

Worksession

MEMORANDUM

April 29, 2010

TO: Management and Fiscal Policy Committee  
FROM: Stephen B. Farber, Council Staff Director *SBF*  
SUBJECT: FY11 Operating Budget: **Council Office**

*Those expected for this worksession:*

Mary Jane Berry, Administrative Services Coordinator  
John Cuff, Office of Management and Budget

The recommended FY11 budget for the Council Office is attached on ©1-4.

**Overview**

For FY11, the recommended total expenditures are \$8,372,510, **down 7.6%** from the FY10 approved budget and **down 12.6%** from the FY09 approved budget. Personnel costs are 93.25% of the total; operating expenses are 6.75%. Workyears decline by 4.6, or 6.1%.

	<b>FY09 Actual</b>	<b>FY10 Approved</b>	<b>FY11 Recommended</b>	<b>% Change FY10-FY11</b>
<b>Expenditures:</b>				
General Fund	8,940,757	9,057,090	8,372,510	-7.6%
<b>TOTAL Expenditures</b>	<b>8,940,757</b>	<b>9,057,090</b>	<b>8,372,510</b>	<b>-7.6%</b>
<b>Positions:</b>				
Full-time	66	65	70	7.7%
Part-time	19	20	16	-20.0%
<b>TOTAL Positions</b>	<b>85</b>	<b>85</b>	<b>86</b>	<b>1.2%</b>
<b>WORKYEARS</b>	<b>76.8</b>	<b>75.0</b>	<b>70.4</b>	<b>-6.1%</b>

The recommended decrease is \$684,580. This decrease comes from the following adjustments:

Reduce Professional Services	\$	(109,520)
Additional Lapse	\$	(406,190)
Miscellaneous Personnel Adjustments	\$	94,090
Retirement Adjustment	\$	70,870
Group Insurance Adjustments	\$	42,830
Printing and Mail Cost Adjustments	\$	(25,930)
Printing and Mail Council Operations	\$	(31,230)
Annualization of FY10 Personnel Costs	\$	(47,400)
Furlough Days	\$	(272,100)
<b>TOTAL</b>	<b>\$</b>	<b>(684,580)</b>

The Council Office has consistently set the standard for cost-effective operation. Restructuring, re-engineering, and new technology, combined with the hard work of our talented staff, have enabled us to sharply improve our productivity and reduce our administrative staff workyears as positions have become vacant. Meanwhile, we have strengthened our legal and analytical staff resources and buttressed them with expert contractual support on specialized legal, actuarial, fiscal, engineering, transportation, and technology issues.

Compared with FY91, central staff workyears in FY11 are actually **down 27.9%**, from 40.8 to 29.4. A good example of productivity improvement is the introduction of the Pictron system. The Pictron system places the videotapes and word-searchable transcripts of Council sessions, by agenda item, on our web site. The system has enabled us to provide the community with a complete (rather than partial) record of Council proceedings, accessible 24/7, while eliminating one workyear from our complement. In July 2010 we will further strengthen our capacity with the Granicus system.

#### **FY11 Expenditure Issues**

The Council Office budget for FY11 will not only continue this disciplined approach but expand it. As the County's fiscal condition weakened in the summer of 2008, we refrained from filling two important positions – one attorney and one analyst – in our approved FY09 central staff complement. These vacancies helped us meet our FY09 Budget Savings Plan target. To help address the County's fiscal challenge in FY10 by **reducing** our budget by 5.0% compared to FY09, we reluctantly eliminated these positions. They will not be filled in FY11 either. Further reductions, as outlined above, will be required to achieve the overall savings of 7.6% from FY10 (and 12.6% from FY09). We hope to avoid reductions-in-force, but this may not be possible.

For Councilmember offices, the transition to a revised staffing structure is now complete. The old structure, established in 1983, was based on a model of three workyears (or the equivalent in part-time employees and/or contractors) for each office. Changes since then – a large increase in County population, higher public expectations, and the creation of a nine-member Council with five District Councilmembers – led the Council in 2005, at Mrs. Praisner's suggestion, to start a three-year transition to a new structure based on four workyears (or equivalent) for each office. The creation in 2005 of the Legislative Senior Aide series in Councilmember offices, at Mr. Knapp's suggestion, has also strengthened this structure.

One new idea for the Committee's consideration is to fund more of the Council's Legislative Information staff capacity from the Cable Fund. The recommended FY11 budget funds 60% of the Program Specialist II position, and none of the Legislative Information Officer position, from this source. Based on actual experience, the respective percentage amounts would be 90 and 40. The impact on the Cable Fund would be \$88,865. By contrast, the Public Information Office budget for FY11 funds 6.6 workyears from the Cable Fund at a cost of \$704,850. This change for the Council Office budget makes sense, and I recommend it.

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# County Council

## MISSION STATEMENT

The mission of the County Council is to legislate for the peace, good government, health, safety, and welfare of Montgomery County and establish policies under which a system of public administration and finance provides services effectively, efficiently, and equitably.

## BUDGET OVERVIEW

The total recommended FY11 Operating Budget for the County Council is \$8,372,510, a decrease of \$684,580 or 7.6 percent from the FY10 Approved Budget of \$9,057,090. Personnel Costs comprise 93.2 percent of the budget for 70 full-time positions and 16 part-time positions for 70.4 workyears. Operating Expenses account for the remaining 6.8 percent of the FY11 budget.

## LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

❖ *A Responsive, Accountable County Government*

## PROGRAM CONTACTS

Contact Mary Jane Berry of the County Council at 240.777.7930 or John Cuff of the Office of Management and Budget at 240.777.2762 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### *Councilmember Offices*

The nine elected County Councilmembers enact all local laws, oversee zoning and planning, appropriate funding for the budgets of public agencies, establish spending affordability guidelines, set property tax rates, and meet as the County Board of Health. The Council holds regular weekly sessions and conducts public hearings and worksessions throughout the year. Each Councilmember serves on two of the following six Council Committees: Education; Health and Human Services; Management and Fiscal Policy; Planning, Housing, and Economic Development; Public Safety; and Transportation, Infrastructure, Energy and Environment. Five Councilmembers are elected by district, and four are elected countywide.

Councilmembers have staffs which are responsible for carrying out their work programs. The County Charter provides for a Confidential Aide for each Councilmember. Staff may consist of interns, analysts, legislative service coordinators, legislative senior aides, and other administrative personnel.

<b>FY11 Recommended Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>4,436,270</b>	<b>42.3</b>
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-333,750	-1.3
<b>FY11 CE Recommended</b>	<b>4,102,520</b>	<b>41.0</b>

### *Council Staff Operations*

Council Staff Operations is responsible for four activities in support of the Council: Legislative Program, Planning, and Budget; Legislative Information Services; Office of the Clerk of the Council; and Administration.

Legislative Program, Planning, and Budget staff perform research and analysis on issues before the Council and prepare written reports and recommendations for all agenda items at Council sessions and Committee meetings. Staff also respond to requests from individual Councilmembers for research, legal advice, and data relevant to their work program. Staff draft legislation and resolutions for Council action; analyze reports, bills, plans, and budgets forwarded to the Council by the County Executive and County agencies; and advise Councilmembers on issues related to the Council work program. Personnel in this unit provide staffing for the Charter Review Commission and other groups created by the Council, and represent the Council at meetings held on issues before the

Council.

Legislative Information Services performs the public relations function of the Council. In order to facilitate two-way communication between the Council and County residents, staff prepare informational materials, serve as first-line telephone contact with the public, provide information about the legislative process, update the Council's website, and produce programs for the County's cable channel. Staff inform Councilmembers of the views of citizens through a correspondence control system, telephone tabulation system, and documentation of petitions. Legislative Information Services arranges for and provides notice of public hearings and assembles packets of background material for Councilmembers, the press, and the public.

The Office of the Clerk of the Council prepares and maintains all official records of the Council; attends meetings of the Council and its six committees; writes minutes; processes resolutions and legislation; prepares Council and Committee agendas; arranges for both regular and special meetings; and tracks sunset, expiration, and deadline dates of legislation and regulations.

Administration performs the Council's personnel, procurement, payroll, and budgetary functions; provides supervision; manages the automation system for the legislative branch; monitors inventory and office space; coordinates program issues; and serves as liaison between Councilmembers and program staff. The staff in this unit contribute to the Legislative Program, Planning, and Budget work program. The administrative staff also provide staff orientation, training for the automation and telephone systems, backup support for all programs, volunteer coordination, and receptionist coverage for Councilmember offices.

<b>FY11 Recommended Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY10 Approved</b>	<b>4,620,820</b>	<b>32.7</b>
Increase Cost: Miscellaneous Personnel Adjustments	94,090	2.3
Decrease Cost: Printing & Mail	-31,230	0.0
Reduce: Professional Services	-109,520	0.0
Miscellaneous adjustments, including furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-304,170	-5.6
<b>FY11 CE Recommended</b>	<b>4,269,990</b>	<b>29.4</b>

## BUDGET SUMMARY

	Actual FY09	Budget FY10	Estimated FY10	Recommended FY11	% Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	6,369,525	6,415,980	6,335,240	5,899,080	-8.1%
Employee Benefits	1,757,338	1,909,240	1,714,910	1,908,240	-0.1%
<b>County General Fund Personnel Costs</b>	<b>8,126,863</b>	<b>8,325,220</b>	<b>8,050,150</b>	<b>7,807,320</b>	<b>-6.2%</b>
Operating Expenses	813,894	731,870	537,480	565,190	-22.8%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>8,940,757</b>	<b>9,057,090</b>	<b>8,587,630</b>	<b>8,372,510</b>	<b>-7.6%</b>
<b>PERSONNEL</b>					
Full-Time	66	65	65	70	7.7%
Part-Time	19	20	20	16	-20.0%
Workyears	76.8	75.0	75.0	70.4	-6.1%

## FY11 RECOMMENDED CHANGES

	Expenditures	WYs
<b>COUNTY GENERAL FUND</b>		
<b>FY10 ORIGINAL APPROPRIATION</b>	<b>9,057,090</b>	<b>75.0</b>
<b>Changes (with service impacts)</b>		
Reduce: Professional Services [Council Staff Operations]	-109,520	0.0
Reduce: Additional Lapse	-406,190	-4.1
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: Miscellaneous Personnel Adjustments [Council Staff Operations]	94,090	2.3
Increase Cost: Retirement Adjustment	70,870	0.0
Increase Cost: Group Insurance Adjustment	42,830	0.0
Decrease Cost: Printing and Mail Adjustment	-25,930	0.0
Decrease Cost: Printing & Mail [Council Staff Operations]	-31,230	0.0
Decrease Cost: Annualization of FY10 Personnel Costs	-47,400	0.0
Decrease Cost: Furlough Days	-272,100	-2.8
<b>FY11 RECOMMENDED:</b>	<b>8,372,510</b>	<b>70.4</b>

## PROGRAM SUMMARY

Program Name	FY10 Approved		FY11 Recommended	
	Expenditures	WYs	Expenditures	WYs
Councilmember Offices	4,436,270	42.3	4,102,520	41.0
Council Staff Operations	4,620,820	32.7	4,269,990	29.4
<b>Total</b>	<b>9,057,090</b>	<b>75.0</b>	<b>8,372,510</b>	<b>70.4</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY10		FY11	
		Totals	WYs	Totals	WYs
<b>COUNTY GENERAL FUND</b>					
Cable Television	Cable Television	74,330	0.6	65,190	0.6

# FUTURE FISCAL IMPACTS

Title	CE REC.			(S000's)		
	FY11	FY12	FY13	FY14	FY15	FY16
<b>This table is intended to present significant future fiscal impacts of the department's programs.</b>						
<b>COUNTY GENERAL FUND</b>						
<b>Expenditures</b>						
<b>FY11 Recommended</b> No inflation or compensation change is included in outyear projections.	8,373	8,373	8,373	8,373	8,373	8,373
<b>Restore Personnel Costs</b> This represents restoration of funding to remove FY11 furloughs.	0	272	272	272	272	272
<b>Subtotal Expenditures</b>	<b>8,373</b>	<b>8,645</b>	<b>8,645</b>	<b>8,645</b>	<b>8,645</b>	<b>8,645</b>

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