34,000. The County is in the process of replacing the old system. The funding was required to support ongoing parts and diagnostics for the current OCTEL voicemail platform. The risk of not having these funds will limit our ability to support the old OCTEL system, which will be decommissioned on a phased approach. There are several sites that will not be connected to the new voicemail system during the first phase of the upgrade process, and support of these systems will still be required. Additionally, there are several scripts that reside on the Octel platform that are associated with various County call centers. These call centers will be migrated into the County wide 311 center. The scripts will need support until they are transposed to the new voicemail platform.	-34,000	0
Technology Services Total:		-716,490	0
Transportation			
S1	DECREASE COST: LAPSE EXECUTIVE ADMINISTRATIVE AIDE IN DIRECTOR'S OFFICE This position is currently vacant and has an impact on administration of various programs including community outreach by creating a backlog of administrative work .	-41,640	0
S2	DECREASE COST: LAPSE PART TIME OSC (CONSTRUCTION SECTION) Division's main duties of processing payments and correspondence will be delayed.	-25,800	0
S3	REDUCE: FREEZE KEEP MONTGOMERY COUNTY BEAUTIFUL GRANTS The Director's Office will not award any grants to communities who request assistance in beautification programs, typically landscaping and plantings.	-5,000	0
S4	DECREASE COST: DELAY HIRING IN TRAFFIC ENGINEERING Keeping various vacant positions open into the last 6 months of the fiscal year will increase the backlog for some projects and studies and cause schedule delays.	-153,440	0
S5	DECREASE COST: TICKET COLLECTION CONTRACT No ticket processing service, or revenue impact, is anticipated. The ability to respond to an exceptionally large number of tickets will be limited, but this risk is considered low.	-22,020	0
S6	REDUCE: TREE PLANTING PROGRAM This eliminates the tree planting program for FY10. DOT will actively investigate other sources to substitute for this program such as through MNCPPC and other reforestation opportunities.	-247,000	0
S8	REDUCE: BIKEWAY MAINTENANCE This eliminates the bikeway maintenance program for FY10. However, on-pavement bikeways will continue to be maintained as part of routine pavement maintenance, including sweeping and pavement repairs.	-100,000	0
S10	REDUCE: ROAD MAINTENANCE Minor reduction to the overall road maintenance budget. The road maintenance budget includes such sub-items as litter pick-up, guardrail repair and replacement, as well as grading, etc.	-100,000	0
S11	REDUCE: WEED ERADICATION PROGRAM This eliminates the annual weed eradication program for FY10.	-22,000	0

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Ref No.	Title	\$	Revenue
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Recreation

S4	ENHANCE: TARGETED MARKETING TO INCREASE REVENUE FOR SPECIFIC CLASSES AND PROGRAMS	0	65,000
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While 82% of the classes that are planned are implemented, there is a segment that are cancelled due to low enrollment. In addition, some classes have a higher capacity with respect to the number of participants relative to the minimum amount needed to move a class forward. Recreation plans to collect additional revenue by more precisely targeting marketing expenses to those classes which have been historically cancelled or undefilled and by website and other marketing improvements to better advertise offerings.

Recreation Total: -684,240 2,650

MCG Tax Supported Total:	-11,165,280	88,970
Net Savings:	-11,254,250	
<i>(Total Exp. Savings & Revenue Changes)</i>		

Cable Television

Cable Communications Plan

S1	DECREASE COST: DELAY HIRING OF PROGRAM MANAGER II UNTIL JANUARY 5, 2010	-68,930	0
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Delay filling vacancy for Program Manager II position until January 5, 2010. Greater work load will be placed on existing staff. Turn-around times for requested items will increase. There will be less available support for RFP and contract oversight. Reduced oversight of the \$3 million MCT contract may decrease the ability of the County to improve cost-efficiencies and provide effective management of resources. The work performed by outside consultants will not be able to be performed by in-house staff.

S2	DECREASE COST: DELAY HIRING OF VISUAL INFORMATION SPECIALIST UNTIL JANUARY 5, 2010	-41,500	0
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Delay hiring of Visual Information Specialist until January 5, 2010. This will result in reduced program production editing for CCM. Fewer programs will be edited to provide web content. CCM and related web pages and social media sites will be less dynamic and have less current content.

S3	DECREASE COST: REDUCE EMERGENCY EQUIPMENT RESERVE	-50,000	0
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Reduce ability to draw upon reserve fund to replace PEG equipment. Equipment needing emergency replacement may exceed amount remaining in annual PEG Equipment Replacement fund. Sufficient funds to replace equipment may not be available, thus adversely affecting ability to transmit cable signal on any of six PEG channels.

Cable Television Total: -160,430 0

Community Use of Public Facilities

Community Use of Public Facilities

S1	DECREASE COST: OTHER REIMBURSEMENTS TO MCPS	-114,990	0
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CUPF, under the authority of the Interagency Coordinating Board (ICB), reimburses MCPS for costs incurred in making facilities available for community use to include: custodial supplies, staff costs, and "wear and tear" on the building as required by Section 44-5(b)(1) of the Montgomery County Code. These costs are projected to be lower in FY10 than originally estimated.

S2	DECREASE COST: ELIMINATION OF PRINCIPAL ADMIN AIDE POSITION	-22,550	0
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CUPF proposes elimination of one PAA position. The impact of eliminating this position will be mitigated by expanding use of its imaging system and reducing the number of handouts and related materials photocopied. Documentation of calls to the after-hours emergency line will be recorded by the on-call supervisor and many calls previously directed to the department will be addressed by MC311. Other clerical duties will be assigned to the remaining Program Aide and Principal Admin. Aide positions.

Community Use of Public Facilities Total: -137,540 0

Liquor Control

Liquor Control

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