

MEMORANDUM

November 10, 2009

TO: Planning, Housing, and Economic Development Committee
FROM: Minna K. Davidson, ^{MKD} Legislative Analyst
SUBJECT: FY10 Savings Plan

At this session, the Committee is to review elements of the Executive's recommended FY10 Savings Plan that are under its jurisdiction. See © 1-5 for the Executive's October 28, 2009, transmittal memo and background information. The Council is scheduled to consider the recommendations on the Savings Plan from all six Committees on November 17.

As noted below, the appropriate Council analysts have reviewed the recommended savings, which are outlined on the attached pages from the Executive's transmittal memo. For many budgets the recommended savings are relatively straightforward. Where analysts have questions or comments, they are discussed below.

The Executive has recommended a reduction of -\$2,180,000 for the Maryland-National Capital Park and Planning Commission (M-NCPPC). A memorandum from the Planning Board Chairman identifying reductions to meet the Executive's target is attached on © 20-25.

Approve as Submitted

Council staff reviewed the Executive's recommended FY10 Savings Plan for the following budgets and recommends approval as submitted. The proposed reductions should have small service impacts, if any, and should be manageable for the affected departments.

Budget	© #	CE Rec. Reduction	Analyst
Board of Appeals	6	-\$7,000	Shondell Foster
Economic Development	7	-\$171,640	Justina Ferber
Housing and Community Affairs	8	-\$114,000	Linda McMillan
Housing Initiative Fund, DHCA	9	-\$467,110	Linda McMillan
Housing Opportunities Commission NDA	10	-\$30,680	Linda McMillan
People's Counsel	11	-\$5,390	Shondell Foster
Regional Services Centers	12	-\$93,260	Minna Davidson
Urban Districts	---	no change	Minna Davidson
Zoning & Administrative Hearings	14	-\$4,500	Shondell Foster

Discussion Items

Council staff reviewed the Executive’s recommended FY10 Savings Plan for the following budgets and had questions or comments, as noted below. For County Government departments, OMB staff will be available to discuss these issues in more detail.

Representatives from M-NCPPC will be available by video-conference to discuss the agency’s proposed reductions. To accommodate the video-conferencing arrangements, the M-NCPPC Savings Plan will be the first discussion item.

Budget	© #	CE Rec. Reduction	Analyst
M-NCPPC	19	-\$2,180,000	Marlene Michaelson
Recreation*	15	-\$684,240	Vivian Yao
Permitting Services	17	-\$406,010	Chuck Sherer

*The Executive estimates that the proposed Savings Plan changes would create a net increase of \$2,650 in Recreation revenues.

BUDGET

ANALYST

M-NCPPC

Marlene Michaelson

The Planning Board’s non-recommended reductions to meet a savings target of \$2.1 million are attached on © 20-25. The Planning Board recommends reducing the Park Fund by \$1.56 million (approximately a 2% reduction) and the Administration Fund by \$624,980 (approximately 2.3%). Major reductions in the Department of Parks include a hiring freeze (\$600,020) and deferring all capital outlay equipment purchases (\$598,000), both of which will impact the ability to maintain parks at the current levels. Circle 22 lists a variety of other reductions such as printing, training, architectural contracts, and computer replacements.

The two reductions the Committee may want to discuss are the recommendation to eliminate the contract for graffiti abatement (which they note may increase the need for police patrols) and the proposed reduction in the contract for non-native invasive plant management. In the former case, Staff does not recommend a reduction that could have an offsetting increase in another area of the budget. The reduction in funding for non-native invasive plant management (\$48,100) “will allow areas that received some treatment over the last two years to re-grow, thus losing the progress made in prior years.” A further reduction in overall maintenance may be preferable to losing the benefits of prior efforts.

In the Administrative Fund, the Planning Board has proposed freezing vacant positions and cutting operational expenses in the Planning Department by \$347,790. The Commissioners Office would reduce expenses by \$27,190 by delaying the hiring of two positions, reducing contracts for the preparation of transcripts, and reducing supplies and materials. The Bi-County Central Administrative Services will reduce expenditures by \$250,000 by eliminating document storage and retrieval (microfiche services), reducing professional services, freezing vacant positions, deferring the rehiring of normal turnover, and reducing the costs of rents and leases.

While many of these reductions will impact the ability of the departments to accomplish their work, Staff could not identify a preferable alternative for meeting these savings targets.

Department of Recreation

Vivian Yao

For the Department of Recreation, the Executive recommends the following adjustments:

Item	\$	Revenue
S1 Reduce: Delay in Opening Midcounty Community Center in FY10	-551,170	-47,000
S2 Reduce: Delay in Opening of Wisconsin Place Community Center	-54,440	-15,350
S3 Decrease Cost: Seasonal Staff Across Centers	-78,630	0
S4 Enhance: Targeted Marketing to Increase Revenue for Specific Classes and Programs	0	65,000
Total Operating Budget and Revenue Impact	-684,240	2,650

The Savings Plan excerpt for the Recreation Department is attached at © 15-16.

S1 Delay in Opening Midcounty Community Center in FY10 -551,170/-47,000

The FY10 operating budget for Midcounty was based on project completion in October 2009 and the opening in November. Executive staff reports that in addition to construction delays that moved the scheduled opening from the fall to early spring, the remediation by the builder of a problem with the concrete masonry units on the building surface will result in further construction delays through the end of FY10.

Council staff recommendation: Concur with Executive

S2 Delay in Opening of Wisconsin Place Community Center -54,440/-15,350

The FY10 operating budget for Wisconsin Place Community Center was based on opening the center in July 2009. Construction and permitting issues delayed the opening until September 28, 2009, resulting in the above referenced savings and revenue loss.

Council staff recommendation: Concur with Executive

S3 Decrease Cost: Seasonal Staff Across Centers -78,630/0

The Recreation Department explains that the savings in this category resulted from the later opening of the Wisconsin Place Community Center and the reassignment of career teen staff, who took on responsibilities at facilities, reducing the need for seasonal staff.

Council staff recommendation: Concur with the Executive

S4 Enhance: Targeted Marketing to Increase Revenue for Specific Classes and Programs 0/ 65,000

The Department plans to collect additional revenues by targeting marketing efforts to increase enrollment in classes that have been historically cancelled or underfilled.

Council staff recommendation: Concur with the Executive

Department of Permitting Services

Chuck Sherer

The full list of recommended reductions in Permitting Services is attached on © 17-18. The descriptions of the four items below all indicate that permitting activity has been down and is projected to continue this trend in FY10. These reductions are expected to have minimal or no impact because of the decrease in permitting activity.

S1 Decrease cost: Services and Contracts	-\$86,000
S3 Decrease cost: Printing and Mailing services	-\$60,960
S4 Decrease cost: uniforms and supplies	-\$105,240
S7 Decrease cost: advertising for jobs	-\$5,200

Council staff was concerned about the impact of the reduction in permitting activity on the Permitting Services Enterprise Fund, and asked the following questions. OMB responses are shown in *Italics*.

Question: Is permitting activity down more than assumed last May when the Council approved the FY10 budget? What is the latest projection of revenues compared to the budget?

Response: *DPS continued to see a decline in activity through July 2009. DPS reports that permitting activity has begun to increase and has shown improvement each month since August. A detailed projection of expenditures will be provided in the 2nd quarter analysis report to the Council.*

Council staff recommendation: Concur with Executive on reductions for DPS

<u>This packet contains:</u>	<u>circle #</u>
Executive transmittal for the FY10 Savings Plan	1
FY10 Savings Plan Analysis Overview	3
Board of Appeals	6
Economic Development	7
Housing and Community Affairs	8
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Housing Opportunities Commission NDA	10
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Recreation	15
Permitting Services	17
M-NCPPC	19
Memorandum from Planning Board Chairman	20

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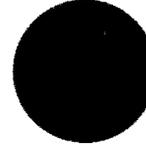
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OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

October 28, 2009



RECEIVED
MONTGOMERY COUNTY
COUNCIL
2009 OCT 28 PM 2:18

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 16-970)</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	-60,740	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 (per Council Resolution 16-970)	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%

FY10 SAVINGS PLAN ANALYSIS

Fund/Department Name	FY10 Approved (per Council Resolution 16-970)	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%

FY10 SAVINGS PLAN

Description/Justification

MCG Tax Supported

Ref No.	Title	\$	Revenue
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General Fund

→ **Board of Appeals**

S1	REDUCE: CURTAIL OPERATING BUDGET	-7,000	0
<p>There are no discretionary funds in the Board's operating budget - no training, conference, incidental or travel funds. All cuts have the potential to create shortfalls in payment for statutorily required Court Reporting services, statutorily required paper for or mailing of Notices and Opinions, purchase of statutorily required signs for advertisement of applications for variances and special exceptions. The Board's operating budget was reduced by over \$20,000. in the FY09 Savings Plan and FY 10 Budget reductions. Non- recommended proposed cuts are based on a remaining balance of \$5870. in operating funds at the end of the last fiscal year. In addition the number of new applications filed in the first quarter of FY 10 is less than half the number filed in the first quarter of FY 09. Some savings in paper, postage and transcript costs can be anticipated from this. However, the number of administrative requests related to established cases, which also have associated postage, paper and transcript costs, is the same for both periods. Due to the length and complexity of a single case, 64% of the funds for transcripts in FY10 are already spent. Because there are no vacant positions in the budget, these non-recommended cuts to the operating budget are preferred over elimination of a filled position. Implementation of the full \$13890. Savings Plan Target would result in significant shortfalls.</p>			
Board of Appeals Total:		-7,000	0

Circuit Court

S1	DECREASE COST: SAVINGS PLAN REDUCTION - VACANCIES	-52,050	0
<p>The Circuit Court will achieve its savings plan reduction target with the Judicial Administrative Assistant positions that have been vacant due to judicial retirements. There is no impact on services.</p>			
Circuit Court Total:		-52,050	0

Commission for Women

S1	DECREASE COST: WOMEN'S LEGISLATIVE BRIEFING	-6,250	0
<p>This year the Women's Legislative Briefing will begin charging the public to attend this event to cover some of the costs for the event. This year's event will be supplemented by the Briefing's limited donated funds. The departmental funding for this event will be needed next FY11 fiscal year.</p>			
S2	DECREASE COST: REDUCTION TRAVEL AND TRAINING	-4,600	0
<p>The department will decrease funds for travel and training for staff.</p>			
S3	DECREASE COST: REDUCTION PRINTING AND SUPPLIES	-12,900	0
<p>The department will reduce spending on general office supplies by increasing its already significant efforts to make more efficient and environmentally-friendly use of paper goods (re-use of scrap paper for internal documents and drafts, less printing, more electronic communication, etc.)</p>			
S4	DECREASE COST: PROFESSIONAL SERVICES	-3,200	0
<p>The Commission for Women and Counseling and Career Center will reduce its professional services costs. Volunteer workshop presenters will be used to mitigate this reduction in professional services.</p>			
Commission for Women Total:		-26,950	0

Consumer Protection

S1	DECREASE COST: LAPSE VACANT PRINCIPAL ADMINISTRATIVE AIDE POSITION	-54,950	0
<p>OCP has a Principal Administrative Aide (PAA) position that has been vacant since September 1, 2009. The office will lapse the position for the remainder of the year, which will generate \$66,680 in lapse savings. Until the position is funded, OCP will hire and train temporary clericals to provide essential clerical support (\$11,730). The savings from the lapse position (-66,680) minus the additional temporary costs (+\$11,730) will yield \$54,950 in net savings.</p>			
Consumer Protection Total:		-54,950	0

Correction and Rehabilitation

Ref No.	Title	\$	Revenue
County Executive Total:		-144,000	0

→ **Economic Development**

S1	DECREASE COST: DIRECTOR'S OFFICE Reductions to local and non-local conferences, and miscellaneous costs to avoid impacting service delivery. The reduction will limit the number of conferences that staff members will be able to attend.	-10,700	0
S2	DECREASE COST: FINANCE, ADMINISTRATION, AND SPECIAL PROJECTS Training, and office and computer supplies will be significantly decreased during this fiscal year. No training will be approved for staff for the remainder of the fiscal year. Office and computer supplies have been limited to bare essentials, and the department will continue this practice for the remainder of the year.	-50,000	0
S3	DECREASE COST: MBD-ADVERTISING This reduction will limit the amount of advertising the department will do for the remainder of the year. DED will focus on a more localized approach and pursue alternative forms of media other than print that will promote the County as a premiere business location. DED is currently revamping the County's Economic Development website to create a more user friendly and accessible website that will allow individuals to utilize the site for information gathering and a tool for learning about programs and services. DED is using in house staff to create a better website and reduce costs.	-37,500	0
S4	DECREASE COST: MBD-BIO PARTICIPATION DED will reduce the number of participants who attend the BIO Conference and Trade as well as other items including shipping costs for marketing materials, promotional items, exhibit fees and space allocations, and sponsorship costs.	-15,000	0
S5	DECREASE COST: MBD-EVENTS AND SPONSORSHIPS The AT&T will not be played in the County this year, so funding for the event will help achieve the necessary savings for FY10. The US Open is playing the following year, and expenses for the County's participation will occur in FY11. The department is reducing the number of sponsorships and County financial commitments to outside organizations.	-50,000	0
S6	DECREASE COST: AG SERVICES AND COOPERATIVE EXTENSION SERVICE Ag Services has identified computer supplies, dues, local conferences, and copiers and leases. The Cooperative Extension Service (CES) is a partnership with the University of Maryland, and has identified a line items to hold back on spending for FY10.	-6,440	0
S7	DECREASE COST: BUSINESS EMPOWERMENT Business Empowerment has reduced the anticipated costs for consultants in FY10. Any needs for a consultant will be handled internally during the course of the fiscal year.	-2,000	0
Economic Development Total:		-171,640	0

Emergency Management and Homeland Security

S1	DECREASE COST: LAPSE PERSONNEL COSTS A vacant Manager III position is going to be lapsed to meet savings target. This lapsing an additional couple of months has no significant impact.	-6,730	0
Emergency Management and Homeland Security Total:		-6,730	0

Environmental Protection

S1	DECREASE COST: REDUCE CONTRACTUAL SERVICE FOR THE GYPSY MOTH PROGRAM This reduction will not have an adverse impact on the gypsy moth suppression program. The FY10 suppression needs have been greatly reduced because the current moth population is very low due to a combination of: (1) effective suppression efforts in the past two years, and (2) favorable weather conditions since the budget was approved (specifically the cool, wet spring of 2009). These two factors have contributed to the increase of a virus that causes gypsy moth caterpillar mortality.	-52,450	0
S2	DECREASE COST: ADVERTISING COSTS - CLEAN ENERGY REWARDS This reduction will not have an adverse impact on the Clean Energy Rewards Program. In FY10, the program has reached capacity much earlier than in previous years, and as a result there is less need for funding to support marketing.	-9,000	0

Ref No.	Title	\$	Revenue
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→ **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
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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

Ref No.	Title	\$	Revenue
Liquor Control			
S1	DECREASE COST: PROFESSIONAL SERVICES Deferring professional services should cause DLC minimal negative impact.	-50,000	0
S2	DECREASE COST: CENTRAL DUPLICATING The department will print less price books/newsletters for licensees and salespersons. Price books and newsletters are available on the web.	-27,000	0
S3	DECREASE COST: NON-METROPOLITAN AND LOCAL AREA TRAVEL Staff will attend and/or sponsor fewer non-local and local conferences.	-17,000	0
S5	DECREASE COST: PROFESSIONAL LICENSURE AND TRAINING Employees will not be able to attend professional licensure training and other training opportunities will be reduced.	-16,350	0
S7	DECREASE COST: PROFESSIONAL MEMBERSHIPS Memberships in professional organizations will be reduced.	-10,000	0
S8	DECREASE COST: GENERAL OFFICE SUPPLIES There will be less availability of general office supplies.	-10,000	0
S9	DECREASE COST: GENERAL OFFICE FURNITURE Deferral of this item may result in a delay in replacing older, broken furniture.	-20,500	0
S10	DECREASE COST: COMPUTER SUPPLIES Deferral of this item will result in less availability of computer supplies.	-100,000	0
S11	DECREASE COST: CAMERAS Deferral may restrict wholesale operations from replacing cameras and there may be fewer cameras in retail stores.	-30,000	0
S13	DECREASE COST: FORKLIFTS Deferral of this item will delay the equipment replacement schedule by a year and may impact operations if broken equipment cannot be replaced.	-70,000	0
S14	DECREASE COST: CABINETS, SHELVES AND STORAGE UNITS Deferral of this item may provide for less display area at the retail stores.	-6,000	0
S15	DECREASE COST: FLOOR AND WALL COVERINGS Deferral of this item will delay store refurbishments.	-43,000	0
S16	DECREASE COST: TRUCKS ONE TON AND GREATER Deferral of this item will delay the department replacement schedule and may result in increased maintenance costs.	-320,000	0
S17	DECREASE COST: PERSONNEL COSTS The reduction of \$281,290 in personnel costs will come from additional lapse.	-281,290	0
Liquor Control Total:		-1,001,140	0

Montgomery Housing Initiative

→ **Housing and Community Affairs**

S1	DECREASE COST: DELAY HIRING - INCREASE LAPSE (CHIEF OPERATING OFFICER) [02/01/10 - 06/31/10] See impact for the General Fund.	-36,080	0
S2	DECREASE COST: REDUCE OPERATING EXPENSES Minimal service impact is expected in the provision of affordable housing units or clients served.	-431,030	0
Montgomery Housing Initiative Total:		-467,110	0

Parking District - Bethesda

DOT-Parking Lot Districts

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

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			

Ref No.	Title	\$	Revenue
Public Libraries			
S1	REDUCE: LIBRARY MATERIALS This reduction will bring the materials budget to \$4.2 million (24%). Similar to last year's savings plan, the reduction will be realized by purchasing fewer titles, and fewer quantities of those titles purchased. Some particular areas that are likely to be reduced: print reference, magazines, electronic sources (consolidation), music. Waiting lists for popular items may increase due to fewer quantities being purchased.	-1,350,000	0
S2	REDUCE: INCREASE LAPSE The lapse budget for MCPL is already very high. This will hold 13 vacant positions for the entire fiscal year. The proposed amount is that entire projected surplus over the \$1+ million lapse target.	-90,790	0
S3	REDUCE: GAITHERSBURG CLOSURE FOR CONSTRUCTION: LOSS OF SIX SUNDAYS The Gaithersburg branch is expected to close on or about April 1st, in advance of the expected June 1, 2010 date of construction. The savings mean that when the branch closes, its Sunday services will also close and will not be replaced by another branch during FY10 (e.g. we will only provide service on Sundays in seven branches during the last quarter of the fiscal year).	-18,570	0
S4	DECREASE COST: GAITHERSBURG SUPPLIES The savings represents 3 months savings in the Gaithersburg branch supply budget while the library is closed for packing prior to the renovation beginning.	-1,550	0
S5	REDUCE: GENERAL SUPPLIES Library branches purchase toner, rubber bands, pens/pencils, paper, and other supplies to support library operations (managing reserved items, posting policy and directional signs, advertising library programs, printing account and reference information for customers, etc.). A 15% reduction will be difficult to manage, but feasible.	-14,400	0
S6	DECREASE COST: PAPER, PRINTING AND MAIL Per the County's paper reduction initiative, MCPL is working with the Print shop now on an alternative way of notifying customers that their reserved items are ready. MCPL is conducting a campaign to encourage email notification. We will reduce the number of items printed and the print quantities for those brochures and other items that we do print. We will be requiring all units to monitor and find ways to reduce paper and printing costs.	-35,000	0
S7	DECREASE COST: BOOK PROCESSING Reducing this budget will be accommodated by adjusting the mix of items directly processed by library staff, and by further integrating the cost of pre-processing of library materials into the library materials budget proper.	-65,000	0
S8	DECREASE COST: TRAINING For FY10, the focus of training will be for an upgrade of our core business system (SirsiDynix Unicorn/Symphony integrated library system). We will restrict almost all attendance at regional and national library conferences so that the remaining funds will be available for staff training during the upgrade.	-20,000	0
Public Libraries Total:		-1,595,310	0

→ **Regional Services Centers**

S1	DECREASE COST: LAPSE BETHESDA-CHEVY CHASE REGIONAL SERVICES CENTER, ASSISTANT DIRECTOR, MANAGER III A delay in hiring the Assistant Director position will pose significant challenges to the oversight and operations of the Bethesda-Chevy Chase Regional Services Center (B-CC RSC) and may create lapses in services and in meeting administrative requirements. In its absence, the B-CC RSC is utilizing the Assistant Director of the UpCounty Regional Services Center for support.	-61,040	0
S2	DECREASE COST: LAPSE BETHESDA-CHEVY CHASE REGIONAL SERVICES CENTER, PUBLIC ADMINISTRATION INTERN A 4.5 month lapse on the Public Administration Intern Position will have minimal impacts, beyond existing office coverage and workload issues. This position has recently been approved for hiring. The timeframe lapsed is within the anticipated selection timeframe.	-8,790	0

Ref No.	Title	\$	Revenue
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→ **Regional Services Centers**

S3	DECREASE COST: LAPSE UPCOUNTY REGIONAL SERVICES CENTER, PROGRAM SPECIALIST II	-8,720	0
	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.).		
S4	DECREASE COST: LAPSE EAST COUNTY REGIONAL SERVICES CENTER, PROGRAM SPECIALIST II	-14,710	0
	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.		
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	-60,740	0
	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.		
State's Attorney Total:		-60,740	0

Technology Services

S1	DECREASE COST: LAPSE 5 VACANT POSITIONS	-214,880	0
	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.		
S2	DECREASE COST: ENTERPRISE APPLICATIONS AND SOLUTIONS DIVISION (EASD): HUMAN RESOURCES MANAGEMENT SYSTEM / INTEGRAL CONTRACT	-37,500	0
	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.		
S3	DECREASE COST: ENTERPRISE APPLICATIONS AND SOLUTIONS DIVISION (EASD): PERSONAL COMMUNICATIONS (PCOMM) MAINTENANCE	-9,500	0
	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.		

Ref No.	Title	\$	Revenue
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Transportation

S12	REDUCE: TREE MAINTENANCE/STUMP REMOVAL The reduction of tree maintenance including the elimination of stump removal funding for the remainder of the fiscal year will delay all stump removals for FY10. Sufficient funds remain in the tree program to address only stump removals of an emergency nature.	-75,000	0
S13	REDUCE: LOOP DETECTORS This action reduces the number of failed detection devices that can be returned into service.	-100,000	0
S14	REDUCE: CONTRACTUAL SHOULDER SUPPORT SERVICES This will eliminate contract support to address wholesale shoulder repairs. All emergency and high priority shoulder repairs will be handled by in-house resources.	-100,000	0
S15	REDUCE: PATCHING This represents a modest reduction of the patching program.	-56,000	0
Transportation Total:		-1,047,900	0

→ **Zoning & Administrative Hearings**

S1	DECREASE COST: REDUCE BOOKS AND REFERENCE MATERIALS Reduction of books, videos and subscriptions -\$2,000.	-2,000	0
S2	DECREASE COST: REDUCE OFFICE SUPPLIES Reduction of general office supplies, mainly paper savings -\$500. Some reductions will require authorization of larger outgoing emails, in order to utilize electronic mailing of rezoning reports.	-500	0
S3	DECREASE COST: REDUCE PREPARATION OF TRANSCRIPTS Reduction in number of transcripts of Human Rights Commission hearing cases -\$2,000. This reduction leaves a balance in budget sufficient to cover cases known at this time.	-2,000	0
Zoning & Administrative Hearings Total:		-4,500	0
General Fund Total:		-9,041,460	-1,180

Fire

Fire and Rescue Service

S1	DECREASE COST: ELECTRONIC PATIENT CARE REPORTING No service impact. There is a reduced need for funds because the software maintenance support is not needed in FY10 and only one, reduced master lease payment is needed (two payments were budgeted and only one payment is needed; items were not delivered until late summer).	-348,000	0
S2	DECREASE COST: MASTER LEASE FOR AMBULANCES No service impact. It was anticipated that this master lease payment for 14 ambulances would be needed for the second half of FY10. The master lease payment may be deferred because of a delay in procuring the ambulances.	-347,000	0
S3	DECREASE COST: FIRE CODE ENFORCEMENT NON-UNIFORM POSITIONS No service impact. MCFRS plans to have the new personnel working in the field by March, in accordance with the civilianization plan put forward with the FY10 budget. These positions were anticipated to be hired in September, but now it appears that hiring dates will be in early December.	-108,000	0
S4	DECREASE COST: EMERGENCY COMMUNICATIONS CENTER NON-UNIFORM POSITIONS No service impact. MCFRS plans to have the new personnel working in the field by March, in accordance with the civilianization plan put forward with the FY10 budget. These positions were anticipated to be hired in September, but now it appears that hiring dates will be in early November.	-162,000	0
Fire Total:		-965,000	0

Mass Transit

DOT-Transit Services

Ref No.	Title	\$	Revenue
DOT-Transit Services			
S1	DECREASE COST: LAPSE INFORMATION TECHNOLOGY SPECIALIST Less support in technology management to handle ongoing integration issues, programming review of new technologies (including automated transit information on the web, PDA's, signs, etc.) and changing service needs.	-50,000	0
S2	REDUCE: PRINTING - BUS SHELTER MAPS Reduction of bus shelter information to include Neighborhood Maps (large map) and Transit Information Aids. The maps and aides contain bus routes and schedules and local information. Additional reduction will be taken in the printing of the Call and Ride coupons. Reduction of passenger information in shelters reduces the convenience and quality of Ride On service.	-34,310	0
S3	DECREASE COST: DELAY MYSTERY RIDER PROGRAM IMPLEMENTATION TO JANUARY The Mystery Rider contract allows Transit Services to monitor taxi customer service and Ride On bus service within Montgomery County. Both programs will be delayed with a start date of January. The Ride On component is necessary to demonstrate to FTA's Office of Civil Rights that the system does check on itself regarding enunciators.	-75,000	0
S4	REDUCE: SUSPEND FARE SHARE PROGRAM COUNTYWIDE Suspension of this program will impact employers currently in the program and, unless the employers increase their financial commitment, will reduce transit benefits provided by employers.	-79,000	0
S5	REDUCE: SUSPEND WHEATON SUPER FARE SHARE PROGRAM Suspension of this program will impact the ability to persuade employers in the redeveloping Wheaton area to provide transit benefits. There are currently no employers active in the program in Wheaton.	-8,270	0
S6	REDUCE: SUSPEND FRIENDSHIP HEIGHTS SUPER FARE SHARE Currently 42 employers with about 2,600 employees are enrolled in the Freindship Heights TMD, and over 500 employees receive transit benefits under this program. Unless the employers increase their financial commitment, suspension of the program will result in a reduction in the transit benefits provided to employees.	-91,000	0
S7	REDUCE: SUSPEND NORTH BETHESDA SUPER FARE SHARE PROGRAM Currently 39 employers with over 7,000 employees are enrolled, and over 900 employees receive transit benefits under this program. Unless the employers increase their financial commitment, suspension of the program will result in a reduction in the transit benefits provided to employees.	-137,000	0
S8	ENHANCE: INCREASE PRICE OF RIDE ON MONTHLY PASS FROM \$25 TO \$30 The current monthly pass costs Ride On customers \$25 a month. This proposal wil increase the cost to \$30 which is still lower than if purchased daily (\$1.35 x 30) or with a SmartTrip card (\$1.25 *30). This change will be implemented in January 2010.	0	87,500
Mass Transit Total:		-474,580	87,500

Recreation

→ Recreation

S1	REDUCE: DELAY IN OPENING MIDCOUNTY COMMUNITY CENTER IN FY10 The Midcounty Center was to be delivered and opened in FY10. Construction delays moved the original planned opening in the fall to early spring. However, a problem with the concrete masonry units on the building surface must be addressed by the builder. Due to the nature of the work required, the builder may not be able to mitigate the issue until the weather is more condusive to mortar/brick work (i.e. spring).	-551,170	-47,000
S2	REDUCE: DELAY IN OPENING OF WISCONSIN PLACE COMMUNITY CENTER Wisconsin Place was supposed to open in FY09. Construction and permitting delays did not allow us to open the facility until September 28, 2009. Savings are a reflection of that delayed opening.	-54,440	-15,350
S3	DECREASE COST: SEASONAL STAFF ACROSS CENTERS Due to scheduling changes implemented in F09, centers will be able to save some of the funding for seasonal staff for FY10. It may mean less staff are available for rentals.	-78,630	0

Ref No.	Title	\$	Revenue
→ Recreation			
S4	ENHANCE: TARGETED MARKETING TO INCREASE REVENUE FOR SPECIFIC CLASSES AND PROGRAMS	0	65,000
	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
	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
	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
	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
	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
	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

Ref No.	Title		\$	Revenue
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DOT-Parking Lot Districts

S1	REDUCE: PAINTING		-50,000	0
	The frequency of re-striping PLD facilities through contract painting will change from a 2-year cycle to a 4-year cycle. The clarity and visibility of striping for parking spaces and associated traffic movements will be diminished, and the effects of traffic and weather "wear and tear" will be more pronounced. Parking customers may find it increasingly difficult to properly identify spaces and facility capacity may be reduced due to vehicles taking up more than one space.			
S2	REDUCE: CONTRACT JANITORIAL SERVICES		-119,250	0
	Daily contract janitorial services at supported PLD facilities will be reduced from 8 hours a day to 5 ½ hours a day. Parking customers will notice lower standards of cleanliness.			
Parking District - Bethesda Total:			-169,250	0

Parking District - Montgomery Hills

DOT-Parking Lot Districts

S1	REDUCE: CONTRACT LITTER COLLECTION		-1,750	0
	Coverage for daily contract litter pickup services at supported PLD facilities will be reduced from 8 hours a day to 6 hours a day. Parking customers will notice lower standards of cleanliness.			
Parking District - Montgomery Hills Total:			-1,750	0

Parking District - Silver Spring

DOT-Parking Lot Districts

S1	DECREASE COST: CLOSURE OF GARAGE 21 FOR TWO YEARS DURING RENOVATIONS		-53,430	0
	Savings in maintenance and utilities in FY10 will be \$53,430 for the ½ year from January to June. No impact on PLD revenues anticipated, as parking demand shifts to adjacent Garage #2.			
S2	REDUCE: PAINTING		-55,000	0
	The frequency of re-striping PLD facilities through contract painting will change from a 2-year cycle to a 4-year cycle. The clarity and visibility of striping for parking spaces and associated traffic movements will be diminished, and the effects of traffic and weather "wear and tear" will be more pronounced. Parking customers may find it increasingly difficult to properly identify spaces and facility capacity may be reduced due to vehicles taking up more than one space.			
S3	REDUCE: CONTRACT JANITORIAL SERVICES		-52,210	0
	Daily contract janitorial services at supported PLD facilities will be reduced from 8 hours a day to 7 hours a day. Parking customers will notice lower standards of cleanliness.			
Parking District - Silver Spring Total:			-160,640	0

Parking District - Wheaton

DOT-Parking Lot Districts

S1	REDUCE: PAINTING		-19,440	0
	The frequency of re-striping PLD facilities through contract painting will change from a 2 year cycle to a 3+ year cycle. The clarity and visibility of striping for parking spaces and associated traffic movements will be diminished, and the effects of traffic and weather "wear and tear" will be more pronounced. Parking customers may find it increasingly difficult to properly identify spaces and facility capacity may be reduced due to vehicles taking up more than one space.			
Parking District - Wheaton Total:			-19,440	0

Permitting Services

→ **Permitting Services**

S1	DECREASE COST: SERVICES AND CONTRACTS		-86,000	0
	Reductions will have a manageable impact on service delivery and operations. Permitting activity has been down and is projected to continue this trend in FY10.			

Ref No.	Title	\$	Revenue
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→ **Permitting Services**

S2	DECREASE COST: EQUIPMENT REPAIRS AND MAINTENANCE There will be no impact to DPS. DPS was notified that parts are no longer available for the scanners currently in use and therefore the maintenance contract is no longer necessary. Maintenance and repairs will be done in house if necessary.	-21,610	0
S3	DECREASE COST: PRINTING AND MAILING SERVICES Permitting activity has been down and is projected to continue this trend in FY10. Due to the reduced volume costs associated with permit processing such as printing and mailing will be less and will have no impact to operations.	-60,960	0
S4	DECREASE COST: UNIFORMS AND SUPPLIES Permitting activity has been down and is projected to continue this trend in FY10. Costs associated with permit processing, plan review and inspections such as uniforms and supplies will be less with no impact to operations.	-105,240	0
S5	DECREASE COST: TRAVEL, EDUCATION AND MEMBERSHIPS Reimbursement for certification courses will be limited to only those courses necessary for employee certification and advancement.	-82,000	0
S6	DECREASE COST: COMMUNICATION SERVICES Due to the large volume of vacant positions, DPS is able to reduce communication costs without compromising operations.	-45,000	0
S7	DECREASE COST: ADVERTISING FOR JOBS Permitting activity has been down and is projected to continue this trend in FY10. DPS has lapsed all vacant positions and currently has adequate staff to cover any additional vacancies that may occur through the end of the fiscal year and does not anticipate the need for recruiting and advertising of jobs. There should be no impact to operations.	-5,200	0
Permitting Services Total:		-406,010	0

Solid Waste Collection

DEP-Solid Waste Services

S1	DECREASE COST: REFUSE COLLECTION SAVINGS Savings resulting from FY10 actual contract CPI slightly lower than budgeted.	-100,220	0
Solid Waste Collection Total:		-100,220	0

Solid Waste Disposal

DEP-Solid Waste Services

S1	DECREASE COST: RESOURCE RECOVERY FACILITY SAVINGS Savings resulting from lower operating expenditures due to electricity pricing pilot.	-500,000	0
S2	DECREASE COST: OUT OF COUNTY HAUL SAVINGS Efficiency savings resulting from increasing average load weights and shortening travel distances for rubble recycling (using MD facility instead of VA facility).	-306,000	0
S3	DECREASE COST: RESIDENTIAL RECYCLING SAVINGS Savings resulting from FY10 actual contract CPI slightly lower than budgeted.	-312,000	0
Solid Waste Disposal Total:		-1,118,000	0

Water Quality Protection Fund

Environmental Protection

S1	DECREASE COST: CONTRACTUAL COST FOR MISCELLANEOUS STREAM RESTORATION MAINTENANCE No service impact. The contractual cost for Miscellaneous Stream Restoration in FY10 is less than originally anticipated.	-10,000	0
S2	DECREASE COST: EASEMENT PREPARATION ASSISTANCE No service impact. Because of the need to train a new employee to handle the responsibilities associated with easement preparation assistance, DEP expects to prepare fewer easements than expected in FY10, with a corresponding reduction in expenses. We do not anticipate an adverse impact in the short term. However, we plan to fully implement the program next year.	-20,340	0

Ref No.	Title	\$	Revenue
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M-NCPPC Administration

→ M-NCPPC

S1	DECREASE COST: MNCPPC REDUCTIONS TO MEET THE SAVINGS PLAN TARGET	-624,980	0
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M-NCPPC Administration Total: -624,980 0

M-NCPPC Park (w/out Debt Serv.)

M-NCPPC

S1	DECREASE COST: MNCPPC REDUCTIONS TO MEET THE SAVINGS PLAN TARGET	-1,555,020	0
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M-NCPPC Park (w/out Debt Serv.) Total: -1,555,020 0

M-NCPPC Tax Supported Total:		-2,180,000	0
Net Savings:		-2,180,000	
<i>(Total Exp. Savings & Revenue Changes)</i>			

M-NCPPC Total: -2,180,000 0

M-NCPPC FY10 Net Savings
(Total Exp. Savings & Revenue Changes) -2,180,000



MONTGOMERY COUNTY PLANNING BOARD
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

VIA EMAIL

OFFICE OF THE CHAIRMAN

MEMORANDUM

October 15, 2009

051839

TO: The Honorable Isiah Leggett
County Executive
Executive Office Building
Rockville, MD 20850

Phil Andrews, President
Montgomery County Council
100 Maryland Avenue
Rockville, Maryland 20850

FROM: *Royce Hanson*
Royce Hanson, Chairman
Montgomery County Planning Board

RECEIVED
MONTGOMERY COUNTY
COUNCIL
2009 OCT 15 AM 8:42

SUBJECT: FY10 Savings Plan

The Montgomery County Planning Board is committed to participating in the County's FY10 savings plan. The Board has carefully reviewed the current fiscal status of its tax-supported budgets to determine how we can accomplish the target of \$2.1 million savings from our FY 2010 budget while limiting unavoidable impact on services. Instead of making an across the board cut to all departments, we evaluated each department's needs and opportunities for FY 10 savings that minimize program damage. The summary of savings by department is listed below:

FY10 MNCPPC Mid-Year Savings Plan in Montgomery County			
Department	<u>FY10 Budget - MC (Excluding Debt, Grant and Reserves)</u>	<u>Reductions</u>	<u>% of Budget</u>
Park Fund	\$79,019,100	(\$1,555,020)	-1.97%
Admin Fund:			
MC Comm	\$1,208,400	(\$27,190)	-2.25%
MC Planning	\$18,531,800	(\$347,790)	-1.88%
MC - CAS	\$7,856,800	(\$250,000)	-3.17%
Admin Fund Subtotal	\$27,627,000	(\$624,980)	-2.26%
Total	\$106,646,100	(\$2,180,000)	-2.04%

DEPARTMENT OF PARKS

The total adopted FY10 Park Fund budget is \$79,019,100, exclusive of debt service, reserves, and grants. For the Department of Parks, (including Police), we propose FY10 savings of \$1,555,020.

The following factors were considered to determine the impact of the savings on the Department of Parks:

1. The Department's adopted FY10 work program is predicated on an authorized complement of 729 career positions and 6 term contract positions.
2. For FY10, the Department's has an assessed lapse of \$4,473,300 which equates to approximately 52 positions. This is a 7.5% lapse across all Park Fund divisions. However, in reality, the majority of vacancies occur in the maintenance and police divisions. The other divisions do not carry many, if any, vacancies. This places a greater lapse burden on the work program for the park maintenance and police divisions.

The Department is currently carrying enough vacancies to achieve the 7.5% lapse through frozen positions. Lapse achieved through normal attrition is historically 4% to 5%. Any further savings must be realized by freezing future vacancies.

3. The Department's adopted FY10 budget included work program reductions that were carried forward from reductions taken in the FY09 budget. This included reductions in technology efficiencies, staff training, professional contracts, support to outside organizations for events, horticulture annual plantings including closing the Pope Farm green houses, and select services for managed community open space, such as routine maintenance and repairs, litter control and patrols in urban and neighborhood parks.
4. In the FY09 budget process, Parks received 4 operational budget impact (OBI) positions for new CIP and developer-built parks. Due to the budget situation in FY10, we did not request any new OBI positions, though acreage and new parks were added to the park system. The new positions in FY09 were immediately frozen to meet the FY09 savings plan and continue to be frozen in FY10. The Department must still maintain and police these parks which further stretch the Parks staff ability to adequately maintain all the parks in the system.

To meet the \$1,555,020 in savings, the following actions have been identified:

Action	Impact	Savings
Freeze anticipated vacancies	<p>A hiring freeze will greatly impact the safety and functionality of our parks. This will impact</p> <ul style="list-style-type: none"> • Park maintenance of the parks which will result in a degraded appearance in the parks such as increased litter, taller grass, deteriorated play equipment, non-functioning water fountains, etc. 	\$600,020

	<ul style="list-style-type: none"> • Fewer staff to be out in the field to monitor maintenance needs and to attend public meetings. • Park Police patrols in the parks, the ability to investigate crimes, and community outreach • Park Rangers to monitor hot spots and ball fields within the county parks 	
Reduce funding for seasonal staff	This reduction will directly affect the Parks ability to provide adequate park maintenance and to prepare ballfields in the spring. This will impact future jobs for youth by not hiring young people in seasonal positions.	\$40,000
Defer all capital outlay equipment purchases such as large mowers, tree crew equipment, and ballfield maintenance machines	This reduction will require equipment which is nearing, or has already reached, the end of its useful life to remain in service. Because of the age and condition of the equipment, downtime will increase and maintenance frequency will suffer. Additionally, the cost of keeping these pieces in service will increase dramatically and replacement parts may no longer be available. Ultimately the equipment may deteriorate to the point of compromising operator safety and will need to be removed from service. Deferring the purchases now will only add to an already significant backlog of equipment replacement and upgrade.	\$598,000
Defer final phase of voice over IP (VOIP) purchase	Deferring the migration of the last 5 of 31 sites to VOIP will impact the Park Fund in that phone calls made on the old phone system are more costly and the old system requires more maintenance.	\$111,000
Reduce printing	This will diminish the Parks ability to provide brochures and educational information for the public.	\$16,000
Reduce professional development/training	This will defer or eliminate management and work related seminars and training which can result in lower employee job satisfaction, lower innovation in the workplace, and increased risk management issues.	\$20,000
Reduce architectural contract for historic renovations	This reduction will result in fewer historic building rehabilitation projects for projects requiring Historic Area Work Permits and/or permits. Projects that may be affected include: Red Door Store, Joseph White House, WSSC East, and Needwood Mansion.	\$15,000
Eliminate contract for graffiti abatement	This may result in an increase in graffiti in parks. Since much graffiti is gang related, this may cause an increase in need for police patrols in gang areas.	\$7,500
Reduce contract and supplies for non-native invasive program	Reducing the contact and herbicides for the non-native invasive program would cut treatment to 225 acres in the county's highest quality natural areas of parkland allowing the degradation of our natural resources. This setback will allow areas that received some treatment over the past two years to re-grow thus losing the progress made in prior years.	\$48,100
Defer computer replacements	This reduction would require employees to use computer equipment which exceeds the adopted replacement cycle, resulting in obsolete technology and limiting expansion of management tools.	34,800
Reduce spending for office supplies and defer planned replacement of worn out and ergonomically deficient office furniture	Minimal impacts.	\$64,600
TOTAL REDUCTION		\$1,555,020

PLANNING DEPARTMENT

For FY10, the Planning Department's approved share of the Administration Fund is \$18,531,800, excluding grants. The Planning Department proposes saving of 1.88% of its approved Administration Fund budget, or \$347,790.

Saving an additional \$347,790 has a significant impact on the Planning Department because it currently has 30 vacancies, almost all of which must be frozen to meet the budgetary requirements of adopted FY10 budget and in anticipation of FY11. As a consequence only 152 of the 182 authorized positions on which the work program was based are filled. Nine of these positions represent the assessed lapse equal to \$898,000. Three positions are unfunded to accommodate the reduction of \$245,000 in the transfer from the Administration to the Development Review Special Revenue Fund.

To achieve 1.88% in savings, the following actions have been identified:

Action	Saving
• Freeze three additional vacant positions for the remainder of FY10; and	\$337,000
• Cut spending in operational expenses in such areas as professional services, subscriptions, memberships, seminars, training, and departmental supplies	\$10,790
Total	\$347,790

Shortfall in Special Revenue Fund Could Exceed More Than the Savings. As of the end of September, a straight line projection on fee revenues for the Development Review Special Revenue estimates a shortfall of approximately \$436,700. With the condition of the economy in the development sector this predicted shortfall may be optimistic. Shortfalls in the Special Revenue Fund are covered by fund balance in the Administration Fund. In FY08, the shortfall resulted in a \$749,000 special appropriation. In FY09 the revenue shortfall of approximately \$210,000 had to be absorbed by the Planning Department. If there is no improvement in the revenue collections in the coming months there is a great potential that an appropriation will be needed.

MONTGOMERY COUNTY COMMISSIONERS' OFFICE

The FY10 adopted budget for the Montgomery County Commissioners' Office is \$1,208,400. Savings of 2.5% or \$27,190 would reduce the total FY10 budget to \$1,181,210. Proposed savings include \$20,190 attributed to the delayed hiring of two positions and a reduction of contract services for the preparation of Planning Board meeting transcripts. The remaining \$7,000 includes a reduced supplies and materials.

CENTRAL ADMINISTRATIVE SERVICES (CAS)

CAS includes the Department of Human Resources and Management (DHRM), the department of Finance, the Legal Department, and the Merit Board. The total FY10 adopted budget for CAS in Montgomery County is \$7,886,800. CAS savings target is \$250,000, or 3.2% of the Montgomery County side of its operations:

<u>CAS Department</u>	<u>FY10 Budget (Montgomery County Portion)</u>	<u>Savings</u>	<u>% of Budget</u>
Legal	\$1,292,050	(\$31,620)	-2.4%
Finance	\$4,021,900	(\$130,490)	-3.2%
DHRM	\$2,516,550	(\$86,620)	-3.4%
Merit Board	\$56,300	(\$1,270)	-2.3%
CAS Subtotal	\$7,886,800	(\$250,000)	-3.2%

Some CAS reductions will require an equal reduction in service to Prince George’s County. As a result, saving \$250,000 in Montgomery County will result in a total reduction in CAS expenditures of approximately \$308,000.

DHRM

DHRM’s FY10 total Adopted Budget is \$5,033,100 and 38.5 workyears. The Montgomery portion is \$2,516,550 and 18.75 workyears (one DHRM workyear is totally funded by Prince George’s County Departments to supplement recruitment activities based on existing needs). The Department is 92% funded from the tax-supported Administration Funds for base operations. The Department also charges to internal service funds and to the field departments for specific activities on a pay-as-you-go basis.

Savings of 3.4% in Montgomery County is the highest percentage reduction among all M-NCPPC departments. It can be achieved, by the following actions:

- Eliminating document storage and retrieval services (microfiche services provided by two part-time contract employees (\$15,000),
- Reducing some professional services for Montgomery County departments,
- Freezing two recently vacated positions in Human Resources, and
- Deferring normal turnover hiring for up to 6 months.

These actions will increase the total frozen positions in DHRM in FY10 to six or 14%, comparable vacancy rate in the Montgomery County operating departments. There will be no impact on management analysis, since those positons have not been filled since they were established in FY08. There will be an impact, however on labor relations and recruitment. Freezing two additional positions will delay or eliminate release of the upgrade to web-based recruitment model for seasonal hiring and implementation of the upgrade and business-process re-engineering for the HRIS (NeoGov and ePersonality) system. These systems provide remote access to enable operating Departments to timely hire and correctly process personnel actions for seasonal positions. Existing employees will have to absorb mandatory workloads in such areas as processing and implementing collective bargaining contract

requirements, personnel CJIS background checks, unemployment inquiry processing and salary verifications. In addition, cutting contracts will leave no professional services for budgeting and management analysis and basically no archives services for Montgomery County for rest of the fiscal year. The Board concluded, however, that this service does not meet our needs for archival management and must be replaced with more appropriate services once the fiscal situation improves. In the meantime, the departments will have to absorb preparation of basic archival documents.

Finance Department

The Finance Department proposes saving \$130,490. To meet this target, the department will reduce professional services (\$90,000) and rents and leases (\$40,490). The impact of reducing the professional services will be the elimination of the annual security risk assessment, as well as delaying and eliminating special consulting needs for the management and implementation of current and new major corporate systems (ePersonality, Kronos, EnergyCap and Evault). Reducing rents and leases will not result in an impact as the FY10 rent was prepaid last year.

The Department will also continue to freeze the three positions (auditor, accounting technician, and programmer/analyst) from the FY09 savings plan to meet our budgeted lapse. The impact will be a reduced number of internal audits; a delay of vendor payments, and a reduction in corporate IT services. Implementing the Crystal Reports Server and the new release of EnergyCap utilities management system will be delayed hinder fulfilling field custom report requests and the ability to maintain enhancements and the project activity load. Providing adequate support for corporate database and applications will also be reduced in order to fill the gap left by the vacancies.

Legal Department

In order to achieve FY10 mid-year savings target, Office of General Counsel (OGC) must defer \$31,620 professional services programmed for Montgomery County land use functions.

Merit Board

Merit Board will seek to generate savings from cutting operating expenses.

CONCLUSION

The Planning Board will fulfill its obligations during the County's fiscal crisis. We have endeavored to recommend savings that do the least harm to programs and performance.

cc: Steve Farber, Montgomery County Council
Joe Beach, Office of Management and Budget
Marlene Michaelson, Montgomery County Council
Amy Wilson, Office of Management and Budget