

GO COMMITTEE #1
April 20, 2015

MEMORANDUM

April 16, 2015

TO: Government Operations and Fiscal Policy Committee
FROM: ^{JCA} Jean Arthur, Legislative Analyst
SUBJECT: **FY16 Operating Budget: Office of Intergovernmental Relations**

Those expected to attend this worksession include:
Melanie Wenger, Director, Office of Intergovernmental Relations
Wanda Wells, Office of Intergovernmental Relations
Phil Weeda, Management and Budget Specialist, OMB

Relevant pages from the FY16 Recommended Operating Budget are attached on ©1-4.

Budget Summary:

- The FY16 County Executive recommended budget for the Office of Intergovernmental Relations has no changes from FY15. The recommended appropriation is 2.0 percent higher than the current approved budget. The increase is due to compensation adjustments that apply to all departments.

Council Staff Recommendation:

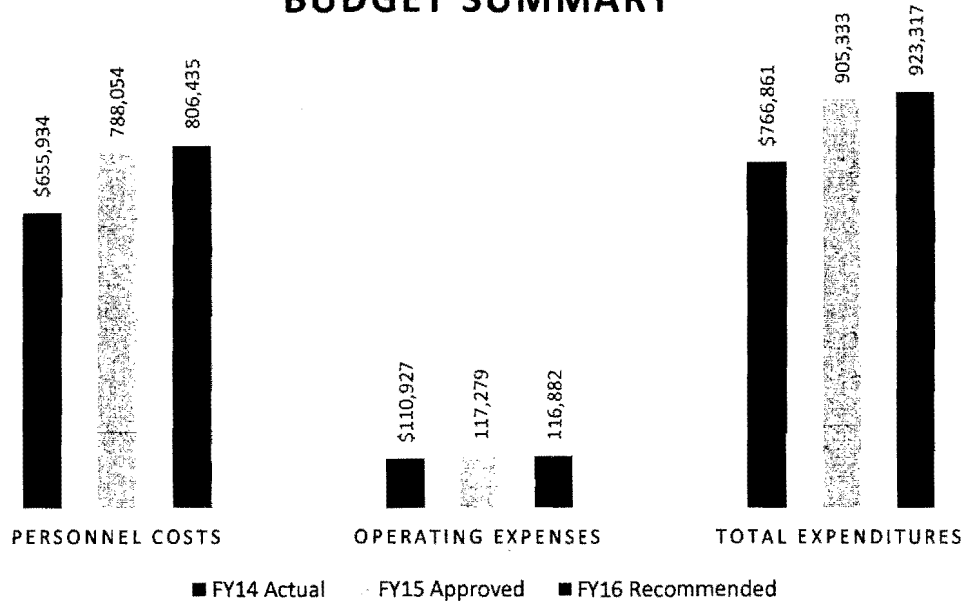
- **Approved as recommended by the County Executive.**

Overview

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.

For FY16, the County Executive recommends a total of \$923,317, an increase of \$17,984 or 2.0 percent from the FY15 approved budget of \$905,333. The recommended budget funds the same number of positions as in FY15.

BUDGET SUMMARY



	<i>FY14 Actual</i>	<i>FY15 Approved</i>	<i>FY16 Recommended</i>	<i>% Change FY15 - FY16</i>
<i>Expenditures by fund</i>				
General Fund	\$736,197	\$874,663	\$892,647	2.1%
State Grants (BRAC)	30,666	30,670	30,670	
<i>Expenditures by type</i>				
Personnel Cost	\$655,934	\$788,054	\$806,435	2.3%
Operating Expenses	\$110,927	\$117,279	\$116,882	-0.5%
<i>Total Expenditures</i>	\$766,861	\$905,333	\$923,317	2.0%
<i>Positions</i>				
Full-Time	4	4	4	
Part-Time	1	1	1	
<i>FTEs</i>	5.1	5.1	5.1	

Accomplishments

See also ©5-7 for a summary of the results for Montgomery County from the 2015 Session of the General Assembly. See ©1 for the OIR's performance measures and ©2 for its list of accomplishments and initiatives.

FY16 Revenue

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.

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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 FY16 Operating Budget for the Office of Intergovernmental Relations is \$923,317, an increase of \$17,984 or 2.0 percent from the FY15 Approved Budget of \$905,333. Personnel Costs comprise 87.3 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 12.7 percent of the FY16 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 FY15 estimates reflect funding based on the FY15 approved budget. The FY16 and FY17 figures are performance targets based on the FY16 recommended budget and funding for comparable service levels in FY17.

Measure	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Program Measures					
Number of bills for which a County fiscal estimate was requested by the State Department of Legislative Services ¹	369	439	425	425	425
Number of formal position statements prepared	201	208	140	160	160
Percent of State legislative package where Intergovernmental Relations position prevailed	70%	71%	70%	70%	70%
Percent of State priorities fully realized	37	56	30	30	30
Total direct State Aid (\$ millions)	663	707	700	700	700
Total State retirement payments (\$ millions)	141	166	180	200	220
General Assembly bills identified as of potential interest to the County and analyzed by the Office of Intergovernmental Relations	800	781	665	735	735

¹ Include both requests for local bills as well as bills introduced during the legislative session

Projections are the mathematical mean of the prior three years' actual figures rounded to the nearest 5.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ *Successfully advocated for a State study to identify funding strategies for greater State investment in public schools.*
- ❖ *Successfully advocated for State capital grants totaling nearly \$70 million and State operating aid totaling \$708 million.*
- ❖ *Obtained passage of legislation that protected, but also improved, the integrity of Montgomery County's speed camera program.*
- ❖ *Obtained passage of legislation ensuring that the State will enforce Montgomery County's local minimum wage law.*
- ❖ *Obtained passage of legislation that will protect Montgomery County and other local governments from paying punitive interest rates on refunds of local income tax in the event the U.S. Supreme Court decides against the State Comptroller on a tax case.*
- ❖ *Worked with the Office of the County Attorney and the State Treasurer to get consensus on legislation to clarify legal notice requirements for human services tort claims. The legislation passed and the County and the State Treasurer now have a memorandum of understanding in place on how these cases will be handled.*
- ❖ *All County-initiated local legislation was passed. This included three alcohol-related bills, one permitting beer festivals, and the other two recommended by the Nighttime Economy Task force: Class D licenses and changing the food/alcohol sales ratio requirements.*
- ❖ *Productivity Improvements*
 - *Continued to develop and refine a tracking system for bills that interacts with the General Assembly's data system to make bill tracking faster and/or more accurate and provide better and more useful reporting.*
 - *Developed a system to keep track of Council action on bills and resolutions to help ensure the Council's decisions are reflected accurately and appropriately in State advocacy.*
 - *Implemented a system to notify the office when County grant applications (State and federal grants) are submitted.*
 - *Continued to meet with County Department Directors and key staff to explain the State and federal priorities processes so as to maximize opportunities.*
 - *Began providing data for three of the four datasets in the dataMontgomery Dataset Publishing Plan (fourth item is scheduled for FY16 or later).*

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 FY14	Budget FY15	Estimated FY15	Recommended FY16	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	519,047	632,405	598,878	640,294	1.2%
Employee Benefits	136,887	155,649	152,526	166,141	6.7%
County General Fund Personnel Costs	655,934	788,054	751,404	806,435	2.3%
Operating Expenses	80,263	86,609	86,608	86,212	-0.5%
Capital Outlay	0	0	0	0	---
County General Fund Expenditures	736,197	874,663	838,012	892,647	2.1%
PERSONNEL					
Full-Time	4	4	4	4	---
Part-Time	1	1	1	1	---
FTEs	5.10	5.10	5.10	5.10	---
GRANT FUND MCG					
EXPENDITURES					
Salaries and Wages	0	0	0	0	---
Employee Benefits	0	0	0	0	---
Grant Fund MCG Personnel Costs	0	0	0	0	---
Operating Expenses	30,664	30,670	30,670	30,670	---
Capital Outlay	0	0	0	0	---
Grant Fund MCG Expenditures	30,664	30,670	30,670	30,670	---
PERSONNEL					
Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	0.00	0.00	0.00	0.00	---
REVENUES					
State Grants	30,666	30,670	30,670	30,670	---
Grant Fund MCG Revenues	30,666	30,670	30,670	30,670	---
DEPARTMENT TOTALS					
Total Expenditures	766,861	905,333	868,682	923,317	2.0%
Total Full-Time Positions	4	4	4	4	---
Total Part-Time Positions	1	1	1	1	---
Total FTEs	5.10	5.10	5.10	5.10	---
Total Revenues	30,666	30,670	30,670	30,670	---

FY16 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY15 ORIGINAL APPROPRIATION	874,663	5.10
Other Adjustments (with no service impacts)		
Increase Cost: FY16 Compensation Adjustment	23,171	0.00
Increase Cost: Group Insurance Adjustment	1,542	0.00
Increase Cost: Retirement Adjustment	1,481	0.00
Decrease Cost: Printing and Mail	-397	0.00
Decrease Cost: Annualization of FY15 Personnel Costs	-7,813	0.00
FY16 RECOMMENDED:	892,647	5.10
GRANT FUND MCG		
FY15 ORIGINAL APPROPRIATION	30,670	0.00
FY16 RECOMMENDED:	30,670	0.00

FUTURE FISCAL IMPACTS

Title	CE REC. FY16	FY17	FY18	(S000's) FY19	FY20	FY21
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY16 Recommended	893	893	893	893	893	893
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	3	3	3	3	3
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
Subtotal Expenditures	893	896	896	896	896	896

Montgomery County Capital Projects

Fiscal Year 2016

Approved by the General Assembly

Public Schools - 90% Allocation	33,534,610
Weller Road Elementary	2,653,518
Bradley Hills Elementary	4,305,000
Darnestown Elementary	2,434,482
Wyngate Elementary	2,838,000
Georgian Forest Elementary	1,197,000
Beall Elementary	560,000
Highland Elementary	549,000
Quince Orchard High	549,000
Rolling Terrace Elementary	524,000
Shady Grove Middle	511,000
Captain James E. Daly Elementary	461,000
Damascus High	436,000
Albert Einstein High	406,000
Burning Tree Elementary	374,000
Walt Whitman High	341,000
Thurgood Marshall Elementary	270,000
Washington Grove Elementary	215,000
Newport Mill Middle	215,000
Westbrook Elementary	2,068,000
Viers Mill Elementary	336,000
Gaithersburg High	6,375,000
Anticipated funds from SB490	5,916,610
Public Libraries	700,000
Davis	350,000
Little Falls	350,000
Higher Education Facilities	13,966,000
Montgomery College Germantown Science/Applied Sciences	6,050,000
USG: Biomedical Sciences and Engineering Facility	4,716,000
Health Sciences Building - Washington Adventist University	3,200,000
Health Facilities	3,299,000
Avery Road Treatment Center	104,000
Housing Unlimited, Inc.	1,600,000
Mary's Center for Maternal and Child Care	1,013,000
Adventist Behavioral Health	334,000
Washington Adventist Hospital	248,000
Local Jails and Detention Centers	280,000
Montgomery County Pre-Release Center Dietary Center	280,000
Parks and Recreation	188,000
Seneca Creek State Park	10,000
Colby Avenue Playground (Takoma Park)	178,000

State Facilities		300,000
RICA Montgomery	120,000	
Noyes Center	180,000	
Miscellaneous Projects		3,000,000
National Cybersecurity Center of Excellence	2,000,000	
Music Center at Strathmore	1,000,000	
Legislative Initiatives		2,360,000
Anne L. Bronfman Center and Misler Adult Day Center	75,000	
Bethesda Graceful Growing Together Community Center	150,000	
Blair Regional Park Scoreboards	25,000	
Brooke Grove Rehabilitation and Nursing Center	150,000	
Cornerstone Montgomery and Interfaith Works Project	350,000	
Damascus Volunteer Fire Department	100,000	
Early Literacy Center	100,000	
F. Scott Fitzgerald Theatre and Social Hall	175,000	
Four Corners Community Outreach Site	100,000	
Inter-Generational Center Expansion	100,000	
Jewish Foundation for Group Homes Renovations	100,000	
Josiah Henson Park	100,000	
Jubilee Association of Maryland Community Center	200,000	
Melvin J. Berman Hebrew Academy	25,000	
Olney Manor Dog Park	50,000	
Potomac Community Resources Home	150,000	
Silver Spring Learning Center Expansion	100,000	
The Writer's Center	310,000	

Grand Total **57,627,610**

Montgomery County Office of Intergovernmental Relations (B1127)

Tuesday, April 14, 2015



Montgomery County Local Aid

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

Direct Aid	Final FY2015†	Enacted 2016	2015 vs. 2016	
			Δ\$	Δ%
Primary & Secondary Education	624,983	637,240 *	12,258	2.0%
Libraries	2,813	2,902	88	3.1%
Community Colleges	45,919	47,099	1,180	2.6%
Health Formula Grant	3,388	3,719	331	9.8%
Transportation	8,631	8,698	68	0.8%
County Highway User Revenue	3,587	4,125	538	15.0%
County Special Grants	992	-	(992)	-100.0%
Municipal Highway User	1,125	4,194	3,069	272.7%
Municipal Special Grants	2,547	-	(2,547)	-100.0%
Elderly and Handicapped	379	379	-	0.0%
Police and Public Safety	15,555	15,037	(518)	-3.3%
Fire and Rescue	1,520	1,742	222	14.6%
Recreation and Natural Resources	3,387	3,928 *	541	16.0%
Total Direct Aid	714,827	729,064	14,237	2.0%

Retirement Contributions	FY2015	Enacted	Δ\$	Δ%
Board of Education	153,961	153,888	(73)	0.0%
Library Employees	2,168	2,201	33	1.5%
Community College Faculty	9,303	9,998	696	7.5%
Local Employees	0	0	0	0
Total Retirement Contributions	165,432	166,088	656	0.4%

*FY16 Includes Park Service/Forest Service Payments in Lieu of Taxes

†Reflects cuts made by the Board of Public Works on January 7, 2015

*Includes 50% of GCEI funding

Data: Governor's Proposed Operating Budget, 90 Day Report, Board of Public Works, Department of Legislative Services

Montgomery County Office of Intergovernmental Relations (B0401)

Tuesday, April 14, 2015



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