

GO COMMITTEE #3  
April 23, 2014

**Worksession**

**MEMORANDUM**

April 21, 2014

TO: Government Operations and Fiscal Policy Committee  
FROM: Jean C. Arthur, <sup>JCA</sup>Legislative Analyst  
SUBJECT: **Worksession: FY15 Operating Budget  
Office of Intergovernmental Relations (OIR)**

The relevant pages from the FY15 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  
Helen Vallone, Management and Budget Specialist, OMB

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**

For FY15 the County Executive's recommended budget for the OIR is \$905,333, an increase of \$9,751 or 1.1 percent over the FY14 approved budget of \$895,582. The recommended budget funds the same number of positions as in FY14. Personnel costs comprise 87.0 percent of the budget.

	<b>FY14 Approved</b>	<b>FY15 CE Recommended</b>	<b>% Change</b>
<b>EXPENDITURES</b>			
<i>Salaries &amp; wages</i>	\$628,900	\$632,405	0.6%
<i>Employee Benefits</i>	\$149,569	\$155,649	4.1%
<i>Operating Costs</i>	\$86,443	\$86,609	0.2%
<b>General Fund Total</b>	<b>\$864,912</b>	<b>\$874,663</b>	<b>1.1%</b>
<b>Revenues</b>			
Grant Funds (BRAC)	\$30,670	\$30,670	
<b>Total Expenditures</b>	<b>\$895,582</b>	<b>\$905,333</b>	<b>1.1%</b>
<b>PERSONNEL</b>			
Full-time	4	4	0
Part-time	1	1	0
FTEs	5.1	5.1	0

### **FY15 Budget Discussion**

See ©1 for the OIR's performance measures and ©2 for its list of accomplishments and initiatives. See also ©5-10 for a summary of the results for Montgomery County from the 2014 Session of the General Assembly.

#### **Staffing**

The OIR will fill its staff vacancy with a new legislative analyst who will start on May 5, 2014.

#### **BRAC Grant**

OIR continues to receive \$30,670 in 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 grant is shared with Prince George's County. The State determines the amount.

**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 FY15 Operating Budget for the Office of Intergovernmental Relations is \$905,333, an increase of \$9,751 or 1.1 percent from the FY14 Approved Budget of \$895,582. Personnel Costs comprise 87.0 percent of the budget for four full-time positions and one part-time position, and a total of 5.10 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 13.0 percent of the FY15 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 FY14 estimates reflect funding based on the FY14 approved budget. The FY15 and FY16 figures are performance targets based on the FY15 recommended budget and funding for comparable service levels in FY16.

Measure	Actual FY12	Actual FY13	Estimated FY14	Target FY15	Target FY16
<b>Program Measures</b>					
General Assembly bills identified as of potential interest to the County and analyzed by the Office of Intergovernmental Relations	600	800	675	675	675
Number of bills for which a County fiscal estimate was requested by the State Department of Legislative Services	468	369	415	415	415
Number of formal position statements prepared	76	201	140	140	140
Percentage of State Legislative Package Initiatives partially or fully realized	100	100	60	60	60
Total direct State Aid (\$ millions)	629	663	689	689	689
Total State retirement payments (\$ millions)	183	141	184	200	220
Direct State Aid appropriated by Maryland, comprised primarily of public K-12 education aid (in millions)	629	663	689	689	689
State Retirement Payments appropriated, including public K-12 teachers and some community college faculty (in millions)	183	141	184	200	220
State grants appropriated for capital projects, excluding transportation (in millions)	227	129	62	57	57
State grants appropriated for capital transportation projects (in millions)	47	23	43	25	25

	Actual FY12	Actual FY13	Estimated FY14	Target FY15	Target FY16
Congressionally Designated Projects appropriated (in millions)	NA	NA	NA	NA	NA
Percent of State legislative package where Intergovernmental Relations position prevailed	86	70	70	70	70
Percent of State priorities fully realized	38	37	30	30	30
Percent of Federal priorities fully or partially realized	67	67	67	67	67

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ *Coordinate and lead Executive and Council staff in advocacy efforts with our Congressional Delegates.*
- ❖ *Met with the County Executive and County Council members to provide a status report on the General Assembly and the legislative 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.*
- ❖ *Educated departments on the in-house fiscal note process.*
- ❖ *Promoted the County's priorities at the federal level by providing the Congressional Delegation and their staff with a list of the County's federal priorities.*
- ❖ *Promoted and ensured the Montgomery County agenda at the State and local levels by developing strategies in conjunction with the County Delegation and officials to prepare and successfully participate in the 2013 General Assembly Session.*
- ❖ *Met with department directors and key staff to explain the State and Federal priorities process in order to maximize opportunities at the state level.*
- ❖ *Productivity Improvements*
  - *Implemented a process where the office is notified every time there is a state or federal grant application.*
  - *Implemented a system to track Council bills and resolutions on a weekly basis.*
  - *Developed and used a new tracking system for bills that interacts with the General Assembly's data system, making it easier to track and report bills.*
  - *Participated in educational and networking training courses at the local, State and federal levels.*
  - *Created electronic bill files for Department Directors and the State legislation proposed by the General Assembly.*
  - *Updated and improved website information, making it more accessible to the public.*

## 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 FY13	Budget FY14	Estimated FY14	Recommended FY15	% Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	493,382	628,900	537,664	632,405	0.6%
Employee Benefits	121,419	149,569	138,501	155,649	4.1%
<b>County General Fund Personnel Costs</b>	<b>614,801</b>	<b>778,469</b>	<b>676,165</b>	<b>788,054</b>	<b>1.2%</b>
Operating Expenses	85,524	86,443	83,003	86,609	0.2%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>700,325</b>	<b>864,912</b>	<b>759,168</b>	<b>874,663</b>	<b>1.1%</b>
<b>PERSONNEL</b>					
Full-Time	4	4	4	4	—
Part-Time	1	1	1	1	—
FTEs	5.10	5.10	5.10	5.10	—
<b>GRANT FUND MCG</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
<b>Grant Fund MCG Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	—
Operating Expenses	30,666	30,670	30,670	30,670	—
Capital Outlay	0	0	0	0	—
<b>Grant Fund MCG Expenditures</b>	<b>30,666</b>	<b>30,670</b>	<b>30,670</b>	<b>30,670</b>	—
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
<b>REVENUES</b>					
Federal Grants	0	30,670	30,670	30,670	—
State Grants	30,666	0	0	0	—
<b>Grant Fund MCG Revenues</b>	<b>30,666</b>	<b>30,670</b>	<b>30,670</b>	<b>30,670</b>	—
<b>DEPARTMENT TOTALS</b>					
<b>Total Expenditures</b>	<b>730,991</b>	<b>895,582</b>	<b>789,838</b>	<b>905,333</b>	<b>1.1%</b>
<b>Total Full-Time Positions</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	—
<b>Total Part-Time Positions</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	—
<b>Total FTEs</b>	<b>5.10</b>	<b>5.10</b>	<b>5.10</b>	<b>5.10</b>	—
<b>Total Revenues</b>	<b>30,666</b>	<b>30,670</b>	<b>30,670</b>	<b>30,670</b>	—

## FY15 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
<b>FY14 ORIGINAL APPROPRIATION</b>	<b>864,912</b>	<b>5.10</b>
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: FY15 Compensation Adjustment	20,078	0.00
Increase Cost: Retirement Adjustment	1,797	0.00
Increase Cost: Group Insurance Adjustment	1,007	0.00
Increase Cost: Printing and Mail	166	0.00
Decrease Cost: Annualization of FY14 Personnel Costs	-13,297	0.00
<b>FY15 RECOMMENDED:</b>	<b>874,663</b>	<b>5.10</b>
<b>GRANT FUND MCG</b>		
<b>FY14 ORIGINAL APPROPRIATION</b>	<b>30,670</b>	<b>0.00</b>
<b>FY15 RECOMMENDED:</b>	<b>30,670</b>	<b>0.00</b>

## FUTURE FISCAL IMPACTS

Title	CE REC.			(5000's)		
	FY15	FY16	FY17	FY18	FY19	FY20
This table is intended to present significant future fiscal impacts of the department's programs.						
<b>COUNTY GENERAL FUND</b>						
<b>Expenditures</b>						
<b>FY15 Recommended</b>	<b>875</b>	<b>875</b>	<b>875</b>	<b>875</b>	<b>875</b>	<b>875</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
<b>Labor Contracts - Other</b>	<b>0</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>
These figures represent other negotiated items included in the labor agreements.						
<b>Subtotal Expenditures</b>	<b>875</b>	<b>881</b>	<b>881</b>	<b>881</b>	<b>881</b>	<b>881</b>

FOR IMMEDIATE RELEASE: April 8, 2014

## **MONTGOMERY COUNTY DELEGATION ANNOUNCES 2014 SESSION ACCOMPLISHMENTS FOR THE COUNTY**

ANNAPOLIS – The 32-member Montgomery County Delegation to the Maryland General Assembly today announced its 2014 legislative accomplishments for Montgomery County.

Although the State's operating budget remained in a recovery mode, State aid directed to Montgomery County will increase by about \$17 million this year, or from \$691 million to \$708 million. Almost all of this increase is for the County's public education delivery system, which serves more K-12 and community college students than any other county in the State. About \$15 million of this amount is for the Montgomery County Public Schools, which will help support another year of significant enrollment growth.

Again, the State will be making some significant infrastructure investments in the County. Although legislation proposing a dedicated State revenue stream to address overcrowding in the public schools was not acted upon this year, the Montgomery County Delegation secured over \$28 million in State grants for public school construction. Additional public school construction funds will be allocated by the Board of Public Works in May. Also, the Delegation is expecting the Governor to request the Interagency Committee on School Construction to conduct a study and recommend funding strategies to address the need for greater investment in our public schools. This puts in place a roadmap for moving forward on this key Delegation priority.

Montgomery College was awarded \$14 million to renovate the Rockville Sciences West building on the Rockville Campus and the Universities at Shady Grove received another \$4.3 million to finish design work to construct a new fourth building. The Delegation secured over \$2.5 million to underwrite investments in a number of community projects. This list of small grants will provide State funds to help support the arts and recreational facilities.

The State will be making capital investments in five of the hospitals located in Montgomery. In addition, the County's Avery Road Treatment Center will receive State funds to begin planning the next stage of development at the Center.

The State capital budget also included the first installment of State funds to locate the new National Cybersecurity Center of Excellence in Montgomery County. With the civil cybersecurity market value estimated at \$135 billion, the County was pleased to have the opportunity to partner with the State and Federal governments on this new venture.

On the education policy front, the Delegation provided strong support for the Administration's proposal to expand Maryland's pre-kindergarten program by 1,600 additional students around the State. Again this year, the Delegation maintained as a key priority keeping higher education affordable by limiting undergraduate tuition to a three percent increase.

Several tax breaks were also passed, including relief for student loan debt and unreimbursed expenses of foster parents. The Earned Income Tax Credit was expanded to help lower-income working families. In an effort to better align Maryland's estate tax with those of other states, Maryland's estate tax exemption will be re-coupled with the federal exemption by 2019. Another statutory change will protect local governments from paying punitive interest rates on refunds of income tax in the event the State loses a tax case pending before the U.S. Supreme Court.

Delegation members were among the sponsors of several important workforce and economic development measures, including legislation that will phase-in an increase in the State minimum hourly wage to \$10.10 by July 1, 2018. They were also strong supporters of a leadership package that included legislation building on the InvestMD program to improve the Maryland universities' success in facilitating technology transfer from universities to the private sector. Finally, legislation passed creating the Cybersecurity Investment Fund to provide funding for emerging technology companies focused on cybersecurity technology.

After three years of rigorous debate over major changes to environmental policies, there was less activity this year. The Legislature did take action to expand the Islands of the Potomac wild lands, protecting an additional 120 acres in Frederick and Montgomery Counties. Use of Bay Restoration Funds was also authorized to replace failing septic systems with connections to public sewers if that solution is the most reasonable. Fines were doubled for certain water pollution violations and tripled for WSSC watershed violations. Legislation was also passed permitting small-scale renewable energy projects on some property with agricultural easements, requiring recycling at special events, and making it easier to finance clean energy projects on commercial properties.

A number of initiatives supported by the Delegation will significantly enhance public safety. New laws focusing on domestic violence include enhancing penalties imposed on those who commit domestic violence in front of a child, easing the legal burden of proof for obtaining a protective order, and expanding the crimes that qualify for a protective order to be issued. Acknowledging that distracted driving increases risk to safety, the Delegation supported legislation that enhances the penalties for drivers using a hand-held cell phone or texting. The Delegation successfully advocated for improvements to the State's speed camera program that will enhance the accuracy, fairness, and transparency of programs throughout the State.

Despite the Delegation's efforts, the General Assembly was unable to adopt bail reform. Divergent House and Senate legislative proposals could not be reconciled to address the recent *Richmond* court decision which required access to public defenders at all bail hearings. Instead, the Legislature opted to keep the current commissioner system in place and approved \$10 million to support the Office of the Public Defender hiring "panel attorneys" for indigent representation.

A majority of the Delegation sponsored the Fairness for All Marylanders Act, which will extend antidiscrimination protection to transgendered persons statewide. Currently protection only exists in Baltimore, Howard, and Montgomery counties and Baltimore City. Other legislation introduced by Montgomery County legislators is designed to protect elderly people from fraud, exploitation, and financial abuse.



FOR MORE INFORMATION, PLEASE CONTACT:

Melanie Wenger, 240-888-0308 (Montgomery County Office of Intergovernmental Relations)

Sara Hartman, 301-858-3018 (Montgomery County Delegation Administrator)

Montgomery County Delegation website: [www.montgomerycountydelegation.com](http://www.montgomerycountydelegation.com)

ATTACHMENTS

# Montgomery County Local Aid

Year-Over-Year Comparison  
(\$ in thousands)

Direct Aid	Final FY 2014	Enacted FY 2015	Difference 2014 vs. 2015	% Change
Primary & Secondary Education	612,445	624,368	11,923	1.9%
Libraries	2,771	2,813	42	1.5%
Community Colleges	44,178	47,428	3,250	7.4%
Health Formula Grant	3,388	3,825	436	12.9%
Transportation*	4,931	5,092	161	3.3%
Additional Grants to Municipalities	2,448	2,547	99	4.0%
FY14 Pothole Repair Grants	0	992	992	
Police and Public Safety*	15,555	15,719	164	1.1%
Fire and Rescue	1,299	1,520	221	17.0%
Recreation and Natural Resources	4,623	4,131	-492	-10.6%
Total Direct Aid	\$691,639	\$708,434	\$16,795	2.4%
Retirement Contributions	FY 2014	FY 2015	2014 vs. 2015	
Boards of Education	146,231	153,961	7,731	5.3%
Library Employees	2,972	2,668	-304	-10.2%
Community College Faculty	9,035	9,303	268	3.0%
Local Employee	0	0	0	-100.0%
Total Retirement Contributions	\$158,237	\$165,932	\$7,694	4.9%

\* Includes allocations to municipalities within Montgomery County.

Data: Governor's Proposed Operating Budgets and 90 Day Reports

Montgomery County Office of Intergovernmental Relations (W0401)

Tuesday, April 08, 2014



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# Montgomery County Capital Projects

Fiscal Year 2015  
Preliminary Appropriations

<b>Public School Construction*</b>		<b>28,540,000</b>
Beverly Farms Elementary	5,342,000	
Damascus High	500,000	
Glenallan Elementary	5,491,000	
Goshen Elementary	500,000	
Herbert Hoover Middle	8,214,000	
Paint Branch High	6,493,000	
Quince Orchard High School	500,000	
Roberto W. Clemente Middle	500,000	
S. Christa McAuliffe Elementary	500,000	
Shady Grove Middle	500,000	
<b>Public Libraries</b>		<b>387,000</b>
Kensington Park Library Renovation	259,000	
Twinbrook Library Renovation	128,000	
<b>Community Colleges</b>		<b>14,446,000</b>
Rockville Science West Building Renovation	14,446,000	
<b>Universities at Shady Grove</b>		<b>4,300,000</b>
Biomedical Sciences and Engineering Education Facility	4,300,000	
<b>Community Health Facilities</b>		<b>310,000</b>
Avery Road Treatment Center	310,000	
<b>Hospitals</b>		<b>1,980,000</b>
Adventist Rehab. Hosp - Bariatric Program Renovation	200,000	
Holy Cross Hospital - Surgical Pre/Post Area Renovation	500,000	
Medstar Montgomery Medical Center - ER Renovation	300,000	
Shady Grove Adventist - ER Redesign and Renovation	500,000	
Wash. Adventist - Primary Care for Uninsured Renovation	480,000	
<b>Community Parks and Playgrounds</b>		<b>211,000</b>
Elgin Park (Poolesville) Improvements	155,000	
Legacy at Lincoln Park (Rockville) Playground Replacement	56,000	
<b>African American Heritage Preservation</b>		<b>50,000</b>
Sandy Spring Oddfellows Lodge	50,000	
<b>Legislative Initiatives</b>		<b>2,540,000</b>
Ann L. Bronfman Center	120,000	
Black Box Theater	100,000	
Casey Community Center	130,000	
Homecrest House	60,000	
Imagination Stage HVAC System	45,000	
Inter-Generational Center Expansion	200,000	
Jewish Social Services Agency Montrose Office Renovation	130,000	
MdBio STEM Education Equipment Project	200,000	

Melvin J. Berman Hebrew Academy	55,000	
Muslim Community Center	75,000	
Olney Theatre Center	100,000	
Potomac Community Recreation Center	100,000	
Potomac Community Resources Home	175,000	
Rockville Science Center	75,000	
Sandy Spring Museum	75,000	
Sandy Spring VFD Station 40 Expansion	150,000	
Seneca Store Restoration	50,000	
Silver Spring Learning Center Expansion	60,000	
Silver Spring VFD Station #18	100,000	
The Writers' Center	300,000	
University Gardens Senior Apartments	140,000	
Warner Manor	100,000	
<b>State Facilities</b>		<b>311,000</b>
DHMH - RICA - Renovate HVAC in Kitchen	251,000	
Seneca Creek State Park - Renovate Pumping Stations	60,000	
<b>Miscellaneous Projects</b>		<b>4,175,000</b>
Jewish Community Center of Greater Washington	2,175,000	
National Cybersecurity Center of Excellence	2,000,000	
<b>Grand Total</b>		<b>57,250,000</b>

\* Reflects Montgomery County's share of 90% of the statewide base request allocation.

Montgomery County Office of Intergovernmental Relations (A1127)

Tuesday, April 08, 2014

