

**MEMORANDUM**

January 20, 2010

TO: Planning, Housing, and Economic Development Committee  
FROM: Minna K. Davidson, <sup>MKD</sup>Legislative Analyst  
SUBJECT: FY10 Savings Plan, Round 2

At this session the Committee is to review elements of the Executive's recommended FY10 Savings Plan, Round 2, that are under its jurisdiction. See ©1-7 for the Executive's January 7, 2010 transmittal memo and background information. The Council is tentatively scheduled to consider the recommendations on the Savings Plan from all six Committees on February 9.

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. Where analysts have questions or comments, they are discussed below. As noted on page 6 of this memo, three proposed operating budget items for the Department of Recreation are scheduled for review in a joint meeting of the PHED and HHS Committees on January 28.

The Executive has recommended reductions to the operating budget and CIP current revenue for the Maryland-National Capital Park and Planning Commission (M-NCPPC). Information from M-NCPPC on the reductions and their potential impacts is attached on © 27-30 for the operating budget and © 35-36 for the CIP.

**OPERATING BUDGET RECOMMENDATIONS**

**Approve as Submitted**

Council staff reviewed the Executive's recommended FY10 Savings Plan, Round 2, 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
<b>General Fund</b>			
Board of Appeals	8	-\$2,000	Amanda Mihill
Economic Development	9	-\$223,700	Justina Ferber
Housing and Community Affairs	10	-\$149,460	Linda McMillan
People's Counsel	---	no change	Amanda Mihill
Zoning & Administrative Hearings	---	no change	Amanda Mihill
<b>Special Funds</b>			
Urban District – Silver Spring	15	-\$86,760	Minna Davidson
Urban District – Wheaton	15	-\$49,800	Minna Davidson
<b>Enterprise Fund</b>			
Permitting Services	18	-\$406,101	Chuck Sherer

### Discussion Items

Council staff reviewed the Executive's recommended FY10 Savings Plan, Round 2, 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 also be available to discuss the agency's reductions.

Budget	CE Rec. © #	Reduction	Analyst
<b>M-NCPPC</b>			
M-NCPPC	19	-\$1,250,000	Marlene Michaelson
<b>General Fund</b>			
Economic Development	9	-\$223,700	Justina Ferber
NDA - Housing Opportunities Commission	11	-\$61,060	Linda McMillan
Regional Services Centers	12	-\$121,410	Minna Davidson
<b>Special Funds</b>			
Urban District – Bethesda	14	-\$101,410	Minna Davidson
Recreation*	13	-\$595,330	Vivian Yao
<b>Non-tax supported Special Fund</b>			
Housing Initiative Fund, DHCA	17	-\$467,110	Linda McMillan
Reduce MHI (or HIF) transfer	20	-\$4,800,000	Linda McMillan

\*The Executive estimates that the proposed Savings Plan changes would create a net increase of \$300,000 in Recreation revenues.

**BUDGET**

**ANALYST**

**M-NCPPC**

**Marlene Michaelson**

The Executive recommended reducing the Maryland-National Capital Park and Planning Commission (M-NCPPC) FY10 operating budget by \$1,250,000 and current revenue in the Capital Improvements Program (CIP) by \$2,502,000. This is in addition to the \$2.2 million reduction in the first round Savings Plan reductions.

The impact of the first and second round reductions on the different departments is shown in a chart on © 27. For the second round operating budget changes, the Planning Board recommends allocating the reductions among its departments as follows:

	2 <sup>nd</sup> round reductions	% of total budget
Park Fund	\$802,000	-1.0%
Admin Fund:		
MC Commissioners'	\$12,500	-1.0%
MC Planning	\$375,000	-2.0%
MC - CAS	\$60,000	-0.8%
Admin Fund Subtotal	\$448,000	-1.6%
<b>TOTAL</b>	<b>\$1,250,000</b>	<b>-1.2%</b>

For the Department of Parks, the Planning Board is recommending three reductions:

- Eliminate MCPS ballfield maintenance (\$181,300)
- Further reduce training and non-local travel costs (\$20,000)
- Reduce Debt service (\$600,700)

The impact of these reductions is described on © 28. The reduction in debt service has no impact and the decrease in training and non-local travel, while regrettable, is consistent with actions that have been taken at other agencies. **Staff recommends against the Planning Board recommendation to eliminate funding for school ballfield maintenance.** School ballfields are heavily used by County residents, as are park fields, and eliminating their maintenance could have a significant impact on their use. Failure to maintain these fields could reduce their availability, which in turn could impact revenues for the Department of Recreation and/or Community Use of Public Facilities. On other occasions, when a similar reduction was proposed by M-NCPPC, the Council decided that reductions in ballfield maintenance should have an across the board impact on school and park fields, rather than to continue to provide maintenance for one and not the other. **Staff recommends that the Council continue this approach and take an \$181,300 reduction in the maintenance for all fields.**

The reductions proposed for the Planning Department are described on © 29 and include the following:

- Reduce printing and copying services (\$75,000)
- Reduce or eliminate professional services for continuous improvement, management improvement and performance measurement (\$24,500)
- Freeze 1.75 WY in development review (\$200,000)
- Reduce training (\$15,000)
- Amend Service Level Agreements to change response times for technology equipment maintenance (\$22,800)
- Defer building projects for Montgomery Regional Office (MRO - \$30,000)
- Cancel maintenance of former phone system (\$6,200)
- Consolidate IT services and supplies (\$1,500)

While some of the proposed reductions will not have an impact on the Department's performance (e.g., canceling maintenance of a phone system that is no longer to be used), reductions related to professional services, training, and MRO projects will have an impact. **Nonetheless, Staff cannot identify any preferable alternative and recommends the Committee support these reductions as submitted.**

The Commissioners' Office will achieve its budget reduction of \$15,000 by eliminating hiring a part-time public affairs position for the remainder of the fiscal year. The proposed savings for the Central Administrative Services are shown on © 30 and include the following:

- DHRM – reduce rents and leases, supplies, and equipment maintenance for print shop and copiers; eliminate non-local training and travel (\$25,500)
- Finance – eliminate planned FY10 PC and Server replacements and non-local training and travel (\$20,000)
- Legal – reduce funding for outside counsel and non-local training and travel (\$15,000)

**Once again, Staff believes that these reductions are consistent with those being experienced by other agencies throughout the County.**

## **Economic Development**

**Justina Ferber**

For the Department of Economic Development, the Executive recommends a total of \$223,700 in reductions for Round 2 of the FY10 Savings Plan. The full list of recommended reductions is attached on © 9.

In the first round of the Savings Plan, the Department's total reduction was \$171,640. The reductions from both rounds of the Savings Plan amount to \$395,340, a 5.18% decrease from the approved FY10 budget.

Council staff concurred with most of the reductions as recommended by the Executive, but was concerned about the potential impact of Item S2 which includes the elimination of one Resource Conservationist position. As the response on © 22 notes, this reduction will create delays in service delivery, lengthier wait times for the completion of requests, and additional time needed to provide assistance to the farmers on issues of compliance. It also says that the Department will work to the fullest extent possible to mitigate these anticipated delays to ensure the adequacy of services and avoid any problems that may occur as a result of this reduction. Council staff suggests that the Committee monitor the impact of this reduction over time.

**Council staff recommendation: Concur with the Executive.**

**NDA – Housing Opportunities Commission**

**Linda McMillan**

The County Executive has requested that HOC contribute \$61,060 toward the second round of the Savings Plan from savings to the NDA. HOC said in its December 23, 2009 letter to the Council President (© 26) that they will achieve the savings through salary and benefit lapse in order to minimize any negative impact on clients.

**Council staff recommendation: Concur with the Executive and HOC.**

**Regional Services Centers**

**Minna Davidson**

For the Regional Services Centers, the Executive recommends a total of \$121,410 in reductions for Round 2 of the FY10 Savings Plan. The full list of recommended reductions is attached on © 12.

In the first round of the Savings Plan, the Department's total reduction was \$93,260. The reductions from both rounds of the Savings Plan amount to \$214,670, a 5.18% decrease from the approved FY10 budget.

The Round 2 reductions involve continuing to lapse four positions that were lapsed in Round 1 (Items S1 – S4), but the Executive's original Round 2 transmittal did not make clear how much additional lapse was being proposed. The response on © 23 provides a breakout of the lapse for each position for each round of the Savings Plan, and indicates that all four positions will now be fully lapsed for FY10.

For FY10, the Council added \$125,000 for the Emerging Communities Initiative with the understanding that funds allocated to the Silver Spring RSC were to be used for neighborhood maintenance services in Long Branch that were previously funded through the Department of Housing and Community Affairs. Council staff requested information about the impact of the proposed reduction of \$10,000 per center on Emerging Communities initiatives in general, and on neighborhood maintenance services in Long Branch in particular.

The response on © 23-24 indicates that the proposed savings will reduce but not eliminate the RSCs' ability to support one-time projects to enhance emerging business centers, and that services to Long Branch will not be reduced.

**Council staff recommendation: Concur with the Executive.**

**Bethesda Urban District**

**Minna Davidson**

For the Bethesda Urban District, the Executive recommends a total reduction of \$101,410, or 3%, for Round 2 of the FY10 Savings Plan. The full list of recommended reductions is attached on © 14. The Urban Districts' budgets were not reduced in Round 1 of the Savings Plan.

Council staff generally concurred with the Executive's recommendations, but was concerned because in the Executive's original transmittal, it was not clear whether the Bethesda Urban Partnership (BUP) would agree to an \$84,810 reduction in its contract (Item S4). The response on © 24 says that the BUP Board agrees with the reduction.

**Council staff recommendation: Concur with the Executive.**

**Recreation**

**Vivian Yao**

For the Department of Recreation, the Executive recommends a total of \$595,330 in reductions and an increase of \$300,000 in revenue. The full list of recommended adjustments is attached on © 13-14.

In the first round of the FY10 Savings Plan, the Department made reductions totaling \$684,240 and a net increase to revenue of \$2,650. The total reductions from both Savings Plans amount to \$1,279,570, a 4.19% decrease to the FY10 budget.

Council staff notes that reductions to the Department's budget are increasingly affecting services to vulnerable populations, including children, seniors, and the disabled. Service reductions that may impact the health and safety of County residents will be highlighted for the discussion to be held by the PHED and HHS Committees on January 28. The savings items to be discussed include:

- S1: Reduce Center for Diversity, Management Services:  
Additional Lapse, -\$78,770**
- S2: Decrease Cost: Financial Aid \$300,000**
- S6: Eliminate: Seneca Valley Sports Academy, -\$54,910**

While the other recommended reductions will affect the level and/or quality of services offered by the Department, as summarized in the responses at © 25, their anticipated impact on County residents appears less significant than the three items to be discussed jointly by the HHS and PHED Committees.

**Council staff recommendation: Concur with Items S3 – S5 and S7 as recommended by the Executive.**

### **Housing Initiative Fund, DHCA**

**Linda McMillan**

The County Executive has recommended two items in the Round 2 Savings Plan.

**S1 Reduce Operating Expenses \$467,110 (© 17).** There will be a reduction in the amount of funds available to commit to new projects. While the language says, “reduction in the number of affordable housing units produced and/or the number of clients served,” Council staff understands that this is not a reduction to the funds available within HIF for Housing First and related rental assistance programs.

**Council staff recommendation: Concur with the Executive.**

**Reduce MHI (or HIF) Transfer \$4.8 million** (Shown on Revised FY10 Savings Plan Summary © 20). The Executive is proposing that \$4.8 million less than assumed in the approved budget be transferred from the General Fund to the MHI/HIF. The FY10 Approved Operating Budget assumed that a net transfer of \$17,537,348 would be required to provide for HIF resources of \$57.8 million. The chart attached at © 21 shows that the transfer of \$2.18 million from the HIF to the Debt Service Fund is not needed at this time and that the FY10 beginning balance was \$7.3 million more than assumed in the original operating budget. Under these assumptions, with the reduced net transfer from the General Fund, the MHI/HIF will still have \$59.6 million in resources for FY10.

**Council staff recommendation: Concur with Executive.** The PHED Committee should return for more specific review of FY10 and FY11 HIF commitments.

### **CIP CURRENT REVENUE REDUCTIONS**

As part of his Savings Plan, the Executive recommended reductions in FY10 current revenue in several CIP projects, as shown in the table on © 31. A table summarizing the anticipated impact of the proposed reductions is on © 32-34. For the most part, the Executive anticipates that they will not have major impact.

**Approve as Submitted**

Council staff reviewed the Executive’s recommended FY10 CIP current revenue reductions for the following projects and recommends approval as submitted. A proposed PDF for each project is attached as indicated in the table below. Council staff comments on some of the projects are included in the “Comments” following the table.

Project Number	Project Name	PDF © #	CE Rec. Reduction	Analyst
	<b>M-NCPPC</b>			Marlene Michaelson (MM)
018710	Legacy Open Space	37	-\$1,200,000	MM
078702	Brookside Gardens Master Plan Implementation	39	-\$15,000	MM
078708	Wheaton Tennis Bubble Renovation	40	-\$20,000	MM
068701	Needwood Golf Course Improvements	41	-\$20,000	MM
858710	Trails: Nat. Surface Dsgn. Const. & Ren.	42	-\$97,000	MM
768673	Trails: Hard Surface Dsgn. & Const.	43	-\$100,000	MM
848704	Brookside Gardens	44	-\$26,000	MM
958776	Facility Planning: Non-local Parks	45	-\$320,000	MM
053755	Small Grant/Donor-Assisted Cap. Imprv.	47	-\$50,000	MM
808494	Restoration of Historic Structures	48	-\$370,000	MM
838882	Roof Replacement: Non-local Parks	49	-\$174,000	MM
968755	PLAR: Non-local Parks	50	-\$100,000	MM
998764	Resurfacing Parking Lots and Paths: Non-local Parks	51	-\$10,000	MM
	<b>MCG – General</b>			
789057	Life Sciences and Technology Centers	52	-\$80,000	Justina Ferber
	<b>Housing Opportunities Commission</b>			
017601	Supplemental Funds for Public Housing	54	-\$121,000	Linda McMillan

**Comments**

Council staff reviewed the Executive’s recommended FY10 current revenue reductions for the following projects and had questions or comments, as discussed below.

**BUDGET**

**ANALYST**

**M-NCPPC**

**Marlene Michaelson**

The Executive has recommended reducing current revenue in the M-NCPPC CIP by \$2,502,000. Circles 35-36 list each of the proposed reductions and their impact. The column entitled “County Executive Recommended Reduction” shows the Executive’s identification of

\$4,743,000 in total potential reductions. The Department of Parks believed that the reductions needed to be limited to \$2.5 million for various reasons explained on © 35-36, and the Executive concurred with M-NCPPC and ultimately limited reductions to \$2.5 million. This final list of reductions will have limited impact on the agency. The FY10 reductions that will impact project scope and/or timing impact 2 projects:

- Trails: Natural Surface Design, Construction and Renovation (\$100,000). Will eliminate funding for reforestation, reduce by one-third the funding for signs and kiosks, and delay construction of the next segment of the Rachel Carson Greenway.
- Restoration of Historic Structures (\$370,000). This would delay work on a few park historic resources. (A larger reduction would stop projects currently underway.)

**Staff supports the \$2.5 million in reductions proposed by M-NCPPC and supported by the Executive.**

**MCG: Life Sciences and Technology Centers**

**Justina Ferber**

Council staff asked for clarification about how the proposed \$80,000 reduction would affect the development of the East County Center for Science and Technology. The response on © 53 indicates that there would be no impact because funds for Phase II of the Maryland Voluntary Clean-Up program and grass cutting charges for Site II have been preserved.

**Council staff recommendation: Concur with the Executive.**

**HOC: Supplemental Funds for Public Housing**

**Linda McMillan**

The County Executive has recommended reducing current revenue to the Supplemental Funds for Public Housing Improvements CIP project by \$121,000. This will leave \$1.004 million available to HOC in FY10. The county has tried to allocate \$1.250 million each year for this purpose but for FY10, \$1.125 was approved because of budget constraints. HOC has received funds through Federal stimulus programs that can be used for these types of improvements. The Executive's Recommended FY11-16 CIP recommends \$625,000 for FY11 and \$1.250 million in FY12-16.

**Council staff recommendation: Concur with Executive.**

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MONTGOMERY COUNTY  
COUNCIL

OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

January 7, 2010

TO: Nancy Floreen, President, County Council  
FROM: Isiah Leggett, County Executive  
SUBJECT: FY10 Revised Savings Plan

Attached please find my Recommended FY10 Revised Savings Plan that identifies additional savings for the current year of over \$70 million. These savings are necessary to respond to the significantly worsened economic and fiscal conditions that we are faced with. Combined with the Savings Plan I transmitted to you last October 28, 2009, this represents a total reduction in the current fiscal year of approximately \$100 million. In developing this Savings Plan, our objectives were to identify real cost reduction opportunities that are continuing in nature, while prioritizing and preserving, to the extent possible, direct services and minimizing any reductions in force. However, given the magnitude and long-term nature of our fiscal challenge, it is necessary to make several reductions in existing services, including abolishing 70 County positions. We estimate that currently 44 of these positions slated for abolishment are filled and will require a Reduction in Force. We will make every effort to appropriately place the affected individuals into vacant positions.

The Revised Savings Plan includes several elements that are different from prior efforts. In addition to operating budget expenditure reductions, I am also recommending reductions in Capital Improvement Program (CIP) current revenue, liquidation of prior year contractual encumbrances, and a fund balance transfer.

Working together over the past three years we have been successful in closing gaps of nearly \$1.2 billion and bringing the total tax supported rate of growth down from 9.8% in FY07 to 1.6% in FY10, and the County Government rate of growth from 14.1% in FY07 to -2.2% in FY10. The rate of growth for FY10 will actually be much less after accounting for the impact of both rounds of the FY10 Savings Plan.

It is important to understand that, as I have stated previously many times, I will not recommend exceeding the Charter limit on property taxes in the FY11 Operating Budget. The County's taxpayers continue to face their own unprecedented fiscal challenges.

As indicated to the Council previously, this Savings Plan is necessary not only to conserve resources to apply to closing the projected FY11 budgetary gap of \$608 million, but also to maintaining a positive balance in the County's general fund for the current fiscal year. The FY10 revenue losses in income tax, transfer and recordation tax, investment income, and other receipts primarily

impacted the general fund. As a result, even after the first round Savings Plan, and absent actions to address these losses, the general fund would end the year with a deficit of nearly over \$64 million. Clearly, we can not allow this to happen. The County budget and finance staff will be working over the next two months to identify other actions necessary, in addition to the revised Savings Plan, to strengthen the condition of the general fund. We will work with the County Council and your staff on these other actions and a comprehensive description will be available in my Recommended FY11 Operating Budget.

While my funding priorities continue to be focused on education, public safety, and safety net services, it is not possible to provide a balanced budget without including significant reductions to programs within these priority areas. As the table below indicates, nearly 80% of our tax supported funding (\$3.1 billion) is already dedicated to these priorities. In the absence of a major tax increase, it is not possible to close a looming \$608 million budgetary gap in FY11 by making reductions to only 20% of the budget.

**FY10 Approved Tax Supported Budgetary Allocations\***

	Amounts	Cumulative Amounts	% Allocation	Cumulative % Allocation
<b>Education</b>				
Public Schools	\$ 2,138.4		54.0%	
College	\$ 231.7	\$ 2,370.1	5.9%	59.9%
<b>County Government</b>				
Public Safety	\$ 552.5	\$ 2,922.6	14.0%	73.8%
Health and Human Services	\$ 215.2	\$ 3,137.8	5.4%	79.3%
Transit	\$ 108.5	\$ 3,246.3	2.7%	82.0%
<b>Other County Government**</b>	\$ 515.2	\$ 3,761.5	13.0%	95.0%
<b>Park and Planning</b>	\$ 111.9	\$ 3,873.4	2.8%	97.9%
<b>Other Reserves and Non Agency Uses</b>	\$ 84.3	\$ 3,957.7	2.1%	

\* Amounts include debt service, CIP current revenues, and reserves but excludes grants and non-tax supported funds (grants and proprietary funds).

\*\* Includes Recreation, Public Libraries, Transportation (non-Transit), Consumer Protection, Human Rights, and other departments

If the Council does not support 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. These savings must be available to close the projected FY11 budget gap. We are only in the first step of the process in resolving the FY11 budgetary gap. Many 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 and indeed make future choices all the more difficult. The less time in which agencies have to make the necessary reductions, the deeper and more difficult those reductions will be in order to achieve the same savings. Resolution of the FY 11 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.

Nancy Floreen, President  
January 7, 2010  
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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, cost increases related to snow removal, and the very real potential for further substantive reductions in State aid. We have already absorbed cuts of nearly \$20 million in State aid in this fiscal year and I believe the Governor's soon to be released budget will contain further Local aid reductions.

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 protecting the fiscal health of the County Government.

IL:jfb

Attachments

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 SUMMARY (First and Second Rounds)

Fund/Department Name	FY10 Original Approp.	1st Savings Approved	% Change	2nd Savings Recommended	% Change	Total Savings	% Change
<b>Tax Supported</b>							
<b>General Fund</b>							
Board of Appeals	617,520	-7,000	-1.13%	-2,000	-0.32%	-9,000	-1.46%
Circuit Court	10,410,980	-52,050	-0.50%	-103,590	-1.00%	-155,640	-1.49%
Commission for Women	1,197,670	-26,950	-2.25%	-35,120	-2.93%	-62,070	-5.18%
Consumer Protection	2,442,010	-54,950	-2.25%	-71,610	-2.93%	-126,560	-5.18%
Correction and Rehabilitation	65,414,400	-327,070	-0.50%	-650,870	-0.99%	-977,940	-1.49%
County Attorney	5,224,980	-137,680	-2.64%	-238,440	-4.56%	-376,120	-7.20%
County Council	9,057,090	-203,780	-2.25%	-265,600	-2.93%	-469,380	-5.18%
County Executive	6,399,960	-144,000	-2.25%	-187,680	-2.93%	-331,680	-5.18%
Economic Development	7,628,240	-171,640	-2.25%	-223,700	-2.93%	-395,340	-5.18%
Emergency Management and Homeland	1,346,940	-6,730	-0.50%	-13,400	-0.99%	-20,130	-1.49%
Environmental Protection	3,013,960	-67,810	-2.25%	-88,380	-2.93%	-156,190	-5.18%
Ethics Commission	272,390	-6,130	-2.25%	-7,990	-2.93%	-14,120	-5.18%
Finance	9,751,930	-219,420	-2.25%	-185,980	-1.91%	-405,400	-4.16%
General Services	27,970,950	-629,350	-2.25%	-820,250	-2.93%	-1,449,600	-5.18%
Health and Human Services	194,074,350	-971,550	-0.50%	-1,992,300	-1.03%	-2,963,850	-1.53%
Housing and Community Affairs	5,066,790	-114,000	-2.25%	-149,460	-2.95%	-263,460	-5.20%
Human Resources	8,522,410	-203,330	-2.39%	-92,830	-1.09%	-296,160	-3.48%
Human Rights	2,160,810	-48,620	-2.25%	-70,470	-3.26%	-119,090	-5.51%
Inspector General	634,730	-14,280	-2.25%	-18,610	-2.93%	-32,890	-5.18%
Intergovernmental Relations	877,400	-19,740	-2.25%	-25,730	-2.93%	-45,470	-5.18%
Legislative Oversight	1,341,070	-27,000	-2.01%	-26,820	-2.00%	-53,820	-4.01%
Management and Budget	3,703,890	-83,340	-2.25%	-108,620	-2.93%	-191,960	-5.18%
Merit System Protection Board	159,960	-2,500	-1.56%	-4,000	-2.50%	-6,500	-4.06%
NDA - Desktop Modernization	6,839,290	-153,880	-2.25%	-882,000	-12.90%	-1,035,880	-15.15%
NDA - Housing Opportunities Commissi	6,136,340	-30,680	-0.50%	-61,060	-1.00%	-91,740	-1.50%
NDA - Leases	19,225,800	-432,580	-2.25%	0	0.00%	-432,580	-2.25%

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## FY10 SAVINGS PLAN SUMMARY (First and Second Rounds)

Fund/Department Name	FY10 Original Approp.	1st Savings Approved	% Change	2nd Savings Recommended	% Change	Total Savings	% Change
People's Counsel	246,520	-5,390	-2.19%	0	0.00%	-5,390	-2.19%
Police	246,262,150	-1,231,310	-0.50%	-6,857,740	-2.78%	-8,089,050	-3.28%
Public Information	1,215,210	-27,340	-2.25%	-35,640	-2.93%	-62,980	-5.18%
Public Libraries	37,569,400	-1,595,310	-4.25%	-1,079,220	-2.87%	-2,674,530	-7.12%
Regional Services Centers	4,140,360	-93,260	-2.25%	-121,410	-2.93%	-214,670	-5.18%
Sheriff	20,631,770	-103,160	-0.50%	-205,290	-1.00%	-308,450	-1.50%
State's Attorney	12,148,340	-60,740	-0.50%	-120,880	-1.00%	-181,620	-1.50%
Technology Services	31,844,190	-716,490	-2.25%	-933,830	-2.93%	-1,650,320	-5.18%
Transportation	46,573,220	-1,171,900	-2.52%	-1,362,040	-2.92%	-2,533,940	-5.44%
Zoning & Administrative Hearings	524,440	-4,500	-0.86%	0	0.00%	-4,500	-0.86%
<b>General Fund Total:</b>	<b>800,647,460</b>	<b>-9,165,460</b>	<b>-1.14%</b>	<b>-17,042,560</b>	<b>-2.13%</b>	<b>-26,208,020</b>	<b>-3.27%</b>
<b>Special Funds</b>							
Urban District - Bethesda	3,380,210	0	0.00%	-101,410	-3.00%	-101,410	-3.00%
Urban District - Silver Spring	2,891,930	0	0.00%	-86,760	-3.00%	-86,760	-3.00%
Urban District - Wheaton	1,660,080	0	0.00%	-49,800	-3.00%	-49,800	-3.00%
Mass Transit	108,457,800	-350,580	-0.32%	-2,732,920	-2.52%	-3,083,500	-2.84%
Fire	192,974,090	-965,000	-0.50%	-2,300,280	-1.19%	-3,265,280	-1.69%
Recreation	30,528,520	-684,240	-2.24%	-595,330	-1.95%	-1,279,570	-4.19%
<b>Special Funds Total:</b>	<b>339,892,630</b>	<b>-1,999,820</b>	<b>-0.59%</b>	<b>-5,866,500</b>	<b>-1.73%</b>	<b>-7,866,320</b>	<b>-2.31%</b>
<b>MCG Tax Supported Total:</b>	<b>1,140,540,090</b>	<b>-11,165,280</b>	<b>-0.98%</b>	<b>-22,909,060</b>	<b>-2.01%</b>	<b>-34,074,340</b>	<b>-2.99%</b>

## FY10 SAVINGS PLAN SUMMARY (First and Second Rounds)

Fund/Department Name	FY10 Original Approp.	1st Savings Approved	% Change	2nd Savings Recommended	% Change	Total Savings	% Change
<b>Non-Tax Supported</b>							
<b>Special Funds</b>							
Cable Television	11,574,470	-160,430	-1.39%	-173,620	-1.50%	-334,050	-2.89%
Montgomery Housing Initiative	31,140,690	-467,110	-1.50%	-467,110	-1.50%	-934,220	-3.00%
Water Quality Protection Fund	8,895,850	-133,440	-1.50%	-133,440	-1.50%	-266,880	-3.00%
<b>Enterprise Fund</b>							
Community Use of Public Facilities	9,169,440	-137,540	-1.50%	-137,540	-1.50%	-275,080	-3.00%
Solid Waste Collection	6,739,640	-100,220	-1.49%	-49,780	-0.74%	-150,000	-2.23%
Solid Waste Disposal	95,722,050	-1,118,000	-1.17%	-1,358,430	-1.42%	-2,476,430	-2.59%
Parking District - Bethesda	11,283,280	-169,250	-1.50%	-125,350	-1.11%	-294,600	-2.61%
Parking District - Montgomery Hills	116,430	-1,750	-1.50%	-1,750	-1.50%	-3,500	-3.01%
Parking District - Silver Spring	10,709,410	-160,640	-1.50%	-132,990	-1.24%	-293,630	-2.74%
Parking District - Wheaton	1,296,320	-19,440	-1.50%	-19,440	-1.50%	-38,880	-3.00%
Liquor Control	44,495,260	-1,001,140	-2.25%	0	0.00%	-1,001,140	-2.25%
Permitting Services	27,067,180	-406,010	-1.50%	-406,010	-1.50%	-812,020	-3.00%
Vacuum Leaf Collection	5,247,990	0	0.00%	0	0.00%	0	0.00%
<b>MCG Non-Tax Supported Total:</b>	<b>263,458,010</b>	<b>-3,874,970</b>	<b>-1.47%</b>	<b>-3,005,460</b>	<b>-1.14%</b>	<b>-6,880,430</b>	<b>-2.61%</b>
<b>Internal Service Funds</b>							
<b>Internal Service Funds</b>							
Printing & Mail	6,528,490	-97,930	-1.50%	-97,930	-1.50%	-195,860	-3.00%
Motor Pool	64,694,320	-1,455,620	-2.25%	-970,410	-1.50%	-2,426,030	-3.75%
<b>MCG Internal Service Funds Total:</b>	<b>71,222,810</b>	<b>-1,553,550</b>	<b>-2.18%</b>	<b>-1,068,340</b>	<b>-1.50%</b>	<b>-2,621,890</b>	<b>-3.68%</b>
<b>Montgomery County Government:</b>	<b>1,475,220,910</b>	<b>-16,593,800</b>	<b>-1.12%</b>	<b>-26,982,860</b>	<b>-1.83%</b>	<b>-43,576,660</b>	<b>-2.95%</b>

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## FY10 SAVINGS PLAN SUMMARY (First and Second Rounds)

Fund/Department Name	FY10 Original Approp.	1st Savings Approved	% Change	2nd Savings Recommended	% Change	Total Savings	% Change
Montgomery County Public Schools *:	1,940,540,941	-9,900,000	-0.51%	-22,000,000	-1.13%	-31,900,000	-1.64%
Montgomery College *:	107,079,321	-1,070,790	-1.00%	-1,700,000	-1.59%	-2,770,790	-2.59%
Maryland-National Capital Park and PI *:	106,646,100	-2,180,000	-2.04%	-1,250,000	-1.17%	-3,430,000	-3.22%
Debt Service *:	246,500,690	0	0.00%	-2,159,450	-0.88%	-2,159,450	-0.88%
<b>TOTAL ALL AGENCIES</b>	<b>3,875,987,962</b>	<b>-29,744,590</b>	<b>-0.77%</b>	<b>-54,092,310</b>	<b>-1.40%</b>	<b>-83,836,900</b>	<b>-2.16%</b>

\* amounts exclude debt service; the College budget is the FY10 local contribution

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# FY10 SAVINGS PLAN

## (Second Round)

### Description/Justification

MCG Tax Supported

Ref No.	Title	\$	Revenue
<u>General Fund</u>			
→ <b>Board of Appeals</b>			
S1	<b>REDUCE: FURTHER CURTAIL OPERATING BUDGET</b>	-2,000	0
	This further reduction in operating funds may well impact the ability to meet statutory obligations, and could result in a funding shortfall for expenditures necessary to basic office operations.		
<b>Board of Appeals Total:</b>		-2,000	0

#### Circuit Court

S1	<b>DECREASE COST: FREEZE VACANT DATA PREPARATION OPERATOR POSITION FOR REMAINDER OF FISCAL YEAR</b>	-19,860	0
	Not filling this position will necessitate duties being distributed among other staff members and could impact services provided to the public.		
S2	<b>DECREASE COST: FREEZE TWO VACANT COURT EVALUATOR POSITIONS FOR REMAINDER OF FISCAL YEAR</b>	-83,730	0

In response to the County's directive to reduce the Circuit Court's FY10 budget, the least harmful option is to freeze vacant positions. However, the inability to fund two part-time Court Evaluator positions at the Montgomery County Circuit Court will have a detrimental impact on the Court's capacity to efficiently process family cases in general and to obtain the best resolutions in child custody and access cases in particular. The Court is also concerned about how an insufficient cadre of Court Evaluators will impact the Court's mission of delivering justice in a fair, honest, and efficient manner.

With a reduced cadre of evaluators, the Court will be required to significantly trim the evaluative functions it performs. In addition to workload, insufficiently staffing the assessment/evaluation function of the Court will likely negatively impact other core functions.

Case management, which focuses on the efficient processing of the Court's caseload, is one of the Court's core functions. With fewer evaluators available, the timeliness with which these cases are processed will likely be impacted. One measure to assess how efficiently a court is processing its caseload is the clearance rate. At a minimum, courts should strive to dispose of as many cases as have been filed/reopened/reactivated in a period by having a clearance rate of 100%. The FY09 overall combined clearance rate for original and reopened cases for the Montgomery County Circuit Court is 93%. The clearance rate for original cases is 89% while that for reopened cases is 99%. For the past eight fiscal years, the Court has been able to maintain a clearance rate of close to 100% for family cases. However, with an increasing family caseload (as measured by filings), it will become increasingly difficult to sustain the current clearance rate without the requisite staff.

As another way to assess a court's case processing efficiency, in 2001 the Maryland Judiciary developed case processing performance time standards for various types of circuit court cases, including family cases. In particular, the Maryland Judiciary recommended that 90% of family cases close within 12-months of filing and 98% of family cases close within 24-months of filing. For the past four fiscal years, the Montgomery County Circuit Court has been able to meet these time standards. However, as the Court's family case filings continue to increase without sufficient funds to support evaluator positions, it may become challenging for the Court to continue to be recognized as a leader in case processing efficiency. Evaluators play a critical role in the timely resolution of family cases in a manner which ensures that the child's best interest is protected. Every Court Evaluator position is vital to the efficient and effective management of the Court.

The Court Evaluators also support and work closely with the child custody/access mediators. The Court's custody and access mediation function is an integral part of ensuring the efficient management of family cases. While the outcomes for mediated cases have remained consistent over the past two years, the Court is aware of the fact that not funding evaluator positions may have unintended consequences on other core functions of the Court such as custody/access mediation.

The Court is also very aware of the possible consequences of not having the appropriate level of staff to support this core function of the Court. For example, the Court expects that the processing of family cases requiring evaluators' assessments or evaluations will inevitably take much more time than cases without such reports, which will cause additional stress on the parties involved. The Court is concerned that delayed justice in these cases may result in increased domestic disputes.

Ref No.	Title	\$	Revenue
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**Economic Development**

and Close Encounters with Agriculture. Elimination of one Manager III position will impact DED services to the business community and will require shifting personnel and a re-evaluation of the business services that are offered by the department.

S3	<b>REDUCE: CANCEL WEB DESIGN SERVICES RFP FOR FY10</b>	-59,150	0
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The improvement of the DED website was a key focus of Action Item #3 within the Strategic Plan, and a Request for Proposals for web design services was expected for release in January, 2010. Without the contract, the department will be unable to:

1. Revamp the web site to provide for a more interactive experience for visitors
2. Create additional links to topics of interest, such as procurement opportunities through ARRA
3. Recode DED's web pages with keywords and meta tags to optimize our position on major Web search engines -Google, in particular.

S4	<b>REDUCE: WHEATON INNOVATION CENTER RENT LEASE (ONE-YEAR )</b>	-48,000	0
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Continue the current lease at a reduced rate for the remainder of FY10 due to re-negotiations with the leaseholder. DED is also discussing the possibility of continuing the lease at the reduced rate into FY11 as well.

**Economic Development Total:** -223,700 0

**Emergency Management and Homeland Security**

S1	<b>ELIMINATE: ELIMINATE 1 VEHICLE</b>	-2,030	0
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Staff will not be able to rely on the use of county vehicle to attend meetings and other future functions. May not be able to provide staff and or supplies to support critical functions outside the EOC during events requiring 4-wheel drive vehicles.

S2	<b>DECREASE COST: LAPSE MANAGER III COSTS</b>	-11,370	0
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The county is potentially losing revenue from commercial organizations using hazardous materials. The county will be unable to review emergency plans for commercial facilities in a timely manner. The county may be delayed in addressing critical issues impacting government operations during emergencies.

**Emergency Management and Homeland Security Total:** -13,400 0

**Environmental Protection**

S1	<b>DECREASE COST: CONTRACTUAL SERVICES</b>	-40,000	0
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Implementation of the Sustainability Report may be delayed.

S2	<b>ELIMINATE: ABOLISH VACANT PART-TIME PROGRAM SPECIALIST II POSITION</b>	-21,310	0
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Abolishing the part-time Program Specialist II position will have no impact. The functions performed by this position have been absorbed by existing staff.

S3	<b>DECREASE COST: LOCAL AND NON-LOCAL TRAVEL, EDUCATION, AND TRAINING</b>	-12,180	0
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There is no service impact due to this reduction.

S4	<b>DECREASE COST: VARIOUS MISCELLANEOUS OPERATING EXPENSES</b>	-14,890	0
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There is no service impact due to this reduction.

**Environmental Protection Total:** -88,380 0

**Ethics Commission**

S1	<b>DECREASE COST: CONSULTANT SERVICES</b>	-7,990	0
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The office is reducing consulting services.

**Ethics Commission Total:** -7,990 0

**Finance**

S1	<b>REDUCE: TIMESHEET DATA ENTRY KEYPUNCH CONTRACT</b>	-160,280	0
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With the successful deployment of MCtime to more Departments, the required timesheet data entry keypunch services will be reduced proportionately.

S2	<b>DECREASE COST: MISCELLANEOUS OPERATING EXPENSES</b>	-25,700	0
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Reduce miscellaneous operating expenses; office supplies and equipment. Impact: not replacing old office equipment may result in increased maintenance and repair costs.

FY10 Savings Plan (2nd Rnd)- Description/Justification

MCG Tax Supported

Ref No.	Title	\$	Revenue
<b>Health and Human Services</b>			
S29	DECREASE COST: WEST NILE VIRUS VECTOR SURVEILLANCE There is no impact on services. This reduction is based on historical underspending.	-24,000	0
S30	DECREASE COST: PROJECT DELIVER There should be no impact on services. FY10 deliveries are down. There are fewer deliveries and therefore fewer doctors are billing.	-60,000	-3,450
S31	DECREASE COST: CARE FOR KIDS CONTRACT AND OPERATING EXPENSES Reduce contractual funds and shift more Care For Kids enrollees to the School Based Health Centers and the High School Wellness center and reduce operating expenses based on historical underspending	-110,000	0
S32	DECREASE COST: MONTGOMERY CARES This reduction is due to savings (due to underutilization) found in Homeless Health contract and lapse from Contractual positions.	-183,000	0
S33	DECREASE COST: UNENCUMBERED OPERATING EXPENSES IN WOMEN'S HEALTH SERVICES This reduction will reduce administrative support.	-9,000	0
S34	DECREASE COST: REPRODUCTIVE HEALTH CONTRACTS This reduction is based on underutilization by the contractor due to eligibility changes.	-31,000	0
S35	DECREASE COST: TUITION AND TRAVEL IN PUBLIC HEALTH ADMINISTRATION There is no impact on services.	-5,000	0
S36	ELIMINATE: THE WHEATON PUBLIC INEBRIATION INITIATIVE TEAM (PIIT) PROGRAM-NEW INITIATIVE IN FY10-NEVER IMPLEMENTED This reduction eliminates the entire Wheaton Public Inebriation Initiative Team (PIIT) program. The department created two Behavioral Tech positions (PIN 16467, 16468) - these positions were never filled. This reduction also eliminates the budgets for sobering beds contract in Avery Road Treatment Center (ARTC) and other supplies for Wheaton PIIT in FY10.	-134,000	0
S37	DECREASE COST: REDUCE THE PSYCHIATRIC CONTRACT BUDGET IN FY10 Currently the department does not have a contract psychiatrist working in Child and Adolescent Mental Health Services and have not since December 31, 2008. The existing client caseloads are handled by the two merit psychiatrists (1 full time 1 part time 0.5wy).	-152,260	0
S38	DECREASE COST: PAPER AND PRINTING REDUCTIONS This savings represents the remaining amount of printing and mail reductions not taken in our round 1 Savings Plan.	-141,010	-3,650
S39	DECREASE COST: VACANCY SAVINGS The department will achieve savings by deferring and delaying hiring for vacant positions. The department will closely monitor its personnel costs to ensure that we meet our savings plan target.	-180,350	0
S40	DECREASE COST: SAVINGS FROM GUIDE AUDIT FINDINGS There is no service impact. This money is the result of an audit that showed that the county had overpaid GUIDE for FY08 and FY09 contracts.	-23,020	0
<b>Health and Human Services Total:</b>		<b>-1,992,300</b>	<b>-61,270</b>

→ **Housing and Community Affairs**

S1	DECREASE COST: DELAY HIRING LANDLORD TENANT INVESTIGATOR Delay in filling this position (01/01/10-06/30/10) will result in increase in workload for existing Landlord Tenant Investigators which may increase the time in resolving cases. Customer service/satisfaction may be impacted.	-74,760	0
S2	SHIFT: USE WEATHERIZATION ARRA TO FUND EXISTING POSITIONS No impact to service is expected.	-74,700	0
<b>Housing and Community Affairs Total:</b>		<b>-149,460</b>	<b>0</b>

**Human Resources**

S1	DECREASE COST: JOB ADVERTISING IN THE WASHINGTON POST Since there is a hiring freeze, there will be no service impact.	-2,780	0
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Ref No.	Title	\$	Revenue
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**Intergovernmental Relations**

Reducing this appropriation will diminish the level of effort and therefore negatively impact the quality of services currently provided by the HHS staff person assigned to advocate at the State and Federal levels on issues of importance related to the delivery of health and social services to Montgomery County residents.

Intergovernmental Relations Total: -25,730 0

**Legislative Oversight**

S1 REDUCE: CONTINUE LAPSE OF THE PUBLIC ADMINISTRATION INTERN POSITION -26,820 0

OLO will continue lapsing our one vacant position (a PAI); not being able to fill this job reduces our staff by about 10%.

Legislative Oversight Total: -26,820 0

**Management and Budget**

S1 REDUCE: IT STAFF DETAILED TO ERP -63,060 0

50% of staff time for two OMB IT staff have been dedicated to the ERP project. While this reduces their availability for OMB support at this time, it will assure that the ERP system better meets the needs of OMB and all County departments once implemented.

S2 REDUCE: BUDGET STAFF DETAILED TO DEPARTMENTS -45,560 0

OMB has and will continue to provide support to departments that don't have resources to complete tasks related to management and budgeting because of critical vacancies. While this reduces resources dedicated to OMB, it assures that departments have the support they need to complete the budget process. A portion of staff time of two OMB analysts and one OMB manager are supporting the Regional Services Centers, the Urban Districts and the Department of Recreation.

Management and Budget Total: -108,620 0

**Merit System Protection Board**

S1 DECREASE COST: GROUP HEALTH INSURANCE. GROUP INSURANCE SAVINGS AS STAFF'S DEPENDENTS NO LONGER ELIGIBLE FOR COVERAGE. -3,500 0

Group insurance savings as staff's dependents no longer eligible for coverage.

S2 DECREASE COST: MEETINGS: MEAL/SNACKS -500 0

Freezing account

Merit System Protection Board Total: -4,000 0

**NDA - Desktop Modernization**

S1 REDUCE: REDUCE PC ACQUISITION COSTS FOR DESKTOP COMPUTER MODERNIZATION PROGRAM -882,000 0

The first round FY10 savings plan of 2.25% required the DCM program to reduce acquisitions and replacement of PC's by 149 units, down to a projected level of 1,611 PC's. The 2nd round FY10 savings plan of 12.9% will require DCM to reduce acquisitions and replacements by an additional 853 units, down to a projected level of 758 total units to be replaced in FY10.

NDA - Desktop Modernization Total: -882,000 0

→ **NDA - Housing Opportunities Commission**

S1 DECREASE COST: SALARY AND BENEFIT LAPSE -61,060 0

In order to minimize a negative impact on our clients and to meet the County's deadline, HOC proposes that salary and benefit lapse be identified as the source for the \$61,060 savings.

NDA - Housing Opportunities Commission Total: -61,060 0

**Police**

S1 DECREASE COST: REDUCE FEES PAID TO SAFE SPEED CONTRACTOR -4,671,740 0

Per contract, the County pays a \$16.25 fee to the Safe Speed vendor for each \$40.00 citation that is paid by speed violators. Based on the latest projections from the MCP Automated Traffic Enforcement Unit (ATEU), the number of citations paid for FY10 will be approximately 370,000, which is substantially less than the amount originally projected.

This reduction is attributable to changes in State law effective October 1, 2009, which directly affects the Safe Speed Program, as well as changes in driver behavior to reduce traffic speeds. Based on this projection, the MCP can save \$4,671,740 as the payments to the Safe Speed vendor will be reduced due to 287,492 less paid violations projected for FY10.

Ref No. Title \$ Revenue

**Public Libraries**

practical use without complete replacement or refurbishment.

S9	<b>REDUCE: IT REPLACEMENT EQUIPMENT</b>	-15,000	0
	MCPL uses printers, bar code scanners, computer mice and keyboards that are regularly worn out with hard use. The proposed reduction could result in slower service as service points are down for lack of working equipment. Some funds will be left to deal with those issues that would most reduce service effectiveness.		
S10	<b>REDUCE: LIBRARY MATERIALS DELIVERY-RECEIVING</b>	-17,060	0
	Less library materials being purchased. Abolish 1 of 2 positions assigned to intake library materials. (Supply Tech. 1 FT ).		
S11	<b>REDUCE: MATERIALS PAYMENTS AND RECEPTION</b>	-30,800	0
	Less library materials being purchased. Abolish 1 of 2 positions assigned to pay library materials invoices. Transfer some payment to Business Office staff, redistribute other payment issues and other portfolio assignments between Business Office unit and Collection Management administration. Assume an imminent, non-RIF related retirement of one PAA FT.		
S12	<b>DECREASE COST: TRAINING</b>	-10,000	0
	Leaves only enough funding to train staff on Integrated Library System upgrade, May 2009.		
S13	<b>DECREASE COST: DRIVER UNIFORM &amp; EQUIPMENT</b>	-1,200	0
	Reduce provision (in this year) of clothing, boots, gloves, and other equipment required by the bargaining agreement or needed for practical operation of the department's four trucks.		
S14	<b>DECREASE COST: MILEAGE REIMBURSEMENT, NON LOCAL TRAVEL &amp; BOARD MEETINGS</b>	-8,780	0
	MCPL has employed virtual meeting technologies and directed workgroups to decrease the number of meetings conducted. Changes in department processes have also reduced the frequency of certain meetings.		
S15	<b>REDUCE: ADVERTISING (JOBS)</b>	-1,500	0
	Reduce recruitment of new staff		
	<b>Public Libraries Total:</b>	<b>-1,079,220</b>	<b>0</b>

→ **Regional Services Centers**

S1	<b>DECREASE COST: LAPSE BETHESDA-CHEVY CHASE REGIONAL SERVICES CENTER, ASSISTANT DIRECTOR, MANAGER III</b>	-22,340	0
	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.		
S2	<b>DECREASE COST: LAPSE BETHESDA-CHEVY CHASE REGIONAL SERVICES CENTER, PUBLIC ADMINISTRATIVE INTERN</b>	-18,230	0
	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.		
S3	<b>DECREASE COST: LAPSE UPCOUNTY REGIONAL SERVICES CENTER, PROGRAM SPECIALIST II</b>	-11,930	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	<b>DECREASE COST: LAPSE EAST COUNTY REGIONAL SERVICES CENTER, PROGRAM SPECIALIST II</b>	-20,130	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 FY10.		
S5	<b>REDUCE: EMERGING COMMUNITIES</b>	-48,780	0
	Each center has \$25,000 for emerging communities. This will leave a balance of approximately \$15,000 per center to assist emerging communities in FY10.		

RSC Total: -121,410

Ref No.	Title	\$	Revenue
<b>DOT-Transit Services</b>			
	FareShare program for this area.		
S5	<b>DECREASE COST: TRANSPORTATION ACTION PARTNERSHIP GRANT AND BETHESDA URBAN PARTNERSHIP</b>	-495,000	0
	Transportation Action Partnership (TAP)- FY10 funding for TAP included just over \$200,000 (\$213,968) in funding carried over from the FY09 grant. The impact of this reduction will be that TAP will need to provide programs and services within the FY10 appropriation less \$245,000. Impact on functions should be minimal. However, some additional functions and expenses will be absorbed by Commuter Services Section as needed.		
	Bethesda Urban Partnership (BUP)- current contract for BUP is to provide commuter services in the Bethesda area. This reduction will mean that some functions performed by BUP will be assumed by CSS as needed.		
S6	<b>REDUCE: CALL AND RIDE PROGRAM TO 1 BOOK A MONTH</b>	-833,330	-85,420
	Reduce number of vouchers available to participants in the program by half which equates to \$60 a month per person.		
S10	<b>REDUCE: RIDE ON BUS SERVICE</b>	-1,200,000	-130,000
	There are 82,864 platform hours of service proposed for cuts. This represents 7.5% of the Ride On total. This equates to 1 million trips annually.		
	FY10 service cuts are slated for implementation on March 28, 2010.		
	This reduction is based on an aggressive service implementation timeline.		
	Any modifications to the service plan after January 4, 2010 will result in implementation delay due to creation of bus operator work assignments (necessary to achieve savings), federal public hearing requirements and labor rules regarding pick procedures		
	\$4.3 million in net savings is realized in FY11 and \$1.1 million in net savings is realized in FY10.		
	52 bus operator positions would be abolished		
	27 separate routes impacted		
	9 weekday routes would be eliminated		
	15 weekend services would be eliminated		
	4 route restructurings		
	Trips reduced on 10 routes		
	Services selected are generally under performing services (most exceed Ride On minimum performance standards)		
	<b>Mass Transit Total:</b>	<b>-2,732,920</b>	<b>215,420</b>

→ Recreation  
Recreation

S1	<b>REDUCE: CENTER FOR DIVERSITY, MANAGEMENT SERVICES: ADDITIONAL LAPSE</b>	-78,770	0
	The recently vacated MIII position in Management Services will be kept vacant until April 1. The detail of an OMB staff member will be continued at one day per week after January 15th. The costs of that detail have been netted from the lapse amount. In addition, the recently vacated Program Manager I at the Gilchrist Center will be kept vacant until April 1. This will have an impact on our ability to program classes and events.		
S2	<b>DECREASE COST: FINANCIAL AID ADJUSTMENT</b>	0	300,000
	The department has historically decreased fee revenue estimates in order to provide financial assistance to those in need. Residents apply to the department for assistance, providing documentation that they are in federal, state, or county assistance programs. Applications are approved up to the amount of the revenue reduction. Historically, no more than 65% of the authorized assistance has been used. The revenue budget has been increased by \$300,000 to reflect actual usage of the amount authorized.		
S3	<b>SHIFT: CIP CHARGES</b>	-54,910	0

Ref No.	Title	\$	Revenue
<b>Recreation</b>			
	<p>The Department manages a significant number of CIP project efforts including Community Recreation Centers, Aquatic Centers, Pools, and major renovation/replacement of facilities. Approximately one half of one eligible employee's time is dedicated to these functions exclusively. The amount shown represents the estimated hours (1040) of this dedicated work to be charged to the appropriate individual projects. It is estimated that the impact to any one individual project will not affect planning, design, construction, or equipping the various facilities.</p>		
S4	REDUCE: SEASONAL STAFF	-66,620	0
	Reduced staffing at various events will make it difficult for the department to adjust to changing circumstances.		
S5	REDUCE: PLANNED LIFECYCLE ASSET REPLACEMENT (PLAR)	-250,000	0
	Less maintenance will be performed and equipment lives will be extended on such items like tables, chairs, basketball rims, volleyball standards that need replacement on a periodic basis.		
S6	ELIMINATE: SENECA VALLEY SPORTS ACADEMY	-96,950	0
	The impact of not having this program is that approximately 80 high school youth would not have this activity to attend after school.		
	<p>Participants may derive personal enjoyment and satisfaction from these activities which encourage creative expression, skill development, and cultural awareness. Recreation staff provides positive role models and promotes group involvement, self direction, and fun. The recreation activities are offered as an incentive for teens to study and attend the academic support programs.</p>		
	<p>By eliminating this program, teens would have access to academic support provided by the school two days per week; the recreational activities would be eliminated, thereby eliminating an incentive to attend the academic support sessions. Teens would not have the safe, supervised, planned activities to attend after school.</p>		
S7	DECREASE COST: SUPPORT TO THE MARYLAND SENIOR OLYMPICS	-48,080	0
	This reduction (\$48,080 of \$50,000) eliminates the Department's materials support. There is some private support, but it is unlikely to be able to cover this decrease. As this is a non-qualifying year there are fewer participants and somewhat lesser resources will be needed, but this will still have some impact. Recreation will continue to supply approximately \$15,000 of (un-budgeted) staff support to the event. Private support for the Maryland Senior Olympics is approximately \$12,000.		
<b>Recreation Total:</b>		<b>-595,330</b>	<b>300,000</b>

→ Urban District - Bethesda  
**Urban Districts**

S1	DECREASE COST: OTHER PROFESSIONAL SERVICES	-10,000	0
	A reduction of \$10,000 from Other Professional Services (2598) eliminates the ability of the Regional Services Center to fund financial and management audits of the activities of the Bethesda Urban Partnership under the terms of the annual agreement. These funds were used in FY09 to fund a Department of Finance review of the Optional Method billing process. In FY10, planned expenditures included an assessment of replacement vehicles for the Bethesda Circulator.		
S2	DECREASE COST: MISCELLANEOUS OPERATING EXPENDITURES	-4,600	0
	Reduces the ability of the Bethesda Urban District to fund operating expenses, special programs, and projects. Anticipated uses of this funding in FY10 included improved participation in Greater BCC Chamber of Commerce events, improved signage for the RSC, Positive Youth Development activities, and a joint project with Bethesda Green to conduct outreach to small businesses.		
S3	DECREASE COST: STREETScape MAINTENANCE	-2,000	0
	A reduction in Streetscape Maintenance would result in longer delays in repairing and replacement of streetlights in the Bethesda Urban District. Timely streetlight replacement has been a top priority of the local business and residential communities		
S4	DECREASE COST: BETHESDA URBAN PARTNERSHIP CONTRACT	-84,810	0
	A reduction in the Bethesda Urban District contract would result in the elimination of planned promotional events and maintenance activities. Such a reduction may not be possible given the terms of the annual agreement with the Bethesda Urban Partnership (BUP), which authorizes the annual payment to BUP for their activities. A mutual agreement with BUP would need to be reached to amend the agreement.		

**Urban District - Bethesda Total:** **-101,410**      **0**

→ Urban District - Silver Spring

Ref No.	Title	\$	Revenue
<b>Urban Districts - Silver Spring</b>			
S1	<b>DECREASE COST: PROMOTIONS</b> This cut will impact the graphic design of the following marketing items: Silver Spring Swings Summer Concert Series brochure, poster, and newspaper ad. General marketing piece for the Central Business District. Marketing materials associated with the Civic Building at Veterans Plaza, including rentals and their potential income	-9,000	0
S2	<b>DECREASE COST: TREE MAINTENANCE</b> Replace fewer trees.	-5,800	0
S3	<b>DECREASE COST: UNIFORMS</b> Fewer new uniforms will be ordered.	-6,900	0
S4	<b>DECREASE COST: LAPSE PUBLIC SERVICE WORKER II</b> Adjustments will be made to the service levels to accomodate.	-41,500	0
S5	<b>DECREASE COST: MISCELLANEOUS OPERATING EXPENDITURES</b> Fewer padlocks and duplicate keys will be purchased; fewer plaques and awards; limit equipment operations	-5,800	0
S6	<b>DECREASE COST: SUPPLIES AND MATERIALS</b> Fewer supplies and materials will be ordered.	-8,760	0
S7	<b>DECREASE COST: TOOLS</b> Fewer tools will be purchased. May result in delay of repair/maintenance for some pieces of equipment.	-7,000	0
S8	<b>DECREASE COST: FLOWERS</b> Fewer flowers will be planted in the spring.	-2,000	0
<b>Urban District - Silver Spring Total:</b>		<b>-86,760</b>	<b>0</b>

**Urban District - Wheaton**

<b>Urban Districts</b>			
S1	<b>DECREASE COST: PARKING PERMITS</b> Savings to be realized by utilizing free parking at the Westfield Wheaton parking garage	-7,200	0
S2	<b>DECREASE COST: SPECIAL COUNTY FUNCTIONS, MEETINGS</b> Will reduce meeting refreshments	-500	0
S3	<b>DECREASE COST: BOARDS, COMMISSIONS, MEETINGS</b> Wheaton Urban District Advisory Committee handbook was prepared this year and placed on CD's for distribution, rather than bound paper copies. Savings was realized in paper, printing and binding costs.	-500	0
S4	<b>DECREASE COST: PROMOTIONS</b> Will reduce costs for talent at the Summer Concert series	-2,800	0
S5	<b>REDUCE: STREETSWEeping</b> Reducing street sweeping services from three times per week to two times per week will have maintenance and environmental impacts .	-7,110	0
S6	<b>DECREASE COST: BANNERS, FLAGS</b> Presently American flags are displayed on downtown street light poles five times a year (Memorial Day, 4th of July, Veterans Day, Flag Day, and Patriots Day). By not displaying flags on Flag Day and Patriots Day we will be minimizing the impact of one of the initiatives that fosters a sense of community and place for downtown Wheaton.	-3,720	0
S7	<b>REDUCE: GEORGIA AVENUE ENHANCEMENTS</b> Maintenance services (i.e. graffiti removal, weeding, landscaping, etc.) will not be provided on one of the most utilized vehicular gateways to downtown Wheaton (Georgia Ave. from 495 to the southern boundary of the Central Business District).	-11,950	0
S8	<b>DECREASE COST: SAFE TEAM UNIFORMS</b>	-1,000	0
S9	<b>DECREASE COST: LAPSE</b> Lapse savings realized through vacancy of Urban District Public Service Aide position from July 1 to September 1.	-15,020	0

Ref No.	Title	\$	Revenue
<b>Urban District - Wheaton Total:</b>		<b>49,800</b>	<b>0</b>
<b>MCG Tax Supported Total:</b>		<b>-22,909,060</b>	<b>23,310</b>
<b>Net Savings:</b>		<b>-22,932,370</b>	
<i>(Total Exp. Savings &amp; Revenue Changes)</i>			

Cable Television

**Cable Communications Plan**

S1	<p><b>DECREASE COST: PEG EQUIPMENT EMERGENCY REPAIR RESERVE</b></p> <p>The four public, education, government access television stations and the COB technical operations center funded by the County are in the process of upgrading and replacing their analog equipment with digital equipment. The analog equipment is very old, and in many cases, is no longer supported by the manufacturer and/or replacement parts are not available. If a vital piece of equipment necessary to continue operation of the station were to suddenly become inoperable, funding to immediately replace that item would be available through the PEG Equipment Emergency Reserve.</p> <p>By decreasing the amount of the PEG Equipment Emergency Reserve to zero dollars, if an emergency were to occur, other funds would be needed.</p>	-30,000	0
S2	<p><b>REDUCE: PEG NETWORK OPERATING EXPENSES TO FUND STAFF TRAINING AND KNOWLEDGE BASE ENHANCEMENT</b></p> <p>Some productivity improvements may be lost as staff will not be as able to use the full functionality of certain equipment and software.</p>	-25,000	0
S3	<p><b>REDUCE: PEG NETWORK EQUIPMENT REPLACEMENT</b></p> <p>The four public, education, government (PEG) access television stations and the COB technical operations center funded by the County are in the process of upgrading and replacing their analog equipment with digital equipment. The analog equipment is very old, and in many cases, is no longer supported by the manufacturer and/or replacement parts are not available. Reducing the FY10 PEG Equipment Replacement budget will expand the time required to replace such equipment and will increase the risk of equipment failure.</p>	-50,000	0
S4	<p><b>DECREASE COST: PEG NETWORK CLOSED CAPTIONING</b></p> <p>Some closed captioning cost reductions may be achieved by more efficiently scheduling closed captioning services. However, based on the remaining budget, in the fourth quarter it may be necessary to eliminate closed captioning for some general interest programming. Closed captioning of County Council meetings, County Executive press events, town halls and call-in shows will not be reduced.</p>	-23,620	0
S5	<p><b>REDUCE: YOUTH MEDIA PROGRAMMING</b></p> <p>Reduce funding available to support programming developed for or by youth, including eliminating potential sponsorship of youth media festivals and contests, financial support for community youth organizations to produce community videos, substantially decrease funding for Civil Rights Educational Tour (organized by OHR, MCPL, and African-American Employees Association), and reduce purchases of video equipment used by youth.</p>	-26,550	0
S6	<p><b>REDUCE: LAPSE VACANT CCM-PIO VISUAL INFORMATION SPECIALIST (EDITOR) 0.2 WY</b></p> <p>Editing will temporarily be performed by senior management staff.</p>	-18,450	0
<b>Cable Television Total:</b>		<b>173,620</b>	<b>0</b>

Community Use of Public Facilities

**Community Use of Public Facilities**

S1	<p><b>DECREASE COST: OTHER REIMBURSEMENTS TO MCPS</b></p> <p>CUPF, under the authority of the Interagency Coordinating Board (ICB), reimburses MCPS for costs incurred in facilitating community use as required by Section 44-5A(b)(1) of the County Code.</p> <p>All weekend use of schools requires scheduling of at least one MCPS Building Services Worker at each school in use. Consolidation of groups, reducing the number of schools opened simultaneously, will reduce weekend staff reimbursement costs. As feasible, CUPF will restrict opening a school for use of only one room, and place groups in schools already open.</p> <p>Lower customer satisfaction is anticipated when customers are not able to be scheduled in their first location choice.</p>	-68,180	0
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FY10 Savings Plan (2nd Rnd)- Description/Justification **MCG Non-Tax Supported**

Ref No.	Title	\$	Revenue
<b>Community Use of Public Facilities</b>			
S2	DECREASE COST: LAPSE OF VACANT PROGRAM SPECIALIST I POSITION As each Program Specialist assumes the workload of lapsed positions, some service delays may occur.	-46,400	0
S3	DECREASE COST: MISC. OPERATING EXPENSES Reductions will be made in operating budget, which will have minimal impact on customer service.	-22,960	0
<b>Community Use of Public Facilities Total:</b>		<b>-137,540</b>	<b>0</b>

Liquor Control

**Liquor Control**

S1	ENHANCE: INVENTORY REDUCTION DLC is actively reviewing its stock inventory to identify slow moving items and offering the items to licensees and retail customers via the DLC stores at close-out prices. The process of reviewing the inventory is a routine industry practice and products that do not meet the annual case volume threshold are removed from stock and the remaining inventory is liquidated at the best price obtainable.	0	667,430
<b>Liquor Control Total:</b>		<b>0</b>	<b>667,430</b>

→ Montgomery Housing Initiative  
**Housing and Community Affairs**

S1	DECREASE COST: REDUCE OPERATING EXPENSES Reduction in the number of affordable housing units produced and/or the number of clients served.	-467,110	0
<b>Montgomery Housing Initiative Total:</b>		<b>-467,110</b>	<b>0</b>

Parking District - Bethesda

**DOT-Parking Lot Districts**

S1	REDUCE: CONTRACT GROUNDS MAINTENANCE Reduce grounds maintenance by 50%. Spring ornamental plantings will be eliminated. Shrub and tree trimming will be eliminated. Mowing will be reduced in frequency.	-21,120	0
S2	REDUCE: CONTRACT SECURITY Reduce contract security patrols by 7%. Garages will be patrolled less frequently.	-34,190	0
S4	REDUCE: PRINT AND MAIL Reduce printing and mail to match the mandated FY11 reduction target. The Division will explore increased electronic out reach to replace flyers and other printed matter. Staff will utilize two sided printing whenever feasible. Staff will seek opportunities to use electronic rather than printed records.	-5,120	0
S5	REDUCE: LAPSE METER SHOP SUPERVISOR Lapse the currently vacant Maintenance Unit Supervisor position as a contribution to the budget goal. Circulate the Meter Mechanic staff through the position on an acting basis in order to provide experience and interim leadership. This process will result in reduced staffing of the Unit as a whole and may cause delays in meter inspections and extended the time required to perform preventive maintenance procedures.	-24,360	0
S6	REDUCE: PLANNING SPECIALIST III Planning Specialist III position has been vacant year to date. Hiring process has been extended based on difficulty finding a qualified pool of candidates. The position now has a rated pool of candidates and we have started the interview and selection process. Failure to fill the position to date has resulted in a back log of traffic orders and limited our ability to optimize parking space durations for maximum utilization and customer service.	-25,860	0
S7	REDUCE: PUBLIC SERVICE WORKER II A Public Service Worker II position in the Parking Maintenance Unit has been vacant year to date. An offer has been made to a candidate and accepted in the last few days. The new employee plans to start in January 2010.	-8,410	0
S8	ELIMINATE: TRAVEL, EDUCATION AND ORGANIZATIONAL DUES Freeze remaining balances in travel, education and organizational dues. Staff members may lose professional organizational accreditation. Staff will be encouraged to use no cost internet research to maintain their professional knowledge base.	-6,290	0

FY10 Savings Plan (2nd Rnd)- Description/Justification **MCG Non-Tax Supported**

Ref No.	Title	\$	Revenue
<b>DOT-Parking Lot Districts</b>			
S7	<b>REDUCE: PUBLIC SERVICE WORKER II</b> A Public Service Worker II position in the Parking Maintenance Unit has been vacant year to date. An offer has been made to a candidate and accepted in the last few days. The new employee plans to start in January 2010.	-11,830	0
S8	<b>ELIMINATE: TRAVEL, EDUCATION AND MEMBERSHIP DUES</b> Freeze remaining balances in travel, education and organizational dues. Staff members may lose professional organizational accreditation. Staff will be encouraged to use no cost internet research to maintain their professional knowledge base.	-6,740	0
<b>Parking District - Silver Spring Total:</b>		<b>-132,990</b>	<b>0</b>

Parking District - Wheaton

**DOT-Parking Lot Districts**

S1	<b>REDUCE: CONTRACT PAINTING</b> Contract painting was reduced by 39% in the first savings plan. It will be further reduced by 10% to a total of 49%. The 2 year striping painting cycle will be extended from 2 years to 4 years. Parking customers may find it increasingly difficult to properly identify spaces and facility capacity may be reduced due to vehicles parking across space lines.	-5,000	0
S2	<b>REDUCE: CONTRACT JANITORIAL SERVICES</b> Reduce contract janitorial services by 6% for the year. The frequency of litter pickup in garages and on surface parking lots will be reduced. The general appearance of facilities will be adversely impacted.	-3,620	0
S3	<b>REDUCE: PRINTING AND MAIL</b> Reduce printing and mail to match the mandated FY11 reduction target. The Division will explore increased electronic outreach to replace flyers and other printed matter. Staff will utilize two sided printing whenever feasible. Staff will seek opportunities to use electronic rather than printed records	-990	0
S4	<b>REDUCE: LAPSE METER SHOP SUPERVISOR</b> Lapse the currently vacant Maintenance Unit Supervisor position as a contribution to the budget goal. Circulate the Meter Mechanic staff through the position on an acting basis in order to provide experience and interim leadership. This process will result in reduced staffing of the Unit as a whole and may cause delays in meter inspections and extended the time required to perform preventive maintenance procedures.	-3,320	0
S5	<b>REDUCE: PLANNING SPECIALIST III</b> Planning Specialist III position has been vacant year to date. Hiring process has been extended based on difficulty finding a qualified pool of candidates. The position now has a rated pool of candidates and we have started the interview and selection process. Failure to fill the position to date has resulted in a back log of traffic orders and limited our ability to optimize parking space durations for maximum utilization and customer service.	-3,930	0
S6	<b>REDUCE: PUBLIC SERVICE WORKER II</b> A Public Service Worker II position in the Parking Maintenance Unit has been vacant year to date. An offer has been made to a candidate and accepted in the last few days. The new employee plans to start in January 2010.	-1,830	0
S7	<b>ELIMINATE: TRAVEL, EDUCATION AND MEMBERSHIP DUES</b> Freeze remaining balances in travel, education and organizational dues. Staff members may lose professional organizational accreditation. Staff will be encouraged to use no cost internet research to maintain their professional knowledge base.	-750	0
<b>Parking District - Wheaton Total:</b>		<b>-19,440</b>	<b>0</b>

→ Permitting Services

**Permitting Services**

S1	<b>DECREASE COST: CREDIT CARD FEE FO REFLECT ACTUAL</b> DPS will reduce the budgeted expense for credit card fees to more appropriately reflect the actual credit card fees being charged. This is a budgetary correction, and would therefore have no impact on operations.	-406,010	0
<b>Permitting Services Total:</b>		<b>-406,010</b>	<b>0</b>

Solid Waste Collection

**DEP-Solid Waste Services**

FY10 Savings Plan (2nd Rnd)- Description/Justification **M-NCPPC Tax Supported**

Ref No.	Title	\$	Revenue
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→ M-NCPPC Administration

**M-NCPPC**

S1	DECREASE COST: MNCPPC FY10 SAVINGS PLAN ROUND 2 - PER MNCPPC MEMO DATED 12/28/09	-448,000	0
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M-NCPPC Administration Total: -448,000 0

→ M-NCPPC Park (w/out Debt Serv.)

**M-NCPPC**

S1	DECREASE COST: MNCPPC FY10 SAVINGS PLAN ROUND 2-PER MNCPPC MEMO DATED 12/28/09	-802,000	0
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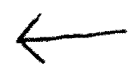
M-NCPPC Park (w/out Debt Serv.) Total: -802,000 0

M-NCPPC Tax Supported Total:	-1,250,000	0
Net Savings: (Total Exp. Savings & Revenue Changes)	-1,250,000	

M-NCPPC Total: -1,250,000 0

M-NCPPC FY10 Net Savings  
(Total Exp. Savings & Revenue Changes) -1,250,000

Revised FY10 Savings Plan Summary		
1	<b>Total FY10 Revised Savings Plan</b>	<b>70.088</b>
2		
3	<b>Expenditure Reductions</b>	<b>50.042</b>
4		
5	MCG Tax Supported Reductions	22.932
6		
7	Debt Service Exp. Reductions	2.159
8	MCPS	22.000
9	MC	1.700
10	MNCPPC	1.250
11		
12	<b>Fund Balance Transfers</b>	<b>4.800</b>
13	Reduce MHI Transfer	4.800
14		
15	<b>Revenue Changes</b>	<b>6.031</b>
16	Prior Year Encumbrance Liquidations	1.500
17	Debt Service premium & rebate revenues	4.531
18		
19	<b>CIP Current Revenue (CIP CR)</b>	<b>9.216</b>
20	Montgomery County Govt CIP	4.743
21	HOC CIP	0.121
22	MNCPPC CIP	2.502
23	College CIP	1.850
24		



RESOURCES & USE OF RESOURCES	MONTGOMERY HOUSING INITIATIVE		
	FY09 ACTUAL	FY10 APPROVED	FY10 2nd QA
<b>FISCAL PROJECTIONS</b>			
<b>ASSUMPTIONS</b>			
Indirect Cost Rate	12.88%	13.73%	13.73%
CPI (Fiscal Year)	2.2%	3.3%	1.1%
Investment Income Yield	1.7%	1.1%	0.4%
<b>BEGINNING FUND BALANCE</b>	<b>11,615,286</b>	<b>1,951,890</b>	<b>9,265,960</b>
<b>REVENUES</b>			
<b>Miscellaneous</b>	<b>11,129,674</b>	<b>38,316,490</b>	<b>35,807,970</b>
Condo Transfer Tax/T900	3,406,855	2,000,000	2,000,000
Investment Income - Pooled/ N100	303,086	190,000	190,000
Investment Income - Non-Pooled/N209	428,304	0	0
Mortgage Repayments/M509	669,929	5,672,450	5,672,450
Property Land Sales-M701	0	0	0
Developer Approval - D147	0	50,000	50,000
MPDU Resale Recapture - M063	1,629,312	2,000,000	2,000,000
MPDU Foreclosures - M061	134,129	0	16,320
MPDU Contributions - M060	963,500	281,750	193,000
MPDU Alternative Payments	0	0	0
State Grants/Seneca Heights/1700	0	0	0
Miscellaneous - M999	902,197	0	610,910
HOC Loan payment/Proceeds from Section 108/Z106	76,862	75,290	75,290
Interest Payment/ N209	0	0	0
Recordation Tax Revenue for Rental Assistance Programs - T411	2,615,500	3,047,000	0
Extraordinary Revenue Financing	0	25,000,000	25,000,000
<b>Subtotal Revenues</b>	<b>11,129,674</b>	<b>38,316,490</b>	<b>35,807,970</b>
<b>INTERFUND TRANSFERS (Net:Non-CIP)</b>	<b>9,604,390</b>	<b>17,537,348</b>	<b>14,917,348</b>
<b>Transfers To Debt Service Fund</b>	<b>0</b>	<b>(2,180,000)</b>	<b>0</b>
Debt Service: Other /MHI Property Acquisition	0	(2,180,000)	0
<b>Transfers To The General Fund</b>	<b>(178,100)</b>	<b>(201,920)</b>	<b>(201,920)</b>
Indirect Costs	(159,630)	(177,150)	(177,150)
Allocation of workyears charged to ERP and MCTime	(18,470)	(24,770)	(24,770)
<b>Transfers From The General Fund</b>	<b>9,782,490</b>	<b>19,919,268</b>	<b>15,119,268</b>
<b>TOTAL RESOURCES</b>	<b>32,349,350</b>	<b>57,805,728</b>	<b>59,991,278</b>
<b>CIP CURRENT REVENUE APPROP.</b>	<b>(1,404,518)</b>	<b>0</b>	<b>0</b>
<b>CIP Property Acquisition Revolving Fund</b>		<b>(25,000,000)</b>	<b>(25,000,000)</b>
<b>APPROPRIATIONS/EXPENDITURES</b>			
<b>Operating Budget (FY05-09 w/o CPI or Comp adj)</b>	<b>(21,771,102)</b>	<b>(19,118,390)</b>	<b>(21,686,716)</b>
Personnel Costs	(1,273,906)	(1,290,230)	(1,254,150)
Operating Expenses (w/o Fixed Costs)	(20,497,196)	(17,828,160)	(21,366,786)
OE Fixed Cost: (e.g.: utilities, capital lease)	0	0	467,110
OE Fixed Cost: (e.g. misc other)	0	0	467,110
Capital Outlay	0	0	0
Debt Service: Other (Non-Tax Funds only)	(76,862)	(75,300)	(75,300)
Rental Assistance Programs	n/a	(6,047,000)	(3,047,000)
Housing First		(5,900,000)	(8,900,000)
Neighborhoods to Call Home	n/a	n/a	(933,500)
Adj for PY Encumbrances/Reserves	169,090	n/a	n/a
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(21,678,874)</b>	<b>(31,140,690)</b>	<b>(34,642,516)</b>
<b>TOTAL USE OF RESOURCES</b>	<b>(23,083,392)</b>	<b>(56,140,690)</b>	<b>(59,642,516)</b>
<b>YEAR END FUND BALANCE</b>	<b>9,265,958</b>	<b>1,665,040</b>	<b>348,760</b>
<b>END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES</b>	<b>28.6%</b>	<b>2.9%</b>	<b>0.6%</b>

**Davidson, Minna**

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**From:** Farber, Steve  
**Sent:** Friday, January 15, 2010 6:38 PM  
**To:** Ferber, Justina; Davidson, Minna  
**Subject:** FW: DED Savings Plan -- response to question

-----Original Message-----

**From:** Espinosa, Alex  
**Sent:** Friday, January 15, 2010 5:22 PM  
**To:** Farber, Steve  
**Subject:** DED Savings Plan -- response to question

Steve: Response to DED savings plan question follows...

**PLANNING, HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE****Economic Development**

**Page 3, S2:** What are the implications for constituent services and development review in reducing the workforce related to soil conservation and water quality plans and forest harvest permits and erosion control?

**Response:** *The Resource Conservationist position, which is funded within the Agricultural Services Division supports the Montgomery Soil Conservation District (MSCD) program and handles 42 percent of all soil conservation and water quality planning (SCWQ Plans) performed by MSCD. Twenty-one farmers a year receive this assistance to help manage about 1,600 acres of land, and this effort includes all plans required under the agricultural preservation easement programs.*

*The department will rely on existing MSCD staff to provide technical assistance and support to the agricultural community to mitigate the impact of eliminating the position. The department will focus on assisting farmers with successfully completing the SCWQ Plan process, coordinating with federal, state, and County enforcement agencies to help farmers with compliance on documented enforcement issues through the development of a Water Quality Corrective Action Plan, providing technical assistance and guidance on compliance with federal clean water guidelines, working directly with farmers seeking federal subsidies through the USDA's Farm Services Agency, and continue handling the forest harvest landowner permits in the County, of which MSCD staff typically handle between three and ten requests annually.*

*The department recognizes that there will be delays in service delivery, lengthier wait times for the completion of requests, and additional time needed to provide assistance to the farmers on issues of compliance. The department will work to the fullest extent possible to mitigate these anticipated delays to ensure the adequacy of services and avoid any problems that may occur as a result of this reduction.*

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