

Worksession

MEMORANDUM

April 24, 2012

TO: Government Operations and Fiscal Policy Committee
FROM: ^{JCA} Jean C. Arthur, Legislative Analyst
SUBJECT: **Worksession: FY13 Operating Budget**
Office of Intergovernmental Relations

The relevant pages from the FY13 Recommended Operating Budget are at ©1-4.

The following persons are expected at this worksession:

Melanie Wenger, Director, Office of Intergovernmental Relations
Wanda Wells, Office of Intergovernmental Relations
Phil Weeda, OMB Analyst

The Office of Intergovernmental Relations represents the County's interests at the Federal, State, regional and municipal levels. The Office is the County's liaison to the Maryland Association of Counties.

OVERVIEW

The budget for the OIR is little-changed from the current fiscal year. Personnel costs show a slight decrease in FY13 because a staff person retired and has not been replaced. The new staff person will most likely be hired at a lower salary. For FY13, the County Executive recommended budget for the OIR is \$878,698, an increase of \$32,548 or 3.8 percent over the FY12 approved budget. The recommended budget funds the same number of positions as in FY12.

	FY12 Approved	FY13 CE Recommended	% Change
EXPENDITURES			
<i>Salaries & wages</i>	\$590,660	587,612	-0.5%
<i>Employee Benefits</i>	\$138,240	174,066	25.9
<i>Operating Costs</i>	86,580	86,350	-0.3%
General Fund Total	\$815,480	\$848,028	4.0%
Revenues			
Grant Funds (BRAC)	\$30,670	\$30,670	0
Total Expenditures	\$30,670	\$30,670	0
PERSONNEL			
Full-time	4	4	0
Part-time	1	1	0
FTEs	5.1	5.1	0

FY13 Expenditures

Staffing

This budget does not recommend any staffing changes for the OIR. The Office is staffed with a Director, two full-time and one part-time Legislative Analysts and a Senior Executive Administrative Aide. One Legislative Analyst position is currently vacant; the Office is in the recruiting and hiring process. The Office also shares a Legal Secretary (.3 FTE) with the Office of the County Attorney. That position is used only when the General Assembly is in session.

BRAC Grant

The Office continues to receive matching grant funds from the State for BRAC-related activities. This grant funds contractual work with all related State, Federal and local jurisdictions to monitor issues and keep officials informed.

The State determines the amount of grant, which also is shared with Prince George's County. The match is projected to be the same in FY13 as in FY12.

Staff recommendation: Approve as submitted by the County Executive.

Intergovernmental Relations

MISSION STATEMENT

The mission of the Office of Intergovernmental Relations is to represent County interests at the municipal, regional, State, and federal levels; to prepare the annual State Legislative Program; to prepare the annual Federal priorities request; and to be the liaison with State Government, the County's State delegation and Congressional staff. The Office is the lead Executive Branch agency representing the County before the Maryland Association of Counties.

BUDGET OVERVIEW

The total recommended FY13 Operating Budget for the Office of Intergovernmental Relations is \$878,698, an increase of \$32,548 or 3.8 percent from the FY12 Approved Budget of \$846,150. Personnel Costs comprise 86.7 percent of the budget for four full-time positions and one part-time position for 5.10 FTEs. Operating Expenses account for the remaining 13.3 percent of the FY13 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**
- ❖ **Affordable Housing in an Inclusive Community**
- ❖ **An Effective and Efficient Transportation Network**
- ❖ **Children Prepared to Live and Learn**
- ❖ **Healthy and Sustainable Neighborhoods**
- ❖ **Safe Streets and Secure Neighborhoods**
- ❖ **Strong and Vibrant Economy**
- ❖ **Vital Living for All of Our Residents**

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below. The FY12 estimates reflect funding based on the FY12 approved budget. The FY13 and FY14 figures are performance targets based on the FY13 recommended budget and funding for comparable service levels in FY14.

Measure	Actual FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Program Measures					
General Assembly bills identified as of potential interest to the County and analyzed by the Office of Intergovernmental Relations	723	629	700	700	700
Number of bills for which a County fiscal estimate was requested by the State Department of Legislative Services	475	400	400	400	400
Number of formal position statements prepared	153	135	150	150	150
Percentage of State Legislative Package Initiatives partially or fully realized	81	58	70	70	70
Total direct State Aid (\$ millions)	535	586	628	645	645
Total State retirement payments (\$ millions)	160	173	171	171	171
Direct State Aid appropriated by Maryland, comprised primarily of public K-12 education aid (in millions)	541	586	559	559	559
State Retirement Payments appropriated, including public K-12 teachers and some community college faculty (in millions)	181	173	171	171	171
State grants appropriated for capital projects, excluding transportation (in millions) ¹	70	80	222	70	70
State grants appropriated for capital transportation projects (in millions) ²	32	39	39	39	39
Congressionally Designated Projects appropriated (in millions) ³	301	NA	NA	NA	NA
Percent of State legislative package where Intergovernmental Relations position prevailed	80	58	70	70	70



	Actual FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Percent of State priorities partially realized	60	38	30	30	30
Percent of State priorities fully realized	81	42	30	30	30
Percent of Federal priorities fully or partially realized ⁴	67	53	67	67	67

¹ State grants appropriated for capital projects, excluding transportation (in millions), increased from \$80 million in FY11 to \$222 million in FY12 due to the \$181 million Bay Restoration Fund Grant for the Blue Plains Wastewater Treatment Plant.

² Changes in the Performance Measures from the recommended operating budget are a result of outcomes of the General Assembly Session and the American Recovery and Reinvestment Act, as well as other actions at the state and federal levels.

³ The Congressional appropriations process has eliminated earmarks for CDPs (Congressionally Designated Projects) from annual appropriations bills, and federal funding will be allocated through a competitive grants process.

⁴ The Congressional appropriations process has eliminated earmarks for CDPs (Congressionally Developed Projects) from annual appropriations bills, and federal funding will be allocated through a competitive grants process. Federal priorities are made up of both policy advisory items as well as project-specific Congressional-directed funding requests.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Promoted and ensured the Montgomery County agenda at the state and local level by developing strategies in conjunction with the County Delegation and officials to prepare and successfully participate in the 2011 General Assembly Session and the 2011 Special Session.***
- ❖ ***Participated in state and federal activities to educate legislators and officials about Montgomery County.***
- ❖ ***Conducted briefings for elected officials and staff as needed, and as requested.***
- ❖ ***Coordinated and administered the contract for federal facilities leasing.***
- ❖ ***Coordinated the Base Realignment and Closure grant with the State of Maryland and Prince George's County.***
- ❖ ***Refined the fiscal note process that is provided by this office.***
- ❖ ***Coordinated meetings with the County Executive, County Council, and County staff with the Congressional Delegation staff members.***
- ❖ ***Cultivated relations and identified new potential partners inside and outside the public sector.***
- ❖ ***Promoted and ensured Montgomery County priorities at the federal level by providing the Congressional Delegation and their staff with the County's federal priorities.***
- ❖ ***Coordinated and lead the Executive and Council staff in advocacy efforts with our Congressional Delegation.***
- ❖ ***Productivity Improvements***
 - ***Created electronic bill files for State legislation from 2007-present.***
 - ***Scanned documents electronically more to reduce the amount of paper purchased.***
 - ***Updated and improved the office 's website information to make it more accessible.***
 - ***Met with County Department directors and key staff to explain the state and federal priorities process in order to maximize opportunities at the state during the General Assembly.***
 - ***Looked for and initiated changes in the office's day-to-day processes to improve efficiency and to reduce costs while working in the Rockville and Annapolis offices.***

PROGRAM CONTACTS

Contact Wanda Wells of the Office of Intergovernmental Relations at 240.777.6550 or Philip Weeda of the Office of Management and Budget at 240.777.2780 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Intergovernmental Relations

The Office of Intergovernmental Relations advocates on behalf of the County before the Maryland General Assembly, Governor, State administrative agencies, task forces, and committees. It responds to legislation, regulations, or other policy issues involving nearby counties and states, municipalities within the County, regional agencies, the District of Columbia, and the federal government. Staff analyzes and evaluates legislation before the Maryland General Assembly and prepares written comments and testimony. Staff also analyzes County department requests for legislation and participates in the drafting of legislation or amendments.

In addition, the Intergovernmental Relations program is responsible for federal monitoring and advocacy in order to take advantage of federal opportunities.

BUDGET SUMMARY

	Actual FY11	Budget FY12	Estimated FY12	Recommended FY13	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	540,230	590,660	590,660	587,612	-0.5%
Employee Benefits	145,853	138,240	143,260	174,066	25.9%
County General Fund Personnel Costs	686,083	728,900	733,920	761,678	4.5%
Operating Expenses	70,554	86,580	86,579	86,350	-0.3%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	756,637	815,480	820,499	848,028	4.0%
PERSONNEL					
Full-Time	4	4	4	4	—
Part-Time	1	1	1	1	—
FTEs	4.90	5.10	5.10	5.10	—
GRANT FUND MCG					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Grant Fund MCG Personnel Costs	0	0	0	0	—
Operating Expenses	30,664	30,670	30,670	30,670	—
Capital Outlay	0	0	0	0	—
Grant Fund MCG Expenditures	30,664	30,670	30,670	30,670	—
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
REVENUES					
Federal Grants	0	30,670	30,670	30,670	—
State Grants	15,332	0	0	0	—
Other Intergovernmental	15,332	0	0	0	—
Grant Fund MCG Revenues	30,664	30,670	30,670	30,670	—
DEPARTMENT TOTALS					
Total Expenditures	787,301	846,150	851,169	878,698	3.8%
Total Full-Time Positions	4	4	4	4	—
Total Part-Time Positions	1	1	1	1	—
Total FTEs	4.90	5.10	5.10	5.10	—
Total Revenues	30,664	30,670	30,670	30,670	—

FY13 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY12 ORIGINAL APPROPRIATION	815,480	5.10
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Retirement Adjustment	22,266	0.00
Increase Cost: Group Insurance Adjustment	12,964	0.00
Increase Cost: Lump Sum Wage Adjustment	12,056	0.00
Increase Cost: Longevity Adjustment	1,802	0.00
Shift: Help Desk - Desk Side Support to the Desktop Computer Modernization NDA	-60	0.00
Decrease Cost: Printing and Mail Adjustment	-170	0.00
Decrease Cost: Decrease personnel costs due to turnover savings	-16,310	0.00
FY13 RECOMMENDED:	848,028	5.10
GRANT FUND MCG		
FY12 ORIGINAL APPROPRIATION	30,670	0.00
FY13 RECOMMENDED:	30,670	0.00

FUTURE FISCAL IMPACTS

Title	CE REC.					
	FY13	FY14	FY15	(\$000's)		
	FY16	FY17	FY18			
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY13 Recommended	848	848	848	848	848	848
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Lump Sum Wage Adjustment	0	-12	-12	-12	-12	-12
This represents the elimination of the one-time lump sum wage increases paid in FY13.						
Subtotal Expenditures	848	836	836	836	836	836