

MEMORANDUM

July 14, 2015

TO: Government Operations and Fiscal Policy Committee

FROM: Linda Price, Legislative Analyst *LP*
Jean Arthur, Legislative Analyst *JCA*
Chris Cihlar, Director, Office of Legislative Oversight *C*
Susan Farag, Legislative Analyst *SFA*
Steve Farber, Council Administrator *SF*
Justina Ferber, Legislative Analyst *JF*
Marlene Michaelson, Senior Legislative Analyst *MM*
Amanda Mihill, Legislative Attorney *Mihill*
Costis Toregas, Council IT Adviser *CT*

SUBJECT: FY16 Savings Plan

At this session, the Committee will review elements of the Executive's recommended FY16 Savings Plan that are under its jurisdiction. See ©1-19 for the Executive's July 8 transmittal and related information. The Committee will focus on the Executive's recommendations for the following budgets:

| Budget | © # | Recommended Reduction | % of Approved Appropriation | Analyst |
|------------------------------|-----|-----------------------|-----------------------------|------------|
| Board of Elections | 6 | -\$50,000 | 0.8% | Mihill |
| Community Engagement Cluster | 6 | -\$69,702 | 2.0% | Michaelson |
| County Attorney | 6 | -\$113,206 | 2.0% | Arthur |
| Council Office | 7 | -\$216,540 | 2.0% | Farber |
| County Executive | 7 | -\$101,410 | 2.0% | Ferber |
| Ethics Commission | 7 | -\$7,640 | 2.0% | Ferber |
| Finance | 7 | -\$274,258 | 2.0% | Farag |
| Human Resources | 9 | -\$121,762 | 1.5% | Ferber |
| Inspector General | 10 | -\$20,860 | 2.0% | Arthur |

| | | | | |
|-------------------------------|-------|-------------------|------|---------|
| Intergovernmental Relations | 10 | -\$17,852 | 2.0% | Arthur |
| Legislative Oversight | 10 | -\$29,586 | 2.0% | Cihlar |
| Management and Budget | 10 | -\$81,878 | 2.0% | Price |
| Merit System Protection Board | 10 | -\$3,930 | 2.0% | Ferber |
| Office of Procurement | 10-11 | -\$159,968 | 3.8% | Price |
| Public Information Office | 11 | -\$78,650 | 1.6% | Ferber |
| Technology Services | 11-12 | -\$400,000 | 1.0% | Toregas |
| Cable Communications Plan | 14 | -\$753,900 | 4.8% | Toregas |
| Total | | -2,501,142 | | |

Manageable Items

In Council staff's view, the following items are manageable and are recommended for approval:

| Budget Item | © # | CE Rec. Reduction |
|--|------------|--------------------------|
| Community Engagement Cluster: Lapse Program Manager I | 6 | -\$69,702 |
| County Attorney: Decrease Expenses | 6 | -\$113,206 |
| Council Office: Decrease Expenses | 7 | -\$216,540 |
| County Executive: Decrease Expenses | 7 | -\$101,410 |
| Ethics Commission: Operating Expenses | 7 | -\$7,640 |
| Finance: Personnel Cost Savings | 7 | -\$274,258 |
| Human Resources: Director's Office Operating Expenses | 9 | -\$44,262 |
| Human Resources: Contractual Services for Rewarding Excellence/Gainsharing | 9 | -\$25,000 |
| Human Resources: Tuition Assistance | 9 | -\$47,500 |
| Human Resources: Labor/Employee Relations and EEO/Diversity | 9 | -\$5,000 |
| Inspector General: Reduce other Professional Services | 10 | -\$20,860 |
| Intergovernmental Relations: Professional Services | 10 | -\$1,660 |
| Intergovernmental Relations: Phones/Telecommunication Services | 10 | -\$5,500 |
| Intergovernmental Relations: Travel | 10 | -\$9,000 |
| Intergovernmental Relations: General Office Supplies | 10 | -\$1,692 |
| Legislative Oversight*: Personnel Costs | 10 | -\$29,586 |
| Management and Budget: Personnel Costs | 10 | -\$81,878 |
| Merit System Protection Board: Decrease Operating Expense | 10 | -\$3,930 |
| Office of Procurement: Hosted Events, Professional Training and Travel | 10-11 | -\$11,300 |
| Office of Procurement: Office Supplies, Software Licenses, and Report Production | 10-11 | -\$25,200 |
| Office of Procurement: Office Clerical | 10-11 | -\$2,000 |
| Public Information Office: MC311 Training | 11 | -\$19,000 |
| Public Information Office: Advertisement for MC311 | 11 | -\$15,770 |
| Public Information Office: Language Line (Interpretation) Funding | 11 | -\$16,000 |
| Public Information Office: Lapse for Anticipated Position Vacancy Due to Retirement | 11 | -\$27,880 |
| Technology Services: Defer Software Maintenance Increase until FY17 | 11-12 | -\$400,000 |
| Cable Plan: PEG Audience Measurement Initiative | 14 | -\$25,000 |
| Total Reduction: | | -\$1,600,774 |

*One-third of a Senior Legislative Analyst's time should be charged to the Independent Audit NDA.

Discussion Items

In Council staff's view, the following items require discussion:

Board of Elections

2-4 Mileage, Outreach, and Overtime (-\$50,000)

The Executive is recommending a \$50,000 reduction related to outreach/advertising to explain the new voting equipment and encourage voter participation. The Council added this funding during the FY16 Operating Budget reconciliation process. As Committee members will recall, the Board of Elections must implement a new voting system for the 2016 elections. As a result, the Board had requested more than \$1.1 million in additional funds above the Executive's recommended FY16 budget of \$6.4 million. This is *in addition* to the costs of the new voting equipment, which at the time of the budget discussion was already \$2.8 million. Of this \$1.1 million, the Committee recommended placing \$515,807 on the reconciliation list. The Council ultimately funded \$150,000.

Outreach efforts have been a Board and Council priority. See ©20-21 for a memorandum from the Board of Elections concerning the proposed reduction. Especially in light of the Board of Public Works' refusal to give the State Board of Elections \$1.8 million for an outreach program, Council staff is concerned about the Executive's proposal to reduce the Board's budget. Council staff understands that the Council has many competing priorities. If the Council accepts the Executive's proposed reduction, Council staff recommends that the Executive and Council consider including funding for outreach and education efforts as part of the supplemental appropriation for election costs that is anticipated during the fiscal year.

Office of Procurement

99 Audits (-\$20,000)

County Code Section 11B-33A(h) requires the Office of Procurement to perform audits to enforce County Living Wage requirements¹. Random audits are conducted on a sample of randomly selected contractors. Limited scope audits are conducted in response to complaints or other allegations of wage requirements law violations. Full audits are conducted if the random or limited audits find indications of a wage requirements law violation. The Office of Procurement completed 4 limited scope audits in FY14 at a total expense of \$53,510. However, in FY15, the total expense for audits was \$169,412 for 3 full audits and 1 limited scope audit. The Office of Procurement has reserved \$80,000 for 4 random/limited scope audits in FY16, but no full audits. See ©39-40 for additional information from the Executive Branch on the savings plan reductions for the Office of Procurement.

The County recently enacted Bill 29-14 which requires a County contractor subject to the Wage Requirements Law to report summary wage data, including data by gender and race, paid to their employees who work on County contracts. The Fiscal impact of the Bill totals \$101,468 and two 0.5 FTEs in Procurement and the Office of Business Relations and Compliance. While this impact was

¹ The auditing requirements for the Prevailing Wage law are funded in the Capital Improvements Program.

unfunded, with the new information available, Procurement may start to uncover additional instances of wage requirements violations. This information could potentially trigger the need to perform audits.

Council staff is concerned about reducing the number of audits to 4 and at-risk site visits to 10% of the number originally intended. Staff is concerned that these reductions will greatly impair Procurement’s ability to enforce the Wage Requirements Law. See ©41-44 for the May 10 Washington Post article on Living Wage violations. **Council staff recommends not approving this reduction.**

Cable Communications Plan

174 Fibernet NOC (-\$728,900)

| | |
|---|--------------------------|
| <p>FIBERNET NOC Do not implement a Network Operations Center (NOC) for the County's FiberNet network in FY16. Funds will be transferred to the General Fund.</p> | <p>-\$728,900</p> |
|---|--------------------------|

There is agreement in the technology leadership community of agency CIOs (MCG, MCPS, MC, WSSC, M-NCPPC, HOC) that a Network Operating Center (NOC) is necessary for the secure and effective operation of FiberNet, a system that serves all six agencies; it is also key to the success of new systems such as Ultra Montgomery. The GO Committee strongly supported a \$360,000 special appropriation to begin the development of this NOC in FY15. The Council unanimously endorsed this strategy in their January 27, 2015 vote to approve the special appropriation on ©22-34.

The approved FY16 budget contains an item in the Cable Plan (line 101 at ©36) that shows the expectation of fully funding the NOC from this non-tax supported revenue source at the level of \$910,000 for the next five years; the FY16 number is at a lower level of \$729,000 as there is an expectation of unencumbered funds totaling some \$175,000 from a special appropriation made by the Council in January 2015 to begin NOC implementation.

The latest NOC project update dated July 1, 2015 on ©37-38 provides evidence of strong progress towards the NOC completion. A project manager is on board, and staff are being recruited. This makes the Executive’s statement on ©19 in the Savings Plan commentary–“Do not implement a NOC” confusing at best.

Council staff recommends that the current budget allocation stand, and that the -\$728,900 item be excluded from the Savings Plan. The next section suggests ways to find equivalent savings elsewhere in the budget should that prove necessary.

Alternative Savings

Community Engagement Cluster

In June the Commission for Women ceased their counseling services program. The intention was to identify other uses for those resources. As new uses had not yet been identified by the Commission for Women, it is better to take those savings now, which amount to \$70,000. Any new ideas for use of those resources should be considered at a future date. This item is not included in the recommended savings plan.

Cable Communications Plan

Council staff suggests the following three items for alternative savings that would approximate the needed amount of NOC funding:

1. A 1% cut in each of the DTS Operating divisions (with the specific impact to be distributed by the CIO in consultation with OMB).

Here are the expected yields

| | Approved budget | Proposed reduction of 1% |
|--|-----------------|--------------------------|
| Enterprise Systems and Operations | \$12,534,956 | \$125,350 |
| Enterprise Telecommunications and Services | \$6,240,383 | \$62,038 |
| Enterprise Applications and Solutions | \$6,668,674 | \$66,6867 |
| Enterprise Resources Planning | \$10,129,011 | \$101,290 |
| | Total reduction | \$355,364 |

2. Adjusting the Cable plan entries for Miss Utility and the Cable Fund balance be adjusted as follows:

| | Approved Cable plan | Proposed level | Impact of proposed cut | Savings to be applied to NOC funding |
|------------------------------------|---------------------|----------------|---|--------------------------------------|
| Miss Utility Compliance (Line 106) | \$420,000 | \$320,000 | Delay some plan completions | +\$100,000 |
| Cable Fund Balance (Line 124) | \$299,000 | \$199,000 | Increase the risk of Cable Fund if there is a revenue shortfall | +\$100,000 |
| | | | Total savings | +\$200,000 |

3. The unencumbered balance of \$175,690 from the special appropriation made by the Council on January 27, 2015 should be explicitly released in FY16 for NOC implementation as contemplated in the Council action.
4. The total new savings proposed to be applied towards the NOC in sections 1, 2 and 3 above are **\$731,054**; this amount should be adequate to fully fund the necessary NOC personnel complement once the recruitment and hiring processes are complete, with an equivalent of one or two months of lapse.

5. Consideration should be given to transfer this amount and other FiberNet related funds to a new Non-Departmental Account (NDA) so that the FiberNet and NOC funding, as critical infrastructure elements necessary for Continuity of Operations for this County and direct support of public safety functions, is not subject to the ups and downs of funding adjustment actions. This would also simplify the management and operations of FiberNet should a new organizational entity beyond DTS be developed solely for that purpose.
6. Most importantly, the partners of MCG in the FiberNet endeavor—the five other Agencies involved as users and collaborators—should be consulted regarding the next steps of FiberNet deployment. Unilateral decisions by MCG do not allow for creative thinking and possible solution exploration that might accommodate new strategies. It is expected that an ITPCC discussion on alternative organizational structures and funding mechanisms will take place in the fall of 2015, so a hurried decision to abandon the NOC now would serve no useful purpose.

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OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

RECEIVED
MONTGOMERY COUNTY
COUNCIL

MEMORANDUM

July 8, 2015

TO: George Leventhal, Council President

FROM: Isiah Leggett, County Executive

SUBJECT: FY16 Savings Plan

Attached please find my Recommended FY16 Savings Plan for Montgomery County Government and the other tax supported County Agencies. The attached plan identifies savings of approximately \$51 million including \$10 million in current revenue, the minimum I believe necessary at this time as we begin planning for the FY17 budget.

Only one income tax distribution remains for FY15, and year-to-date collections are \$21.4 million short of the estimate included in the FY16 approved budget. Given the size of the final FY15 distribution and the pattern of shortfalls we have experienced, it is unlikely that the final distribution will result in additional revenues that would significantly offset the \$21.4 million shortfall. Therefore, it is prudent to assume a significant overall shortfall will continue into FY16 and FY17. In addition, more recent information indicates that the recent Supreme Court decision in the case of *Wynne v. Comptroller for the State of Maryland* will further reduce income tax revenues by approximately \$15.1 million in FY16 and \$76.7 million in FY17. Altogether, the cumulative revenue loss by FY17 is currently projected to reach well over \$150 million.

This potential revenue loss, combined with significant expenditure pressures, raises the possibility of a very substantial budget gap for FY17 in addition to the FY16 shortfall. Please keep in mind that we must close this substantial and growing gap without the options that have been available to us in the past. Therefore, it is critical for our taxpayers, residents and employees that we plan for and implement a savings plan now to avoid even more significant and potentially disruptive budget reductions later.

In the last County savings plan in FY11, Montgomery County Public Schools savings constituted a higher percentage of the total. I do not believe that it is possible today, given the elimination of over 380 positions and other constraints the school system has experienced within a maintenance-of-effort budget in recent years. However, I believe a \$10 million savings target is realistic. Montgomery College has benefited from unprecedented increases in County funding in the last two years - 29 percent since FY14. While their programs and goals are worthy and I have supported the College with recommended increases in excess of all other County agencies, I believe they must also be part of this solution. I am recommending a \$5 million operating budget savings target for Montgomery College and an additional \$6.5 million savings plan reduction in capital budget current revenue. Even with this recommended savings, the College will experience a nearly 24 percent increase in County resources in the last two years. The savings plan target for Maryland National Capital Park and Planning Commission is approximately \$1.5 million, or about 1.3 percent of its tax-supported budget (excluding debt service and retiree health insurance prefunding).

For Montgomery County Government, the total operating budget savings plan target is \$24.1 million or 1.7 percent of the approved budget, and \$3.64 million in capital budget current revenue. As a starting point, the operating budget savings plan target included a two percent across-the-board reduction in all tax supported budgets, and also included some of the enhancements added to the budget in FY16. The savings plan includes enhancements I recommended in my March 15th budget and some of those added by the Council. However, in order to meet the necessary savings goal for FY16 and beyond, we must find even greater savings beyond that which was added in FY16. This savings plan reflects reductions in service, though we have sought to minimize reductions to the most critical and basic services.

While no one disputes the value these new and expanded programs would provide, I am convinced they are not sustainable in the current fiscal environment we are facing for the foreseeable future. Therefore, I do not believe it is advisable to initiate them at this time. If, however, you reach a different conclusion, you should recommend additional programs and services that are part of the base budget for reduction or elimination. The Council should identify those reductions as alternatives but approve my overall savings target. Again, it is critical to pull back on our current spending as soon as possible, in order to address the revenue shortfalls.

Given the long-term nature of the fiscal problems, I have also maximized reductions to on-going expenditures. The Council's reductions should similarly avoid focusing on one-time items such as current revenue. While some one-time savings are part of my proposed savings plan, there are far more dollars assumed from ongoing expenditures. Without this approach, we will almost certainly be confronting the same difficult decisions at a later time when our flexibility is even more greatly diminished.

I want to emphasize that I do not believe a property tax increase alone, of the magnitude it will require to close next year's expected budget gap, can be the solution. The combination of reduced revenues and increased expenditure pressures is simply too great to overcome with a tax increase. As noted in the Council's discussion of the FY16-21 fiscal plan, just to close the existing gap, the property tax increase would have to exceed 10 cents to fund a same services budget next year. Additional revenue would need to be identified to pay for normal cost increases in the current budget such as increases to salaries in the collective bargaining agreements, fuel cost increases, interest rate increases, or inflation increases.

I understand the desire by some to wait until more information becomes available – for example, after the fiscal update – but the likelihood of a dramatic reversal in the revenue trend we have observed over the last year is low. In addition, the impact of the Wynne decision is likely to be substantial and could exceed our current estimates.

The sooner we can implement these cost control measures, the more likely they are to be achieved. Without these reductions, the already significant challenge of balancing the FY17 budget will be even more painful and less manageable. Deferring difficult decisions now not only increases the risk of limiting our choices later, but potentially makes those choices much worse than they would otherwise be. Delaying difficult decisions will also increase the later need for unsustainable and unrealistically high tax increases over the next several years. I believe that course of action would not be fiscally responsible or fair to our constituents, our residents and businesses, or our employees.

George Leventhal, President
 July 8, 2015
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I appreciate the Council's willingness to collaborate on this important matter and the expedited scheduling of consideration and approval of the plan. My staff is available to assist the Council in its review of the attached proposal. Thank you for your support of our efforts to minimize the impact of these reductions on our most important services while preserving the fiscal health of the County Government.

| Executive Recommended FY16 Savings Plan | | | | | |
|--|-----------------------------|-------------------------------|---|---------------------------------------|--|
| Agency | Approved FY16 Budget | Savings Plan Reduction | Agency as % of Total FY16 Budget | Reduction as % of Savings Plan | Savings Plan Reduction as % of Budget |
| MCG | 1,413,422,533 | 24,139,111 | 35.7% | 59.3% | 1.7% |
| MCPS | 2,176,525,543 | 10,000,000 | 55.0% | 24.6% | 0.5% |
| College | 252,218,195 | 5,000,000 | 6.4% | 12.3% | 2.0% |
| MNCPPC | 115,583,985 | 1,529,329 | 2.9% | 3.8% | 1.3% |
| Total | 3,957,750,256 | 40,668,440 | | | 1.0% |

Notes:
 1. Amounts above include only the operating budget, excluding debt service and retiree health insurance.
 2. The County Executive's Recommended FY16 Savings Plan also includes capital budget current revenue reductions of \$10.14 million, including \$6.5 million from Montgomery College and \$3.64 million from the County Government.

IL:jah

- c: Timothy L. Firestine, Chief Administrative Officer
- Larry A. Bowers, Interim Superintendent, Montgomery County Public Schools
- Dr. DeRionne Pollard, President, Montgomery College
- Casey Anderson, Chair, Montgomery County Planning Board
- Stacy L. Spann, Executive Director, Housing Opportunities Commission
- John W. Debelius III, Sixth Judicial Circuit and County Administrative Judge
- John McCarthy, State's Attorney
- Sheriff Darrin M. Popkin, Sheriff's Office
- Steve Farber, Council Administrator
- Jennifer A. Hughes, Director, Office of Management and Budget
- Joseph F. Beach, Director, Department of Finance

Attachments

FY16 SAVINGS PLAN ANALYSIS

| Fund/Department Name | FY 16 Approved <small>(per Council Resolution 18-150)</small> | CE Recommended | | Savings as a percent of Original FY16 Budget |
|--|--|--------------------|----------|--|
| | | Total \$ | Revenue | |
| Tax Supported | | | | |
| General Fund | | | | |
| Board of Appeals | 589,425 | -11,790 | 0 | -2.0% |
| Board of Elections | 6,556,351 | -50,000 | 0 | -0.8% |
| Circuit Court | 11,632,745 | -101,404 | 0 | -0.9% |
| Community Engagement Cluster | 3,485,081 | -69,702 | 0 | -2.0% |
| Consumer Protection | 2,388,730 | -47,780 | 0 | -2.0% |
| Correction and Rehabilitation | 70,609,851 | -1,255,800 | 0 | -1.8% |
| County Attorney | 5,660,259 | -113,206 | 0 | -2.0% |
| County Council | 10,826,866 | -216,540 | 0 | -2.0% |
| County Executive | 5,070,467 | -101,410 | 0 | -2.0% |
| Economic Development | 11,288,011 | -552,940 | 0 | -4.9% |
| Emergency Management and Homeland Security | 1,354,300 | -27,086 | 0 | -2.0% |
| Environmental Protection | 2,200,860 | -113,695 | 0 | -5.2% |
| Ethics Commission | 382,007 | -7,640 | 0 | -2.0% |
| Finance | 13,712,942 | -274,258 | 0 | -2.0% |
| General Services | 26,939,015 | -908,761 | 0 | -3.4% |
| Health and Human Services | 209,253,900 | -3,896,044 | 0 | -1.9% |
| Housing and Community Affairs | 5,554,107 | -111,082 | 0 | -2.0% |
| Human Resources | 8,088,066 | -121,762 | 0 | -1.5% |
| Human Rights | 1,074,757 | -5,512 | 0 | -0.5% |
| Inspector General | 1,043,162 | -20,860 | 0 | -2.0% |
| Intergovernmental Relations | 892,647 | -17,852 | 0 | -2.0% |
| Legislative Oversight | 1,479,274 | -29,586 | 0 | -2.0% |
| Management and Budget | 4,093,855 | -81,878 | 0 | -2.0% |
| Merit System Protection Board | 196,605 | -3,930 | 0 | -2.0% |
| NDA - Arts and Humanities Council | 4,673,615 | -230,915 | 0 | -4.9% |
| NDA - Housing Opportunities Commission | 6,401,408 | -128,028 | 0 | -2.0% |
| NDA - Non-Departmental Accounts Other | 139,229,983 | 0 | 0 | 0.0% |
| Office of Procurement | 4,181,749 | -159,968 | 0 | -3.8% |
| Police | 270,617,964 | -2,008,877 | 0 | -0.7% |
| Public Information | 4,932,519 | -78,650 | 0 | -1.6% |
| Public Libraries | 40,707,935 | -1,576,062 | 0 | -3.9% |
| Sheriff | 23,044,206 | -460,884 | 0 | -2.0% |
| State's Attorney | 15,645,021 | -361,150 | 0 | -2.3% |
| Technology Services | 40,907,969 | -400,000 | 0 | -1.0% |
| Transportation | 46,099,835 | -1,961,705 | 0 | -4.3% |
| Utilities | 25,121,891 | 0 | 0 | 0.0% |
| Zoning & Administrative Hearings | 624,000 | -12,480 | 0 | -2.0% |
| General Fund Total: | 1,026,561,378 | -15,519,237 | 0 | -1.5% |
| Special Funds | | | | |
| <u>Urban District - Bethesda</u> | | | | |
| Urban District - Bethesda | 3,253,697 | -212,074 | 0 | -6.5% |
| <u>Urban District - Silver Spring</u> | | | | |
| Urban District - Silver Spring | 3,512,150 | -220,244 | 0 | -6.3% |
| <u>Urban District - Wheaton</u> | | | | |
| Urban District - Wheaton | 2,111,205 | -189,224 | 0 | -9.0% |
| <u>Mass Transit</u> | | | | |

4

FY16 SAVINGS PLAN ANALYSIS

| Fund/Department Name | FY16 Approved <small>(per Council Resolution 12-150)</small> | CE Recommended | | Savings as a percent of Original FY16 Budget |
|---------------------------------|---|--------------------|-----------------|--|
| | | Total \$ | Revenue | |
| Mass Transit | 121,491,890 | -2,406,016 | -289,845 | -1.7% |
| <u>Fire</u> | | | | |
| Fire | 222,299,388 | -3,916,422 | 0 | -1.8% |
| <u>Recreation</u> | | | | |
| Recreation | 32,339,234 | -561,839 | 0 | -1.7% |
| <u>Economic Development</u> | | | | |
| Economic Development | 1,853,591 | 0 | 0 | 0.0% |
| Special Funds Total: | 386,861,155 | -7,505,819 | -289,845 | -1.9% |
| MCG Tax Supported Total: | 1,413,422,533 | -23,025,056 | -289,845 | -1.6% |

Non-Tax Supported

Special Funds

| | | | | |
|--------------------------------------|-------------------|-------------------|----------|--------------|
| <u>Cable Television</u> | | | | |
| Cable Television | 15,764,947 | -753,900 | 0 | -4.8% |
| <u>Montgomery Housing Initiative</u> | | | | |
| Montgomery Housing Initiative | 27,662,251 | -650,000 | 0 | -2.3% |
| Special Funds Total: | 43,427,198 | -1,403,900 | 0 | -3.2% |
| MCG Non-Tax Supported Total: | 43,427,198 | -1,403,900 | 0 | -3.2% |

| | | | | |
|---|----------------------|--------------------|-----------------|--------------|
| Montgomery County Government: | 1,413,422,533 | -24,428,956 | -289,845 | -1.7% |
| Montgomery County Public Schools: | 2,176,525,543 | -10,000,000 | 0 | -0.5% |
| Montgomery College: | 252,218,195 | -5,000,000 | 0 | -2.0% |
| Maryland-National Capital Park and Planning: | 115,583,985 | -1,529,329 | 0 | -1.3% |
| TOTAL ALL AGENCIES | 3,957,750,256 | -40,958,285 | -289,845 | -1.0% |

FY16 SAVINGS PLAN

MCG Tax Supported

| Ref No. | Title | Total \$ | Revenue |
|--------------------------------------|--|---|---------------------|
| General Fund | | | |
| Board of Appeals | | | |
| 1 | LAPSE IN EXECUTIVE DIRECTOR POSITION | -11,790 | 0 |
| | | Board of Appeals Total: | -11,790 0 |
| Board of Elections | | | |
| 2 | MILEAGE REIMBURSEMENT FOR VOTER EDUCATION AND OUTREACH EVENTS | -10,000 | 0 |
| 3 | OUTREACH/COMMUNITY EDUCATION STAFFING | -35,000 | 0 |
| 4 | OVERTIME FOR VOTER EDUCATION, RECRUITMENT, REGISTRATION, AND OUTREACH EVENTS | -5,000 | 0 |
| | | Board of Elections Total: | -50,000 0 |
| Circuit Court | | | |
| 5 | EVALUATION SERVICES (60034) REDUCTION IN SUPERVISED VISITATION CENTER FOR THE NON-CUSTODIAL PARENT TO PARTICIPATE IN SUPERVISED VISITATION | -50,000 | 0 |
| 6 | LOCAL TELEPHONE CHARGES (60060) | -25,000 | 0 |
| 7 | LIBRARY BOOKS (62700) | -26,404 | 0 |
| | | Circuit Court Total: | -101,404 0 |
| Community Engagement Cluster | | | |
| 8 | LAPSE PROGRAM MANAGER I | -69,702 | 0 |
| | | Community Engagement Cluster Total: | -69,702 0 |
| Consumer Protection | | | |
| 9 | LAPSE ADMINISTRATIVE SPECIALIST I | -47,780 | 0 |
| | | Consumer Protection Total: | -47,780 0 |
| Correction and Rehabilitation | | | |
| 10 | ASSISTANT FOOD SERVICES MANAGER | -145,773 | 0 |
| 11 | FACILITY MANAGEMENT DEPUTY WARDEN | -171,335 | 0 |
| 12 | CONFLICT RESOLUTION - CONFLICT RESOLUTION CENTER OF MONTGOMERY COUNTY | -23,810 | 0 |
| 13 | ADDITIONAL LAPSE -- FREEZE VACANT NON-24/7 POSITIONS FOR ONE YEAR | -624,582 | 0 |
| 14 | ONE SHIFT OF VISITING POST | -145,150 | 0 |
| 15 | OVERTIME POST STAFFING | -145,150 | 0 |
| | | Correction and Rehabilitation Total: | -1,255,800 0 |
| County Attorney | | | |
| 16 | DECREASE EXPENSES | -113,206 | 0 |
| | | County Attorney Total: | -113,206 0 |

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

| Ref No. | Title | Total \$ | Revenue |
|--|---|-----------------|----------|
| <i>County Council</i> | | | |
| 17 | DECREASE EXPENSES | -216,540 | 0 |
| County Council Total: | | -216,540 | 0 |
| <i>County Executive</i> | | | |
| 18 | DECREASE EXPENSES | -101,410 | 0 |
| County Executive Total: | | -101,410 | 0 |
| <i>Economic Development</i> | | | |
| 19 | SCHOLARSHIP AWARD FUNDING TO MONTGOMERY COLLEGE | -300,000 | 0 |
| 20 | MBDC-EXPANDED MARKETING | -50,000 | 0 |
| 21 | LAPSE CAPITAL PROJECTS MANAGER POSITION | -105,972 | 0 |
| 22 | ABOLISH VACANT BUSINESS DEVELOPMENT SPECIALIST POSITION | -96,968 | 0 |
| Economic Development Total: | | -552,940 | 0 |
| <i>Emergency Management and Homeland Security</i> | | | |
| 23 | EMERGENCY OPERATIONS CENTER IMPROVEMENTS | -15,000 | 0 |
| 24 | OFFICE SUPPLY REDUCTION | -3,000 | 0 |
| 25 | CELL PHONE USAGE EXTENSION | -4,500 | 0 |
| 26 | CONFERENCE ATTENDANCE REDUCTION | -3,000 | 0 |
| 27 | EOP AND MITIGATION PLAN RE-PRINTS | -1,586 | 0 |
| Emergency Management and Homeland Security Total: | | -27,086 | 0 |
| <i>Environmental Protection</i> | | | |
| 28 | PROGRAM MANAGER I - PARTNERSHIP DEVELOPMENT/CIVIC ENGAGEMENT, OFFICE OF SUSTAINABILITY | -72,581 | 0 |
| 29 | GYPSY MOTH SURVEY COSTS | -7,725 | 0 |
| 30 | COMPUTER EQUIPMENT COSTS | -8,500 | 0 |
| 31 | REDUCE GENERAL OPERATING EXPENSES IN THE DIRECTOR'S OFFICE AND THE DIVISION OF ENVIRONMENTAL POLICY AND COMPLIANCE (DEPC) | -14,169 | 0 |
| 32 | REDUCE OPERATING EXPENSES FOR PROFESSIONAL SERVICES IN THE DEPARTMENT OF ENVIRONMENTAL POLICY AND COMPLIANCE (DEPC) | -10,720 | 0 |
| Environmental Protection Total: | | -113,695 | 0 |
| <i>Ethics Commission</i> | | | |
| 33 | OPERATING EXPENSES | -7,640 | 0 |
| Ethics Commission Total: | | -7,640 | 0 |
| <i>Finance</i> | | | |
| 34 | PERSONNEL COST SAVINGS | -274,258 | 0 |

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

| Ref No. | Title | Total \$ | Revenue | |
|----------------------------------|--|--------------------------------|-----------------|----------|
| | | Finance Total: | -274,258 | 0 |
| General Services | | | | |
| 35 | DEFERRED MAINTENANCE AND CLEANING FOR LIBRARIES | -150,000 | 0 | |
| 36 | DEFERRED MAINTENANCE AND CLEANING FOR RECREATION | -100,000 | 0 | |
| 37 | LAPSE VACANT PLUMBER I, HVAC MECHANIC I, AND BUILDING SERVICES WORKER II | -196,726 | 0 | |
| 38 | REDUCE SPECIAL CLEANING FUNDS: PUBLIC LIBRARIES | -144,000 | 0 | |
| 39 | SUSTAINABILITY PROGRAM MANAGER (BILL 2-14 BENCHMARKING AND BILL 6-14 OFFICE OF SUSTAINABILITY) | -82,035 | 0 | |
| 40 | REDUCE SPECIAL CLEANING FUNDS: DEPARTMENT OF RECREATION | -186,000 | 0 | |
| 41 | OPERATING FUNDS TO IMPLEMENT BILL 2-14 BENCHMARKING | -50,000 | 0 | |
| | | General Services Total: | -908,761 | 0 |
| Health and Human Services | | | | |
| 42 | CHILDREN'S OPPORTUNITY FUND | -125,000 | 0 | |
| 43 | DEVELOPMENTAL DISABILITY SUPPLEMENT | -969,420 | 0 | |
| 44 | PLANNING FOR ANTI-POVERTY PILOT PROGRAM | -32,700 | 0 | |
| 45 | IMPLEMENTATION OF BILL 13-15 - THE CHILD CARE EXPANSION AND QUALITY ENHANCEMENT INITIATIVE | -126,548 | 0 | |
| 46 | POSITIVE YOUTH PROGRAMMING SERVICES FOR WHEATON HIGH SCHOOL WELLNESS CENTER | -135,650 | 0 | |
| 47 | VILLAGE START-UP GRANTS FOR LOW AND MODERATE INCOME AND DIVERSE COMMUNITIES | -10,000 | 0 | |
| 48 | REGINALD S. LOURIE CENTER | -49,910 | 0 | |
| 49 | BEHAVIORAL HEALTH SPECIALIST - MONTGOMERY CARES HOLY CROSS - ASPEN HILL CLINIC | -50,000 | 0 | |
| 50 | MONTGOMERY CARES REIMBURSEMENT RATE \$1 INCREASE PER VISIT | -80,028 | 0 | |
| 51 | MUSLIM COMMUNITY DENTAL CLINIC | -91,000 | 0 | |
| 52 | CARE FOR KIDS ENROLLMENT GROWTH | -62,500 | 0 | |
| 53 | COUNTY DENTAL CLINICS | -50,000 | 0 | |
| 54 | SET DEVELOPMENTAL DISABILITY DIRECT SERVICE WORKER WAGE AT 125 PERCENT OF MINIMUM WAGE | -146,688 | 0 | |
| 55 | HEALTH INSURANCE APPLICATION ASSISTANCE FOR EMPLOYEES OF COUNTY CONTRACTORS | -30,000 | 0 | |
| 56 | PRINTING/COPYING | -2,300 | 0 | |
| 57 | OUTSIDE POSTAGE | -15,000 | 0 | |
| 58 | TRAVEL AND MILEAGE REIMBURSEMENTS | -1,300 | 0 | |
| 59 | CONTRACTUAL SERVICES FOR EMPLOYMENT, TRAINING, AND SUPPORTIVE SERVICES | -77,740 | 0 | |

8

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

| Ref No. | Title | Total \$ | Revenue |
|---|--|-------------------|----------|
| 60 | LEADERSHIP DEVELOPMENT PROGRAM THAT SERVES DIVERSE RESIDENTS IN THE COUNTY | -51,470 | 0 |
| 61 | AFRICAN AMERICAN HEALTH PROGRAM CONTRACTUAL SERVICES | -24,400 | 0 |
| 62 | LATINO YOUTH WELLNESS PROGRAM SERVICES | -26,350 | 0 |
| 63 | ASIAN AMERICAN HEALTH INITIATIVE CONTRACTUAL SERVICE - MENTAL HEALTH | -10,830 | 0 |
| 64 | HANDICAP RENTAL ASSISTANCE PROGRAM (HRAP) | -50,000 | 0 |
| 65 | SUPPORTIVE SERVICES FOR EMERGENCY FAMILY SHELTER | -38,420 | 0 |
| 66 | MENTAL HEALTH ASSOCIATION EMERGENCY PREPAREDNESS CONTRACT | -37,870 | 0 |
| 67 | PEOPLE ENCOURAGING PEOPLE - HOMELESS OUTREACH CCONTRACT | -23,030 | 0 |
| 68 | PRIMARY CARE VISITS | -496,470 | 0 |
| 69 | PHARMACY SERVICES | -293,170 | 0 |
| 70 | PRIMARY CARE COALITION INDIRECT RATE (AT 8.3%) | -71,770 | 0 |
| 71 | AFRICAN IMMIGRANT AND REFUGEE FOUNDATION CONTRACT | -22,560 | 0 |
| 72 | MCPS CONTRACT FOR SOCIAL WORK SERVICES | -61,750 | 0 |
| 73 | PARENT RESOURCE CENTERS | -52,170 | 0 |
| 74 | PLAYGROUND EQUIPMENT FOR EARLY CHILDHOOD SERVICES | -20,000 | 0 |
| 75 | HOME CARE SERVICES - INCREASE WAITLIST FOR IHAS-PERSONAL CARE SERVICES | -100,000 | 0 |
| 76 | OCCUPATIONAL THERAPY SERVICES | -250,000 | 0 |
| 77 | CONTRACTUAL IT AND OFFICE SUPPLIES | -90,000 | 0 |
| 78 | SHIFT MAMMOGRAMS AND COLORECTAL SCREENINGS TO GRANT FUND AND OTHER COMMUNITY RESOURCES | -120,000 | 0 |
| Health and Human Services Total: | | -3,896,044 | 0 |
| <i>Housing and Community Affairs</i> | | | |
| 79 | CODE ENFORCEMENT INSPECTION - SINGLE FAMILY RENTAL PROPERTIES | -102,353 | 0 |
| 80 | OFFICE SUPPLIES | -8,729 | 0 |
| Housing and Community Affairs Total: | | -111,082 | 0 |
| <i>Human Resources</i> | | | |
| 81 | DIRECTOR'S OFFICE OPERATING EXPENSES | -44,262 | 0 |
| 82 | CONTRACTUAL SERVICES FOR REWARDING EXCELLENCE/GAINSHARING | -25,000 | 0 |
| 83 | TUITION ASSISTANCE | -47,500 | 0 |
| 84 | LABOR/EMPLOYEE RELATION AND EEO/DIVERSITY | -5,000 | 0 |
| Human Resources Total: | | -121,762 | 0 |

Human Rights

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

| Ref No. | Title | Total \$ | Revenue |
|--|---|-----------------|----------|
| 85 | OFFICE SUPPLIES | -3,800 | 0 |
| 86 | MAIL (CENTRAL DUPLICATING) | -1,712 | 0 |
| Human Rights Total: | | -5,512 | 0 |
| <i>Inspector General</i> | | | |
| 87 | REDUCE OTHER PROFESSIONAL SERVICES (ACCOUNT 60530) | -20,860 | 0 |
| Inspector General Total: | | -20,860 | 0 |
| <i>Intergovernmental Relations</i> | | | |
| 88 | PROFESSIONAL SERVICES | -1,660 | 0 |
| 89 | PHONES/TELECOMMUNICATION SERVICES | -5,500 | 0 |
| 90 | TRAVEL | -9,000 | 0 |
| 91 | GENERAL OFFICE SUPPLIES | -1,692 | 0 |
| Intergovernmental Relations Total: | | -17,852 | 0 |
| <i>Legislative Oversight</i> | | | |
| 92 | PERSONNEL COSTS | -29,586 | 0 |
| Legislative Oversight Total: | | -29,586 | 0 |
| <i>Management and Budget</i> | | | |
| 93 | PERSONNEL COSTS | -81,878 | 0 |
| Management and Budget Total: | | -81,878 | 0 |
| <i>Merit System Protection Board</i> | | | |
| 94 | DECREASE OPERATING EXPENSE | -3,930 | 0 |
| Merit System Protection Board Total: | | -3,930 | 0 |
| <i>NDA - Arts and Humanities Council</i> | | | |
| 95 | ARTS AND HUMANITIES COUNCIL ADMINISTRATION EXPENSES | -20,500 | 0 |
| 96 | DECREASED FUNDING FOR OPERATING SUPPORT GRANTS | -128,089 | 0 |
| 97 | DECREASED FUNDING FOR SMALL AND MID-SIZED ORGANIZATIONS | -82,326 | 0 |
| NDA - Arts and Humanities Council Total: | | -230,915 | 0 |
| <i>NDA - Housing Opportunities Commission</i> | | | |
| 98 | 2 PERCENT UNSPECIFIED COST REDUCTION | -128,028 | 0 |
| NDA - Housing Opportunities Commission Total: | | -128,028 | 0 |
| <i>Office of Procurement</i> | | | |
| 99 | AUDITS | -20,000 | 0 |
| 100 | HOSTED EVENTS, PROFESSIONAL TRAINING, AND TRAVEL | -11,300 | 0 |
| 101 | OFFICE SUPPLIES, SOFTWARE LICENSES, AND REPORT PRODUCTION | -25,200 | 0 |
| 102 | OFFICE CLERICAL | -2,000 | 0 |

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

| Ref No. | Title | Total \$ | Revenue |
|-------------------------------------|---|-------------------|----------|
| 103 | STAFF AND OPERATING EXPENSES FOR HEALTH INSURANCE WAGE REQUIREMENTS | -101,468 | 0 |
| Office of Procurement Total: | | -159,968 | 0 |
| Police | | | |
| 104 | PEDESTRIAN SAFETY OVERTIME | -80,000 | 0 |
| 105 | 50 ADDITIONAL AEDS | -88,012 | 0 |
| 106 | OVERTIME | -268,482 | 0 |
| 107 | DELAY FULL IMPLEMENTATION OF BODY WORN CAMERAS TO UNIFORMED MCP OFFICERS | -314,105 | 0 |
| 108 | RECOGNIZE SMALLER RECRUIT CLASS | -1,258,278 | 0 |
| Police Total: | | -2,008,877 | 0 |
| Public Information | | | |
| 109 | MC311 TRAINING | -19,000 | 0 |
| 110 | ADVERTISEMENT FOR MC311 | -15,770 | 0 |
| 111 | LANGUAGE LINE (INTERPRETATION) FUNDING | -16,000 | 0 |
| 112 | DELAYED HIRING (LAPSE) FOR ANTICIPATED POSITION VACANCY DUE TO RETIREMENT | -27,880 | 0 |
| Public Information Total: | | -78,650 | 0 |
| Public Libraries | | | |
| 113 | HOURS AT BRANCHES (CHEVY CHASE, KENSINGTON, LITTLE FALLS, POTOMAC, TWINBROOK) | -638,880 | 0 |
| 114 | OPERATING EXPENSES | -18,400 | 0 |
| 115 | PAGES LAPSE DURING REFRESH | -66,000 | 0 |
| 116 | TURNOVER SAVINGS | -152,782 | 0 |
| 117 | LIBRARY MATERIALS | -700,000 | 0 |
| Public Libraries Total: | | -1,576,062 | 0 |
| Sheriff | | | |
| 118 | OPERATING EXPENSES | -460,884 | 0 |
| Sheriff Total: | | -460,884 | 0 |
| State's Attorney | | | |
| 119 | TURNOVER SAVINGS FROM EMPLOYEE SEPARATION OF SERVICE | -190,000 | 0 |
| 120 | ELIMINATE TRUANCY PREVENTION PROGRAM EXPANSION | -80,000 | 0 |
| 121 | REDUCE CONTRACTOR ATTORNEY HOURS | -25,000 | 0 |
| 122 | REDUCE INSURANCE COSTS | -66,150 | 0 |
| State's Attorney Total: | | -361,150 | 0 |
| Technology Services | | | |

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

| Ref No. | Title | Total \$ | Revenue |
|--|---|--------------------|----------|
| 123 | DEFER SOFTWARE MAINTENANCE INCREASE UNTIL FY17 | -400,000 | 0 |
| Technology Services Total: | | -400,000 | 0 |
| Transportation | | | |
| 124 | BIKESHARE SERVICES | -30,000 | 0 |
| 125 | PARKING STUDIES OUTSIDE PLDS | -40,000 | 0 |
| 126 | CONSTRUCTION TESTING MATERIALS | -26,000 | 0 |
| 127 | SIGNAL RELAMPING | -50,000 | 0 |
| 128 | RAISED PAVEMENT MARKINGS | -100,000 | 0 |
| 129 | TRAFFIC MATERIALS | -51,596 | 0 |
| 130 | RESURFACING | -160,000 | 0 |
| 131 | PATCHING | -160,500 | 0 |
| 132 | SIDEWALK REPAIR | -40,000 | 0 |
| 133 | TREE MAINTENANCE (STUMP REMOVAL) | -500,000 | 0 |
| 134 | SIGNAL OPTIMIZATION | -100,000 | 0 |
| 135 | PEDESTRIAN SAFETY EDUCATION | -100,000 | 0 |
| 136 | SIDEWALK INVENTORY | -200,000 | 0 |
| 137 | DIGITAL MAP OF SIDEWALKS | -150,000 | 0 |
| 138 | RUSTIC ROAD SIGNS | -25,000 | 0 |
| 139 | AIRPLANE SURVEILLANCE | -228,609 | 0 |
| Transportation Total: | | -1,961,705 | 0 |
| Zoning & Administrative Hearings | | | |
| 140 | OPERATING EXPENSES | -12,480 | 0 |
| Zoning & Administrative Hearings Total: | | -12,480 | 0 |
| General Fund Total: | | -15,519,237 | 0 |
| Fire | | | |
| Fire and Rescue Service | | | |
| 141 | DELAY RECRUIT CLASS | -741,422 | 0 |
| 142 | MOWING CONTRACT | -25,000 | 0 |
| 143 | ELIMINATE EMS RECERTIFICATIONS ON OVERTIME | -380,000 | 0 |
| 144 | ELIMINATE ASSISTANT CHIEF POSITION IN DIVISION OF RISK REDUCTION AND TRAINING | -200,000 | 0 |
| 145 | HYATTSTOWN ENGINE 709 | -1,680,000 | 0 |
| 146 | KENSINGTON AMBULANCE 705 | -400,000 | 0 |
| 147 | KENSINGTON ENGINE 705 | -780,000 | 0 |

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

| Ref No. | Title | Total \$ | Revenue |
|---------------------------------------|---------------------------------------|-------------------|----------|
| 148 | ADD PARAMEDIC CHASE CAR IN KENSINGTON | 290,000 | 0 |
| Fire and Rescue Service Total: | | -3,916,422 | 0 |
| Fire Total: | | -3,916,422 | 0 |

Mass Transit

DOT-Transit Services

| | | | |
|------------------------------------|---|-------------------|-----------------|
| 149 | DELAY BETHESDA CIRCULATOR EXPANSION | -160,000 | 0 |
| 150 | DELAY NEW SERVICE TO TOBYTOWN COMMUNITY | -220,000 | 0 |
| 151 | MYSTERY RIDER CONTRACT | -100,000 | 0 |
| 152 | CALL AND RIDE PROGRAM SAVINGS AND CAP | -55,000 | 0 |
| 153 | TRAINING PROGRAM VAN RENTALS | -116,484 | 0 |
| 154 | COMMUTER SERVICES TMD EXPENSES | -50,000 | 0 |
| 155 | ROUTE REDUCTIONS | -1,704,532 | -289,845 |
| DOT-Transit Services Total: | | -2,406,016 | -289,845 |
| Mass Transit Total: | | -2,406,016 | -289,845 |

Recreation

Recreation

| | | | |
|--------------------------|--|-----------------|----------|
| 156 | REMOVE FUNDING FOR ADVENTIST COMMUNITY SERVICES NON-COMPETITIVE CONTRACT WHICH SUPPORTS PINEY BRANCH ELEMENTARY SCHOOL POOL OPERATIONS | -145,000 | 0 |
| 157 | REMOVE FUNDING FOR MAINTENANCE SERVICES FOR PINEY BRANCH ELEMENTARY SCHOOL POOL OPERATIONS | -15,000 | 0 |
| 158 | WIFI ACCESS AT RECREATION FACILITIES | -48,000 | 0 |
| 159 | ADDITIONAL LAPSE AND TURNOVER SAVINGS | -147,017 | 0 |
| 160 | SUSPEND MULT-LINGUAL RECREATION SPECIALIST POSITION | -82,394 | 0 |
| 161 | SUSPEND PROGRAM SPECIALIST II POSITION | -82,394 | 0 |
| 162 | REDUCE SEASONAL STAFFING IN DIRECTOR'S OFFICE TO SUPPORT SAVINGS PLAN | -42,034 | 0 |
| Recreation Total: | | -561,839 | 0 |
| Recreation Total: | | -561,839 | 0 |

Urban District - Bethesda

Urban Districts

| | | | |
|-----|-------------------------|----------|---|
| 163 | PROMOTIONS | -102,074 | 0 |
| 164 | STREETSCAPE MAINTENANCE | -75,000 | 0 |
| 165 | SIDEWALK MAINTENANCE | -35,000 | 0 |

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

| Ref No. | Title | Total \$ | Revenue |
|---|-------|----------|---------|
| Urban Districts Total: | | -212,074 | 0 |
| Urban District - Bethesda Total: | | -212,074 | 0 |

Urban District - Silver Spring

Urban Districts

| | | | |
|--|-------------------------------|----------|---|
| 166 | ADMINISTRATION AND MANAGEMENT | -7,500 | 0 |
| 167 | PROMOTIONS | -17,500 | 0 |
| 168 | ENHANCED SERVICES | -150,000 | 0 |
| 169 | STREETSCAPE MAINTENANCE | -45,244 | 0 |
| Urban Districts Total: | | -220,244 | 0 |
| Urban District - Silver Spring Total: | | -220,244 | 0 |

Urban District - Wheaton

Urban Districts

| | | | |
|--|--|----------|---|
| 170 | LAPSE PART-TIME PUBLIC SERVICE WORKER II | -39,224 | 0 |
| 171 | PROMOTIONS | -50,000 | 0 |
| 172 | STREETSCAPE MAINTENANCE | -50,000 | 0 |
| 173 | SIDEWALK REPAIR | -50,000 | 0 |
| Urban Districts Total: | | -189,224 | 0 |
| Urban District - Wheaton Total: | | -189,224 | 0 |

| | | |
|---|-------------|----------|
| MCG Tax Supported Total: | -23,025,056 | -289,845 |
| Net Savings: | -22,735,211 | |
| <i>(Total Exp. Savings & Revenue Changes)</i> | | |

Cable Television

Cable Communications Plan

| | | | |
|---|-------------------------------------|----------|---|
| 174 | FIBERNET NOC | -728,900 | 0 |
| 175 | PEG AUDIENCE MEASUREMENT INITIATIVE | -25,000 | 0 |
| Cable Communications Plan Total: | | -753,900 | 0 |
| Cable Television Total: | | -753,900 | 0 |

Montgomery Housing Initiative

Housing and Community Affairs

| | | | |
|-----|--|----------|---|
| 176 | ZERO:2016 - 10 PERMANENT SUPPORTIVE HOUSING UNITS AND 10 RAPID RE-HOUSING SUBSIDIES FOR VETERANS | -500,000 | 0 |
|-----|--|----------|---|

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Non-Tax Supported

| Ref No. | Title | Total \$ | Revenue |
|---|---|-----------------|----------|
| 177 | HOUSING FIRST: 10 RAPID RE-HOUSING SUBSIDIES FOR FAMILIES WITH CHILDREN | -150,000 | 0 |
| Housing and Community Affairs Total: | | -650,000 | 0 |
| Montgomery Housing Initiative Total: | | -650,000 | 0 |

| | | |
|--|-------------------|----------|
| MCG Non-Tax Supported Total: | -1,403,900 | 0 |
| Net Savings: <i>(Total Exp. Savings & Revenue Changes)</i> | -1,403,900 | |

| | | |
|--|--------------------|-----------------|
| MCG Total: | -24,428,956 | -289,845 |
| MCG FY16 Net Savings <i>(Total Exp. Savings & Revenue Changes)</i> | -24,139,111 | |

MCPS Current Fund

MCPS

| | | | |
|---------------------------------|-------------------|--------------------|----------|
| 178 | FY16 SAVINGS PLAN | -10,000,000 | 0 |
| MCPS Total: | | -10,000,000 | 0 |
| MCPS Current Fund Total: | | -10,000,000 | 0 |

| | | |
|--|--------------------|----------|
| MCPS Tax Supported Total: | -10,000,000 | 0 |
| Net Savings: <i>(Total Exp. Savings & Revenue Changes)</i> | -10,000,000 | |

| | | |
|---|--------------------|----------|
| MCPS Total: | -10,000,000 | 0 |
| MCPS FY16 Net Savings <i>(Total Exp. Savings & Revenue Changes)</i> | -10,000,000 | |

MC Current Fund

Montgomery College

| | | | |
|----------------------------------|-------------------|-------------------|----------|
| 179 | FY16 SAVINGS PLAN | -5,000,000 | 0 |
| Montgomery College Total: | | -5,000,000 | 0 |
| MC Current Fund Total: | | -5,000,000 | 0 |

| | | |
|--|-------------------|----------|
| MC Tax Supported Total: | -5,000,000 | 0 |
| Net Savings: <i>(Total Exp. Savings & Revenue Changes)</i> | -5,000,000 | |

FY16 SAVINGS PLAN

FY16 Savings Plan

MC Tax Supported

| Ref No. | Title | Total \$ | Revenue | |
|---------|-------|---|-------------------|----------|
| | | MC Total: | -5,000,000 | 0 |
| | | MC FY16 Net Savings | | |
| | | (Total Exp. Savings & Revenue Changes) | -5,000,000 | |

M-NCPPC Administration

M-NCPPC

| | | | | |
|-----|-------------------|--------------------------------------|-----------------|----------|
| 180 | FY16 SAVINGS PLAN | -371,591 | 0 | |
| | | M-NCPPC Total: | -371,591 | 0 |
| | | M-NCPPC Administration Total: | -371,591 | 0 |

M-NCPPC Park

M-NCPPC

| | | | | |
|-----|-------------------|----------------------------|-------------------|----------|
| 181 | FY16 SAVINGS PLAN | -1,157,738 | 0 | |
| | | M-NCPPC Total: | -1,157,738 | 0 |
| | | M-NCPPC Park Total: | -1,157,738 | 0 |

| | | |
|---|-------------------|----------|
| M-NCPPC Tax Supported Total: | -1,529,329 | 0 |
| Net Savings: | | |
| (Total Exp. Savings & Revenue Changes) | -1,529,329 | |

| | | |
|---|-------------------|----------|
| M-NCPPC Total: | -1,529,329 | 0 |
| M-NCPPC FY16 Net Savings | | |
| (Total Exp. Savings & Revenue Changes) | -1,529,329 | |

Community Engagement Cluster

| | | | |
|---|--|---------|---|
| 8 | LAPSE PROGRAM MANAGER I | -69,702 | 0 |
| | This position manages and coordinates the IT needs of the CEC's seven Directors and assists them with all aspects of various programs, projects, and facilities. | | |
| | Community Engagement Cluster Total: | -69,702 | 0 |

County Attorney

| | | | |
|----|------------------------|----------|---|
| 16 | DECREASE EXPENSES | -113,206 | 0 |
| | County Attorney Total: | -113,206 | 0 |

County Council

| | | | |
|----|-----------------------|----------|---|
| 17 | DECREASE EXPENSES | -216,540 | 0 |
| | County Council Total: | -216,540 | 0 |

County Executive

| | | | |
|----|-------------------------|----------|---|
| 18 | DECREASE EXPENSES | -101,410 | 0 |
| | County Executive Total: | -101,410 | 0 |

Ethics Commission

| | | | |
|----|--------------------------|--------|---|
| 33 | OPERATING EXPENSES | -7,640 | 0 |
| | Ethics Commission Total: | -7,640 | 0 |

Finance

| | | | |
|----|---|----------|---|
| 34 | PERSONNEL COST SAVINGS | -274,258 | 0 |
| | FY16 Personnel Cost savings will be generated from the Department prioritizing current vacancies and only recruiting for the most mission critical positions. No service impact from reduction in operating expenses. | | |
| | Finance Total: | -274,258 | 0 |

Human Resources

| | | | |
|----|--|----------|---|
| 81 | DIRECTOR'S OFFICE OPERATING EXPENSES | -44,262 | 0 |
| | The reduction in the Director's Office cuts or limits several operating expense line items, such as: computer equipment, local travel, and office and computer supplies, other education and training, and other miscellaneous costs. | | |
| 82 | CONTRACTUAL SERVICES FOR REWARDING EXCELLENCE/GAINSHARING | -25,000 | 0 |
| | The reduction represents the total amount funded for FY16 for contractual services for the Rewarding Excellence/Gainsharing program used to train employees on how to facilitate design teams, evaluate potential surveys, and provide recommendations on which teams can move forward. This service will continue to be provided by existing staff. | | |
| 83 | TUITION ASSISTANCE | -47,500 | 0 |
| | This reduction will impact 26 employees for FY16. | | |
| 84 | LABOR/EMPLOYEE RELATION AND EEO/DIVERSITY | -5,000 | 0 |
| | Funds for meeting events for labor will be cut in FY16. Participation in Job Fairs/Career Days will occur if they are at no expense to the County. | | |
| | Human Resources Total: | -121,762 | 0 |

Inspector General

| | | | |
|----|---|--------------------------|-----------|
| 87 | REDUCE OTHER PROFESSIONAL SERVICES (ACCOUNT 60530) Reduce overall FY16 expenditures by 2%. | -20,860 | 0 |
| | | Inspector General Total: | -20,860 0 |

Intergovernmental Relations

| | | | |
|----|--|------------------------------------|-----------|
| 88 | PROFESSIONAL SERVICES This reduction should not result in a service impact. | -1,660 | 0 |
| 89 | PHONES/TELECOMMUNICATION SERVICES This reduction is not expected to impact local telephone service to the Office of Intergovernmental Relations in Annapolis and Rockville. | -5,500 | 0 |
| 90 | TRAVEL Remaining funds are in-line with FY14 actual and FY15 projected expenditures. | -9,000 | 0 |
| 91 | GENERAL OFFICE SUPPLIES This decrease is approximately 60% of what was budgeted in FY15. | -1,692 | 0 |
| | | Intergovernmental Relations Total: | -17,852 0 |

Legislative Oversight

| | | | |
|----|---|------------------------------|-----------|
| 92 | PERSONNEL COSTS Department requested a shift of personnel costs for a Legislative Analyst III to the Independent Audit NDA. At present, approximately 1/3 of this staff person's working hours are used to manage the NDA. | -29,586 | 0 |
| | | Legislative Oversight Total: | -29,586 0 |

Management and Budget

| | | | |
|----|---|------------------------------|-----------|
| 93 | PERSONNEL COSTS OMB currently has three vacant positions and will delay filling the positions until the additional lapse is met. | -81,878 | 0 |
| | | Management and Budget Total: | -81,878 0 |

Merit System Protection Board

| | | | |
|----|----------------------------|--------|---|
| 94 | DECREASE OPERATING EXPENSE | -3,930 | 0 |
|----|----------------------------|--------|---|

Office of Procurement

| | | | |
|-----|--|------------------------------|------------|
| 99 | AUDITS Will reduce the number of legally required random audits performed to four. Will reduce to 10% the number of most at-risk work sites reviewed. | -20,000 | 0 |
| 100 | HOSTED EVENTS, PROFESSIONAL TRAINING, AND TRAVEL Reduce the number of FY 16 external professional training, hosted events and local travel. | -11,300 | 0 |
| 101 | OFFICE SUPPLIES, SOFTWARE LICENSES, AND REPORT PRODUCTION Will reduce the amount of expenses for office supplies, licenses, and publication of reports. | -25,200 | 0 |
| 102 | OFFICE CLERICAL Reduction in hours from 40 to 38 for contractors. | -2,000 | 0 |
| 103 | STAFF AND OPERATING EXPENSES FOR HEALTH INSURANCE WAGE REQUIREMENTS | -101,468 | 0 |
| | | Office of Procurement Total: | -159,968 0 |

Public Information

| | | | |
|-----|--|---------|---|
| 109 | MC311 TRAINING | -19,000 | 0 |
| | Reduction of training includes outside training brought in for internal Customer Service Rep staff, and the amount of training material we provide to internal staff and for back office training. | | |
| 110 | ADVERTISEMENT FOR MC311 | -15,770 | 0 |
| | Limit advertising options with minimal service impact. | | |
| 111 | LANGUAGE LINE (INTERPRETATION) FUNDING | -16,000 | 0 |
| | Based upon our history of language line (interpretation) usage, this should not have a significant impact upon our ability to provide interpretation services. | | |
| 112 | DELAYED HIRING (LAPSE) FOR ANTICIPATED POSITION VACANCY DUE TO RETIREMENT | -27,880 | 0 |
| | As a result of the position being held vacant, this will increase the work load for others in the office. No service impact. | | |
| | Public Information Total: | -78,650 | 0 |

Technology Services

| | | | |
|-----|--|----------|---|
| 123 | DEFER SOFTWARE MAINTENANCE INCREASE UNTIL FY17 | -400,000 | 0 |
| | No impact to services. Oracle licenses will be purchased in FY16; ongoing maintenance costs will not be incurred until FY17. | | |
| | Technology Services Total: | -400,000 | 0 |

Cable Television

Cable Communications Plan

| | | | |
|-----|--|----------|---|
| 174 | FIBERNET NOC | -728,900 | 0 |
| | Do not implement a Network Operations Center (NOC) for the County's FiberNet network in FY16. Funds will be transferred to the General Fund. | | |
| 175 | PEG AUDIENCE MEASUREMENT INITIATIVE | -25,000 | 0 |
| | Do not implement the PEG channel audience measurement survey in FY16. Funds will be transferred to the General Fund. | | |
| | Cable Communications Plan Total: | -753,900 | 0 |
| | Cable Television Total: | -753,900 | 0 |

James F. Shalleck
President
Nahid Khozeimeh
Vice President
Mary Ann Keeffe
Secretary
Alexander C. Vincent
Member
David Naimon
Member
Graciela Rivera-Oven
Substitute Member
Jacqueline Phillips
Substitute Member



**Montgomery County
Board of Elections**

Post Office Box 4333
Rockville, Maryland 20849-4333

Margaret A. Jurgensen
Election Director
Alysoun McLaughlin
Deputy Election Director
Janet A. Ross
*Senior Information
Technology Specialist*
N. Laletta Dorsey
*Acting Voter Registration
Manager*
N. Christine Rzeszut
Operations Manager
Kevin Karpinski
Counsel

MEMORANDUM

July 13, 2015

TO: George Leventhal, President
Montgomery County Council

FROM: James F. Shalleck, President *James F. Shalleck/jmk*
Montgomery County Board of Elections

SUBJECT: FY16 Operating Budget Reduction Process

The Members of the Montgomery County Board of Elections (BOE) have reviewed the County Executive's budget reduction recommendations that were transmitted to the County Council last week. We appreciate that the Board of Elections was largely spared from further budget reductions and that, due to the fiscal constraints facing the county, it will be necessary to conduct the 2016 Presidential Primary Election without the resources that may otherwise be desirable.

Maryland Election Law §9-102(i)(2)(ii) requires "a public information program by the local board, at the time of introduction of a new voting system, to be directed to all voters, candidates, campaign groups, schools, and news media in the county." To allow the Board to conduct this outreach campaign, the County Council previously included \$50,000 in the Department's FY16 budget, but this \$50,000 has been included in the County Executive's budget reduction recommendations. In light of this statutory requirement, and the additional demands a new voting system and a Presidential Election with multiple high-profile contests on the ballot will place on the Department, we respectfully request your consideration in keeping the \$50,000 for this outreach campaign in the Board of Elections' FY16 budget, and exempting our budget from the County Executive's recommended reduction.

Located at: 18753 North Frederick Avenue, Suite 210 • Gaithersburg, Maryland 20879
240-777-8500 • MD Relay 1-800-735-2258 • FAX 240-777-8505
elections@montgomerycountymd.gov • www.777vote.org

montgomerycountymd.gov/311  301-251-4850 TTY

George Leventhal
July 13, 2015
Page 2 of 2

As the Council has recognized, the Board of Elections will need to engage in an extensive outreach campaign to ensure that all registered voters know what to expect when they vote. The Legislature has determined that the systems and procedures for Early Voting will be different than those used on Election Day (for example, an eligible Maryland resident may register to vote on the same day he or she votes during Early Voting, but may not register to vote on Election Day). For all voters to be successful, public service announcements, bus signs, and other methods of engaging the voter will be needed. The Board of Elections must have resources available to ensure that this communication reaches all demographic groups and geographic areas in multiple languages. Avoiding long lines and making sure that introducing the new system goes as smoothly as possible in the Presidential Primary Election will require the dedication of sufficient resources for education. This is particularly true as the Maryland Board of Public Works has not provided resources for an outreach campaign that were once expected by the County.

On behalf of the Members of the Board of Elections, I respectfully request that the Department be spared from the proposed cut to our budget and exempted from the FY16 Reduction Process.

Thank you for your consideration of this request.

GLFY16OBRP:JFS:MMR (budget.071015)

cc: Jennifer Hughes, OMB

AGENDA ITEM #9
January 27, 2015

Public Hearing and Action

MEMORANDUM

January 23, 2015

TO: County Council

FROM: Dr. Costis Toregas, Council IT Adviser *CT*

SUBJECT: Special Appropriation to the County Government's FY15 Operating Budget, Department of Technology Services -- \$360,000 to establish a Network Operations Center (NOC) to monitor FiberNet (Source: General Fund Reserves)

The Council is scheduled to hold a public hearing and to act on the subject special appropriation. On January 20 the Council introduced this special appropriation. On January 22 the Government Operations and Fiscal Policy Committee reviewed it and unanimously recommended approval. The Committee's recommendation is subject to modification based on testimony at the public hearing.

The purpose of this special appropriation is to provide the initial funding for a Network Operations Center (NOC) that will help ensure the operational integrity of the County's FiberNet. The memorandum on ©1 from Councilmember Navarro, Committee Chair, and Councilmember Riemer, Lead for Digital Government, outlines important information about the NOC.

FiberNet provides essential connectivity for the six agencies represented on the Interagency Technology Policy and Coordination Committee (ITPCC): County Government, MCPS, Montgomery College, M-NCPPC, HOC, and WSSC. The CIO Subcommittee of the ITPCC has strongly advocated the creation of a NOC that can proactively scan the system for impending problems and help manage necessary repair and recovery. The ITPCC principals discussed this initiative on December 2, 2014, including the August 13, 2014 memo from DTS CIO Sonny Segal on ©4-6, and requested information on possible options.

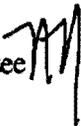
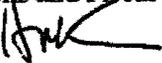
The January 12, 2015 memo from the Montgomery College Office of Information Technology on ©7-11 outlines these options. The CIO Subcommittee reviewed this information on January 9, 2015 and unanimously recommended the approach proposed by Mr. Segal. This approach is reflected in the subject special appropriation.

On January 22 the GO Committee reviewed the special appropriation with the CIOs. The Committee also considered the January 20 memo from Chief Administrative Officer Tim Firestine on ©12. Mr. Firestine requested that the NOC proposal be considered in the context of the Executive's forthcoming FY16 recommended budget. The Committee agreed that other FiberNet-related issues must be addressed in the FY16 budget but concluded that moving forward with the NOC now is essential.

MEMORANDUM

January 16, 2015

TO: Councilmembers

FROM: Nancy Navarro, Chair, Government Operations and Fiscal Policy Committee 
Hans Riemer, Lead for Digital Government 

SUBJECT: Special Appropriation to the County Government's FY15 Operating Budget.
Department of Technology Services -- \$360,000 to establish a Network
Operations Center (NOC) to monitor FiberNet (Source: General Fund Reserves)

We recommend that the Council approve a special appropriation to the FY15 operating budget of the Department of Technology Services (DTS) in the amount of \$360,000 to promptly establish a FiberNet Network Operations Center (NOC).

As you know, FiberNet provides critical County infrastructure and service where availability and continuity of communications and services to all ITPCC agencies is essential.¹ The expansion of FiberNet increases exposure to faults and failures and drives the compelling need for a NOC that is equipped to monitor network operations and identify component failures proactively where prompt response to failures exceeds the current "best effort" environment. When completed, FiberNet will consist of about 700 miles of county owned, operated, and maintained fiber optic infrastructure servicing 534 sites and 1600 traffic cameras.

In its review of the FY15 operating budget for DTS on April 7, 2014, the Government Operations and Fiscal Policy Committee expressed strong interest in the establishment of a NOC. The compelling need for a NOC was set forth clearly in the attached August 13, 2014 memorandum from DTS CIO Sonny Segal. On December 2, 2014 the ITPCC principals discussed the establishment of a NOC and requested information on possible options. On January 9, 2015 the CIO Subcommittee reviewed this information and unanimously recommended the approach proposed by Mr. Segal. That approach is reflected in this special appropriation. The implementing resolution is attached.

In our view, there should be no further delay in moving forward with this critically important initiative in FY15. The full-year cost in FY16 is currently projected at \$910,000. We appreciate your prompt consideration of this special appropriation.

Attachments: Special Appropriation—FiberNet Network Operations Center (NOC)
NOC Funding Request Memorandum, Segal to OMB, August 13, 2014

cc: Isiah Leggett, County Executive
ITPCC Principals and CIO Subcommittee

¹ The agencies represented on the Interagency Technology Policy and Coordination Committee (ITPCC) are County Government, MCPS, Montgomery College, M-NCPPC, HOC, and WSSC.

Resolution No: _____

Introduced: _____

Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmembers Navarro and Riemer

SUBJECT: Special Appropriation to the County Government's FY15 Operating Budget, Department of Technology Services (DTS) – \$360,000 to establish a Network Operations Center (NOC) to monitor FiberNet (Source: General Fund Reserves)

Background

1. Section 308 of the Montgomery County Charter provides that a special appropriation: (a) may be made at any time after public notice by news release; (b) must state that the special appropriation is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest; (c) must specify the revenues necessary to finance it; and (d) must be approved by no fewer than six members of the Council.
2. FiberNet provides critical County infrastructure and service where availability and continuity of communications and services to the six agencies represented on the Interagency Technology Coordination and Policy Committee -- County Government, MCPS, Montgomery College, M-NCPPC, HOC, and WSSC -- is essential. The expansion of FiberNet increases exposure to faults and failures and drives the compelling need for a NOC that is equipped to monitor network operations and identify component failures proactively where prompt response to failures exceeds the current "best effort" environment. When completed, FiberNet will consist of about 700 miles of county owned, operated, and maintained fiber optic infrastructure servicing 534 sites and 1600 traffic cameras.
3. In its review of the FY15 operating budget for DTS on April 7, 2014, the Government Operations and Fiscal Policy Committee expressed strong interest in the establishment of a NOC. The compelling need for a NOC was set forth clearly in an August 13, 2014 memorandum from DTS CIO Sonny Segal. On December 2, 2014 the ITPCC principals discussed the establishment of a NOC and requested information on possible options. On January 9, 2015 the CIO Subcommittee reviewed this information and unanimously recommended the approach proposed by Mr. Segal. That approach is reflected in this special appropriation.
4. Public notice of this special appropriation has been made by news release.
5. A public hearing was held on January 27, 2015.

Action

The County Council for Montgomery County, Maryland approves the following action:

A special appropriation to the FY15 Operating Budget of the Department of Technology Services is approved as follows:

| <u>Personnel Services</u> | <u>Operating Expenses</u> | <u>Capital Outlay</u> | <u>Total</u> | <u>Source of Funds</u> |
|-------------------------------|-------------------------------|---------------------------|--------------|----------------------------|
| \$0 | \$360,000 | \$0 | \$360,000 | General Fund Reserves |

It is in the public interest to act without delay to approve this special appropriation.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council



DEPARTMENT OF TECHNOLOGY SERVICES

Isiah Leggett
County Executive

Harash (Sonny) Segal
Chief Information Officer

August 13, 2014

TO: Jenifer Hughes, Director
Office of Management and Budget

FROM: Sonny Segal, Director *Harash Segal*
Department of Technology Services

SUBJECT: FiberNet Network Operations Center – Request for Funding

The purpose of this memorandum is to request \$360,000 in FY15 funds to implement a Network Operations Center (NOC) for the County's FiberNet network, with operations starting on January 1, 2015. Please see the attachment for a description of the proposed NOC.

The NOC is urgently needed for the following reasons:

1. FiberNet is in critical service. The NOC will improve FiberNet availability thereby ensuring the continuity of critical communications and services throughout government and the ITPCC agencies (MCPS, MC, M-NCPPC, HOC, and WSSC).
2. As FiberNet has grown, so too has exposure to faults increased. The NOC will significantly reduce the time to fault detection and therefore accelerate response, remediation and/or restoration. Currently, faults and interruptions in service are reported by FiberNet customers, typically after service has been down for an extended period of time. DTS' Network Services team responds to after-hours calls on a best effort basis as there is no formal 'stand-by' schedule. A NOC will be equipped to monitor network operations and identify component failures proactively and respond to faults promptly.
3. FiberNet is being upgraded to FiberNet II, and work continues to implement FiberNet hub re-builds to take advantage of the ARRA fiber additions. During this time, the NOC would be instrumental in coordinating network moves, adds and changes and maintaining continuity of operations.
4. The NOC is needed to encourage continued transitioning of mission-critical services from commercial networks to FiberNet in all participating agencies. This has the potential of significantly reducing costs to the County over the long term.
5. A NOC is strategic to the success of the County Executive's UltraMontgomery program to jump start and sustain economic development through the implementation of Gigabit networks in the Great Seneca Science Corridor (GSSC) and the White Oak Science Gateway (WOSG).
6. A NOC is a pre-requisite for opening up FiberNet leasing to non-County entities to generate revenue. Recent discussions with public-private sector focus groups regarding delivering very high speed networks in the White Oak Science Gateway and the Great Seneca Science Corridor have confirmed that, without a NOC, FiberNet is a "best effort" network and as such is not attractive to outside entities.

Office of the CIO

101 Monroe Street, 13th Floor • Rockville, Maryland 20850 • 240-777-2900

Background

DTS had requested funding in FY15 to fund a Network Operations Center (NOC) to strengthen FiberNet operations. To accommodate fiscal constraints, the request was postponed until FY16.

In FY15 budget reviews, County Council's GO Committee expressed desire for the establishment of a NOC as soon as possible. This is consistent with the determination by the ITPOC CIOs that a NOC was needed immediately to improve FiberNet operations and offer an alternative or back up to commercial or agency networks. Council then moved, in concept, to 'fund' approximately \$270,000 needed to staff a NOC in FY15 (starting on January 1, 2015) by approving a funds swap with Takoma Park. Dennis Hetman of OMB attended a meeting of the ITPOC and clarified that the funds from Takoma Park were not fungible. However, he requested that DTS provide justification to fund a NOC starting January 1, 2015. This memorandum is in response to Mr. Hetman's request.

Funding Request

If implemented on January 2, 2015, the costs of setting up, staffing and operating the proposed NOC for six months through July 31, 2015 is estimated to be \$360,000 as detailed in Attachment 1. I am requesting this amount in additional FY15 funding by October 1, 2015 so DTS and DOT can prepare to implement the NOC on January 2, 2015.

I am requesting to meet to answer any questions you may have. I can be reached at 7-2822.

HS:dlm

Attachment

c: Dieter Klinger, DTS
John Castner, DTS
Al Roshdieh, DOT
Dennis Hetman, OMB

Attachment
FiberNet Network Operations Center
Funding Request

FiberNet is the County's fiber network backbone. It represents approximately \$50M in investment and has grown into a large county-wide, multi-tenant interagency network in critical service with approximately 450 service points implemented or planned in FY15. FiberNet is in 24x7x365 use and requires a Network Operations Center (NOC) for the reasons listed in the cover memo. DTS, in conjunction with FiberNet users, has determined that FiberNet urgently needs a NOC to lower fault detection times and meet Service Level Agreements (SLAs) for existing and future customers.

Proposed Concept of Operations (CONOPS)

The NOC will initially be responsible for network monitoring and fault detection. However, the plan is to mature the NOC to include other network operations responsibilities by the end of FY16 to include many, if not all, of the following functions of a NOC conforming to the International Standards Organization (ISO)'s FCAPS¹ Telecommunication Management Network Model:

- Troubleshooting
- Capacity Planning
- Utilization Reporting
- Service Provisioning
- Status Information
- Maintenance Activities
- Configuration Management
- Inventory Control & Reporting
- Disaster Recovery Activation

As such, the proposed FiberNet NOC will be the operational hub for the County's critical communications infrastructure. In order to fulfill fault management responsibilities, the following changes to FiberNet's current operations are required:

1. Establish after-hours, weekend and holiday network engineering coverage by the Network Services team in DTS' Enterprise Telecommunication Services Division (ETSD).
2. Establish a NOC co-located within the PSCC/Traffic Management Center (TMC) and jointly operated by DTS/ETSD and DOT/Traffic Management. DTS and DOT staff has met and agreed in concept to this co-location arrangement. Final arrangements must be made prior to the proposed January 2, 2015 NOC implementation date.
3. Execute a new SLA with each Participating Agency that clearly identifies the responsibilities of each agency in a CONOPS document.

The NOC will operate within a broad SLA framework specifically customized and operationalized for each agency's CONOPS document.

For sustainability and efficiency, the NOC's contribution to shortening the fault management life cycle will be logged as a part of its performance measurement metric and regularly reviewed by DTS management.

¹ FCAPS – Fault, Configuration, Accounting, Provisioning and Security – ISO Telecommunication Management Network Model

BACKGROUND BRIEF AND RECOMMENDATION
FiberNet Network Operations Center
January 12, 2015

Background

Montgomery County's FiberNet network currently operates on a "best effort" basis without the advanced network management services typically associated with a Network Operations Center (NOC).

At a meeting of the Principals of the Interagency Technology Policy and Coordination Committee (ITPCC) on December 2, 2014, Dr. Pollard requested that Montgomery College prepare an analysis of the potential use of the College's existing NOC to determine if the College NOC could meet the requirements associated with the operations of a NOC for the County FiberNet network.

Options Explored

In addition to the existing proposal for the County to establish, fund and operate a full-service FiberNet NOC, three possible alternatives were explored:

- Outsource to a commercial third party NOC service provider
- Outsource to Montgomery College
- Outsource to DC-NET (*Washington DC's Fiber Network*)

Option 1 - County Managed NOC

The proposal to create a County funded NOC is based on a partnership with the Department of Transportation, which already has responsibility for physical maintenance of the network fiber plant across the County.

The County Managed NOC overview and costs associated with this option were presented to the ITPCC CIO's as well as the ITPCC Principals at two meetings in December 2014.

The table below summarizes the proposal.

Montgomery College / Office of Information Technology

| ORIGINAL PROPOSAL - DTS/DOT INTEGRATION | | | | | | | |
|---|----------|-----------|------------------|------------------|---|--|----------------|
| Item | # Needed | \$/Item | Benefits @ (30%) | Total | Impact | Notes | Managing Party |
| 1 New Tier II Engineer | 1 | \$100,000 | \$130,000 | \$130,000 | Increased carrier cost avoidance/ROI through faster migration of sites to FiberNet | Provides enhanced coverage M-F 8am - 5pm | County |
| 5 New Tier II NOC Technicians | 5 | \$85,000 | \$110,500 | \$552,500 | Improved Government/Agency operations through faster issue resolution | 5am-10pm Mon-Fr (3) 8 hour shifts (2) 12 hour shifts Sat/Sun Includes one "floater" for vacation/holiday | County |
| NOC Supervisor | 1 | \$100,000 | \$130,000 | \$130,000 | Improved Government/Agency operations through faster issue resolution | Working Supervisor - 6th NOC person | County |
| Customer Care - Project Support | 1.5 | \$50,000 | \$65,000 | \$97,500 | Increased carrier cost avoidance/ROI through improved projects/migrations to FiberNet | One full time, one part time. Admin and project support | County |
| TOTALS | | | | \$910,000 | | | |

Benefits: Expansion of the NOC to serve the proposed "Ultra Montgomery" project and other agencies is very affordable – the NOC team is tightly integrated with the FiberNet engineering team and the agency technology teams. This proposal will utilize existing and unused investments made by the County in NOC management software and will provide resources to build NOC maps and provide asset management assistance and improved customer support.

Issue: Most costly of the options being considered.

Montgomery College / Office of Information Technology

Option 2 – Outsource to a Commercial Third Party

A cost estimate from a third party firm (iGLASS) to provide remote NOC services in cooperation with a small increase in County engineering and customer care/project staff was obtained.

| OUTSOURCE NOC TO 3rd PARTY | | | | | | | |
|---------------------------------|----------|-----------|------------------|------------------|---|---|----------------|
| Item | # Needed | \$/item | Benefits @ (30%) | Total | Impact | Notes | Managing Party |
| 1 New Tier II Engineer | 1 | \$100,000 | \$130,000 | \$130,000 | Increased carrier cost avoidance/ROI through faster migration of sites to FiberNet | Provides enhanced coverage M-F 8am - 5pm | County |
| 24x7 NOC Service from iGLASS | | | | \$125,000 | Improved Government/Agency operations through faster issue resolution | Monitoring Tier 1 Remediation Inbound 24x7 | iGLASS |
| Customer Care - Project Support | 1.5 | \$50,000 | \$65,000 | \$97,500 | Increased carrier cost avoidance/ROI through improved projects/migrations to FiberNet | One full time, one part time. Admin and project support | County |
| TOTALS | | | | \$552,500 | | | |

Benefits: Expandable solution – less costly to start.

Issue: The overall price is lower, but the services provided by the vendor will not be as technically robust as the services provided by an in-house team that is tightly integrated with the FiberNet engineering team. Cost savings will decrease as additional network hardware and building sites are added. Coordination of physical repair work and diagnostic efforts will likely be more challenging.

Option 3 – Outsource to Montgomery College

The College operates a NOC to support its data center and networking operations at the Takoma Park / Silver Spring campus. It is staffed at all times except Friday and Saturday nights and Sunday evenings using 5.5 FTE staff. In addition to monitoring functions, the

Montgomery College / Office of Information Technology

presence of the staff provides a measure of physical security for the data center and a small degree of "hands on" support with computing and infrastructure equipment.

Operationally, the College NOC does not provide the advanced services that will provide the value and services required by ITPCC agencies and identified in the County's own NOC proposal for FiberNet. It functions primarily as a monitoring facility, without the in depth technical expertise needed to troubleshoot, repair and resolve incidents. In its present form, the College NOC would require additional investment in personnel, tools and training to develop the deeper expertise required.

| MONTGOMERY COLLEGE - OUTSOURCE PROPOSAL | | | | | | | |
|---|----------|-----------|------------------|------------------|---|---|----------------|
| Item | # Needed | \$/item | Benefits @ (30%) | Total | Impact | Notes | Managing Party |
| 1 New Tier II Engineer | 1 | \$100,000 | \$130,000 | \$130,000 | Increased carrier cost avoidance/ROI through faster migration of sites to FiberNet | Provides enhanced coverage M-F 8am - 5pm | County |
| 5 New Tier II NOC Technicians | 5 | \$85,000 | \$110,500 | \$552,500 | Improved Government/Agency operations through faster issue resolution | Leverages MC existing NOC. Adds technical staff, provides 24x7 NOC Coverage | College |
| Customer Care - Project Support | 1.5 | \$50,000 | \$65,000 | \$97,500 | Increased carrier cost avoidance/ROI through improved projects/migrations to FiberNet | One full time, one part time. Admin and project support | County |
| TOTALS | | | | \$780,000 | | | |

Benefits: Will become 24x7x365 with additional County support. Leverages the existing College NOC facility, people, tools and management structure.

Issue: Will require almost as much investment as the County owned / managed option, and may distract from the College's core functions.

Option 4 – Outsource to DC-Net

Several conversations occurred between DC-Net and FiberNet participants in December and January. Both teams agreed that shared NOC services, or potentially back-up NOC services could be provided and should be explored. However, it was agreed that there were several interim steps that must occur (e.g., discussions regarding physical connections, firewalls, service level agreements) before any outsourcing or true partnership could occur. Neither side was ready to move forward at this juncture.

Both parties assigned representatives to work on a project to connect the two networks, and agreed that providing back-up or integrated NOC services should be explored in FY'16.

Recommendation

The best option for the future management of a FiberNet NOC, especially taking into consideration the aspirations of the Ultra Montgomery project, is to centrally fund the County Department of Technology Services proposal. This approach has the support of the ITPCC CIOs.



OFFICES OF THE COUNTY EXECUTIVE

Isiah Leggett
County Executive

Timothy L. Firestine
Chief Administrative Officer

MEMORANDUM

January 20, 2015

TO: George Leventhal, President, Montgomery County Council

FROM: Timothy L. Firestine, Chief Administrative Officer *Timothy L. Firestine*

SUBJECT: Special Appropriation to the County Government's FY15 Operating Budget, Department of Technology Services (DTS) - \$360,000 to establish a Network Operations Center (NOC)

With regards to the above-referenced FY15 Special Appropriation introduced on the Council's Consent Calendar earlier today, I am requesting that such action be taken up by County Council as a part of the review of the County Executive's FY16 Recommended Operating Budget following its transmittal on March 16, 2015.

The County Executive understands the need to strengthen support for the FiberNet network. He will consider all three options contained in Montgomery College's recommendations to the ITPCC Principals dated January 12, 2015 for supporting a 24x7 FiberNet NOC. Since the Council's Special Appropriation would have to be funded through current revenue, the decision to fund the NOC through supplemental appropriations requires careful review against competing priorities for general revenue funds.

In order to address the most pressing need for improving FiberNet support services, the Department of Technology Services has, based on operational experience and outage data, identified an approach for strengthening after hours call taking support. This is expected to significantly reduce the response time following a service interruption, occurring after-hours, such as rare breaks in the fiber optics cable. The County Executive has authorized DTS to implement the strengthened after-hours call taking starting immediately.

Considering the NOC in the context of the overall FY16 Operating Budget will allow the County Executive and the Council the opportunity to assess the service improvement resulting from enhanced after-hours support. This will help justify the design, funding and implementation schedule for a full-function NOC in time for strategic broad-band initiatives such as ultraMontgomery and open Wi-Fi.

c: Councilmember Nancy Navarro
Councilmember Hans Riemer
H.N. Sonny Segal, Director, DTS
Steve Farber, Council Administrator
Gary Thomas, Manager, ITPCC

101 Monroe Street • Rockville, Maryland 20850
240-777-2500 • 240-777-2544 TTY • 240-777-2518 FAX
www.montgomerycountymd.gov



FY16 APPROVED CABLE COMMUNICATIONS PLAN (in \$000's)

| | App FY14 | Actual FY14 | App FY15 | EST FY15 | App FY16 | Proj. FY17 | Proj. FY18 | Proj. FY19 | Proj. FY20 | Proj. FY21 |
|--|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1 BEGINNING FUND BALANCE | 1,023 | 817 | (422) | 136 | 1,231 | 299 | 1,404 | 1,413 | 1,422 | 1,431 |
| 2 REVENUES | | | | | | | | | | |
| 3 Franchise Fees ¹ | 17,096 | 16,644 | 17,002 | 17,107 | 17,281 | 17,405 | 17,516 | 17,611 | 17,717 | 17,825 |
| 4 Gaithersburg PEG Contribution ³ | 189 | 178 | 175 | 172 | 168 | 165 | 162 | 161 | 161 | 161 |
| 5 PEG Operating Grant ^{1,2,3} | 4,332 | 2,239 | 2,289 | 2,278 | 4,110 | 4,027 | 3,965 | 3,923 | 3,920 | 3,917 |
| 6 PEG Capital Grant ^{1,2,3} | 5,855 | 6,064 | 6,277 | 6,497 | 6,298 | 6,456 | 6,585 | 6,683 | 6,751 | 6,818 |
| 7 FiberNet Operating & Equipment Grant ² | 0 | 1,762 | 1,800 | 1,792 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 Interest Earned | 10 | 2 | 0 | 3 | 11 | 22 | 30 | 39 | 48 | 48 |
| 9 TFCG Application Review Fees | 100 | 156 | 120 | 150 | 150 | 120 | 120 | 120 | 120 | 120 |
| 10 TOTAL ANNUAL REVENUES | 27,583 | 27,044 | 27,663 | 27,999 | 28,019 | 28,193 | 28,378 | 28,537 | 28,716 | 28,888 |
| 11 TOTAL RESOURCES-CABLE FUND | 28,606 | 27,862 | 27,241 | 28,135 | 29,250 | 28,492 | 29,782 | 29,951 | 30,138 | 30,318 |
| 12 EXPENDITURE OF RESTRICTED FUNDS² | | | | | | | | | | |
| 13 A. EXPENDITURE OF RESTRICTED CAPITAL FUNDS | | | | | | | | | | |
| 14 Municipal Capital Support³ | | | | | | | | | | |
| 15 Rockville Equipment | 836 | 855 | 894 | 916 | 946 | 968 | 986 | 1,001 | 1,012 | 1,024 |
| 16 Takoma Park Equipment | 125 | 855 | 894 | 916 | 946 | 968 | 986 | 1,001 | 1,012 | 1,024 |
| 17 Municipal League Equipment | 125 | 855 | 824 | 916 | 946 | 968 | 986 | 1,001 | 1,012 | 1,024 |
| 18 SUBTOTAL | 1,086 | 2,565 | 2,611 | 2,747 | 2,837 | 2,905 | 2,959 | 3,004 | 3,035 | 3,071 |
| 19 PEG Capital ³ | 852 | 246 | 852 | 852 | 714 | 852 | 2,204 | 2,580 | 2,616 | 2,647 |
| 20 FiberNet - CIP | 3,916 | 3,916 | 3,748 | 2,979 | 4,098 | 3,945 | 1,422 | 1,100 | 1,100 | 1,100 |
| 21 (Must be greater or equal to Line 6) SUBTOTAL | 5,855 | 6,727 | 7,211 | 6,578 | 7,649 | 7,702 | 6,585 | 6,683 | 6,751 | 6,818 |
| 22 B. EXPENDITURE OF OTHER RESTRICTED FUNDS | | | | | | | | | | |
| 23 Municipal Franchise Fee Distribution¹ | | | | | | | | | | |
| 24 City of Rockville | 682 | 661 | 668 | 693 | 700 | 704 | 708 | 711 | 715 | 719 |
| 25 City of Takoma Park | 248 | 245 | 240 | 245 | 245 | 246 | 246 | 247 | 248 | 249 |
| 26 Other Municipalities | 262 | 263 | 266 | 267 | 271 | 274 | 276 | 278 | 280 | 282 |
| 27 SUBTOTAL | 1,191 | 1,168 | 1,174 | 1,205 | 1,216 | 1,223 | 1,230 | 1,236 | 1,243 | 1,250 |
| 28 Municipal Operating Support³ | | | | | | | | | | |
| 29 Rockville PEG Support | 425 | 75 | 76 | 76 | 77 | 79 | 80 | 82 | 86 | 87 |
| 30 Takoma Park PEG Support | 425 | 75 | 76 | 76 | 77 | 79 | 80 | 82 | 86 | 87 |
| 31 Muni. League PEG Support | 425 | 75 | 146 | 76 | 77 | 79 | 80 | 82 | 86 | 87 |
| 32 SUBTOTAL | 1,275 | 224 | 299 | 228 | 232 | 236 | 241 | 246 | 257 | 261 |
| 33 SUBTOTAL | 2,466 | 1,392 | 1,473 | 1,433 | 1,448 | 1,460 | 1,471 | 1,483 | 1,499 | 1,511 |
| 34 TOTAL EXPENDITURES OF RESTRICTED FUNDS | 8,321 | 8,119 | 8,684 | 8,011 | 9,097 | 9,161 | 8,055 | 8,166 | 8,250 | 8,329 |
| 35 NET TOTAL ANNUAL REVENUES | 19,262 | 18,926 | 18,979 | 19,988 | 18,922 | 19,032 | 20,323 | 20,371 | 20,466 | 20,559 |
| 36 NET TOTAL RESOURCES-CABLE FUND | 20,285 | 19,743 | 18,557 | 20,124 | 20,153 | 19,331 | 21,727 | 21,784 | 21,888 | 21,990 |
| 37 EXPENDITURES OF NON-RESTRICTED FUNDS | | | | | | | | | | |
| 38 A. Transmission Facilities Coordinating Group | | | | | | | | | | |
| 39 TFCG Application Review | 175 | 163 | 175 | 175 | 190 | 194 | 198 | 202 | 207 | 211 |
| 40 SUBTOTAL | 175 | 163 | 175 | 175 | 190 | 194 | 198 | 202 | 207 | 211 |
| 41 B. FRANCHISE ADMINISTRATION | | | | | | | | | | |
| 42 Personnel Costs - Cable Administration | 834 | 805 | 840 | 840 | 885 | 919 | 956 | 997 | 1,040 | 1,085 |
| 43 Personnel Costs - DTS Administration | 71 | 76 | 76 | 76 | 82 | 85 | 89 | 93 | 97 | 101 |
| 44 Personnel Costs - Charges for County Atty | 103 | 110 | 110 | 110 | 119 | 123 | 128 | 134 | 139 | 146 |
| 45 Operating | 80 | 74 | 81 | 81 | 75 | 51 | 52 | 53 | 55 | 56 |
| 46 Engineering & Inspection Services | 88 | 70 | 88 | 88 | 98 | 99 | 101 | 104 | 106 | 108 |
| 47 Legal and Professional Services | 275 | 174 | 268,161 | 268 | 168 | 171 | 175 | 179 | 183 | 187 |
| 48 SUBTOTAL | 1,450 | 1,308 | 1,463 | 1,463 | 1,426 | 1,450 | 1,502 | 1,559 | 1,619 | 1,682 |
| 49 SUBTOTAL | 1,625 | 1,471 | 1,638 | 1,638 | 1,616 | 1,644 | 1,700 | 1,761 | 1,826 | 1,894 |
| 50 C. MONTGOMERY COUNTY GOVERNMENT - COM | | | | | | | | | | |
| 51 Media Production & Engineering | | | | | | | | | | |
| 52 Personnel Costs | 856 | 867 | 907 | 877 | 647 | 673 | 700 | 729 | 761 | 794 |
| 53 Operating | 31 | 10 | 31 | 41 | 31 | 32 | 33 | 33 | 34 | 35 |
| 54 Contracts - TV Production | 86 | 42 | 87 | 77 | 87 | 89 | 91 | 93 | 95 | 97 |
| 55 New Media, Webstreaming & VOD Services | 38 | 50 | 38 | 48 | 38 | 39 | 40 | 40 | 41 | 42 |
| 56 SUBTOTAL | 1,012 | 969 | 1,064 | 1,044 | 804 | 832 | 863 | 896 | 931 | 968 |
| 57 Public Information Office | | | | | | | | | | |
| 58 Personnel Costs | 733 | 740 | 774 | 774 | 796 | 828 | 861 | 897 | 936 | 976 |
| 59 Operating Expenses | 12 | 9 | 12 | 12 | 12 | 12 | 13 | 13 | 13 | 14 |
| 60 Contracts - TV Production | 83 | 98 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 61 SUBTOTAL | 828 | 846 | 787 | 787 | 809 | 840 | 874 | 910 | 949 | 990 |
| 62 County Council | | | | | | | | | | |
| 63 Personnel Costs | 169 | 170 | 179 | 179 | 485 | 504 | 525 | 547 | 571 | 595 |
| 64 Operating Expenses | 13 | 41 | 13 | 13 | 13 | 13 | 14 | 14 | 14 | 14 |
| 65 Contracts - TV Production | 140 | 148 | 152 | 152 | 152 | 154 | 158 | 161 | 165 | 169 |
| 66 General Sessions and Committee Meetings | 101 | 101 | 101 | 101 | 101 | 103 | 105 | 107 | 110 | 113 |
| 67 Multi-Lingual/Cultural Production Services | 91 | 49 | 91 | 91 | 91 | 93 | 95 | 97 | 99 | 101 |
| 68 SUBTOTAL | 514 | 509 | 536 | 536 | 842 | 868 | 896 | 926 | 958 | 992 |
| 69 MNCPPC | | | | | | | | | | |
| 70 Contracts - TV Production | 99 | 95 | 99 | 99 | 99 | 100 | 103 | 105 | 107 | 110 |
| 71 New Media, Webstreaming & VOD Services | 24 | 23 | 24 | 24 | 24 | 25 | 25 | 26 | 26 | 27 |
| 72 SUBTOTAL | 123 | 118 | 123 | 123 | 123 | 125 | 128 | 131 | 134 | 137 |
| 73 SUBTOTAL | 2,477 | 2,442 | 2,509 | 2,489 | 2,578 | 2,665 | 2,760 | 2,863 | 2,973 | 3,087 |

| | | | | | | | | | | | |
|-----|---|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 74 | D. MONTGOMERY COLLEGE - MC ITV | | | | | | | | | | |
| 75 | Personnel Costs | 1,260 | 1,260 | 1,344 | 1,344 | 1,456 | 1,513 | 1,575 | 1,641 | 1,712 | 1,785 |
| 76 | Operating Expenses | 86 | 86 | 86 | 86 | 86 | 88 | 89 | 91 | 94 | 96 |
| 77 | SUBTOTAL | 1,346 | 1,346 | 1,430 | 1,430 | 1,542 | 1,492 | 1,560 | 1,560 | 1,560 | 1,560 |
| 78 | E. PUBLIC SCHOOLS - MCPS ITV | | | | | | | | | | |
| 79 | Personnel Costs | 1,371 | 1,380 | 1,490 | 1,490 | 1,548 | 1,609 | 1,674 | 1,744 | 1,820 | 1,898 |
| 80 | Operating Expenses | 106 | 97 | 106 | 106 | 106 | 108 | 110 | 112 | 115 | 118 |
| 81 | SUBTOTAL | 1,477 | 1,477 | 1,596 | 1,596 | 1,654 | 1,717 | 1,784 | 1,857 | 1,935 | 2,016 |
| 82 | F. COMMUNITY ACCESS PROGRAMMING⁴ | | | | | | | | | | |
| 83 | Personnel Costs | 1,904 | 1,904 | 1,954 | 1,954 | 2,042 | 2,122 | 2,208 | 2,300 | 2,400 | 2,503 |
| 84 | Operating Expenses | 67 | 67 | 67 | 67 | 67 | 68 | 70 | 71 | 73 | 75 |
| 85 | Rent & Utilities | 374 | 374 | 385 | 385 | 396 | 404 | 412 | 421 | 431 | 441 |
| 86 | New Media, Webstreaming & VOD Services | 23 | 23 | 23 | 23 | 23 | 24 | 24 | 25 | 25 | 26 |
| 87 | SUBTOTAL | 2,369 | 2,369 | 2,429 | 2,429 | 2,528 | 2,618 | 2,714 | 2,818 | 2,929 | 3,045 |
| 88 | G. PEG OPERATING | | | | | | | | | | |
| 89 | Operating Expenses | 107 | 77 | 116 | 116 | 206 | 185 | 189 | 193 | 197 | 202 |
| 90 | Youth and Arts Community Media | 50 | 50 | 150 | 150 | 100 | 102 | 104 | 106 | 109 | 111 |
| 91 | Community Engagement | 91 | 92 | 91 | 91 | 91 | 93 | 95 | 97 | 99 | 101 |
| 92 | Closed Captioning | 130 | 130 | 130 | 130 | 163 | 166 | 170 | 173 | 189 | 189 |
| 93 | Technical Operations Center (TOC) | 10 | 11 | 10 | 10 | 10 | 10 | 10 | 11 | 11 | 11 |
| 94 | Mobile Production Vehicle | 22 | 13 | 22 | 22 | 19 | 19 | 20 | 20 | 21 | 21 |
| 95 | SUBTOTAL | 409 | 372 | 518,288 | 518 | 590 | 575 | 587 | 600 | 626 | 636 |
| 96 | H. FIBERNET OPERATING | | | | | | | | | | |
| 97 | FiberNet - Personnel Charges for DTS | 595 | 490 | 689 | 602 | 727 | 756 | 786 | 819 | 855 | 892 |
| 98 | FiberNet - Operations & Maintenance DTS | 1,131 | 1,143 | 1,131 | 1,202 | 1,126 | 1,147 | 1,171 | 1,197 | 1,224 | 1,253 |
| 99 | FiberNet - Network Operations Center | | | | | 729 | 910 | 910 | 910 | 910 | 910 |
| 100 | FiberNet - Personnel Charges for DOT | 74 | 74 | 76 | 76 | 101 | 105 | 109 | 114 | 118 | 124 |
| 101 | FiberNet - Operations & Maintenance DOT | 238 | 238 | 359 | 359 | 351 | 357 | 365 | 373 | 381 | 390 |
| 102 | SUBTOTAL | 2,038 | 1,945 | 2,255 | 2,240 | 3,034 | 3,275 | 3,341 | 3,412 | 3,489 | 3,568 |
| 103 | I. MISS UTILITY COMPLIANCE | | | | | | | | | | |
| 104 | Miss Utility Compliance | 300 | 305 | 420 | 420 | 420 | 428 | 437 | 447 | 457 | 467 |
| 105 | SUBTOTAL | 300 | 305 | 420 | 420 | 420 | 428 | 437 | 447 | 457 | 467 |
| 106 | TOTAL EXPENDITURE OF UNRESTRICTED FUNDS | 12,041 | 11,727 | 12,796 | 12,760 | 13,963 | 14,414 | 14,883 | 15,317 | 15,795 | 16,274 |
| 107 | TOTAL EXPENDITURE OF RESTRICTED FUNDS | 8,321 | 8,119 | 8,684 | 8,011 | 9,097 | 9,161 | 8,055 | 8,166 | 8,250 | 8,329 |
| 108 | TOTAL EXPENDITURES - PROGRAMS | 20,362 | 19,846 | 21,480 | 20,771 | 23,059 | 23,576 | 22,938 | 23,483 | 24,045 | 24,602 |
| 109 | J. OTHER | | | | | | | | | | |
| 110 | Indirect Costs Transfer to Gen Fund | 539 | 539 | 579 | 579 | 614 | 638 | 664 | 692 | 722 | 753 |
| 111 | Indirect Costs Transfer to Gen Fund (ERP & MCTime) | 25 | 25 | 30 | 30 | - | 0 | 0 | 0 | 0 | 0 |
| 112 | Transfer to the General Fund | 7,175 | 7,175 | 4,266 | 5,035 | 4,787 | 2,385 | 4,276 | 3,864 | 3,450 | 3,034 |
| 113 | Legislative Community Communications NDA | 400 | 400 | 488 | 488 | 490 | 490 | 490 | 490 | 490 | 490 |
| 114 | SUBTOTAL | 8,139 | 8,139 | 5,363 | 6,132 | 5,891 | 3,513 | 5,430 | 5,046 | 4,662 | 4,277 |
| 115 | TOTAL EXPENDITURES | 28,501 | 27,985 | 26,843 | 26,904 | 28,951 | 27,089 | 28,369 | 28,529 | 28,707 | 28,879 |
| 116 | K. ADJUSTMENTS | | | | | | | | | | |
| 117 | Prior Year Adjustments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 118 | Encumbrance Adjustment | 0 | (271) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 119 | Transfer for Vehicle | 0 | 12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 120 | TOTAL ADJUSTMENTS | 0 | (259) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 121 | FUND BALANCE | 105 | 136 | 398 | 1,231 | 299 | 1,404 | 1,413 | 1,422 | 1,431 | 1,439 |
| 122 | FUND BALANCE PER POLICY GUIDANCE⁵ | 1,377 | 1,344 | 1,370 | 1,381 | 1,395 | 1,404 | 1,413 | 1,422 | 1,431 | 1,439 |
| 123 | L. SUMMARY - EXPENDITURES BY FUNDING SOURCE | | | | | | | | | | |
| 124 | Transfer to Gen Fund-Indirect Costs | 564 | 564 | 610 | 610 | 614 | 638 | 664 | 692 | 722 | 753 |
| 125 | Transfer to Gen Fund-Mont Coll Cable Fund ⁶ | 1,346 | 1,346 | 1,430 | 1,430 | 1,542 | 1,492 | 1,560 | 1,560 | 1,560 | 1,560 |
| 126 | Transfer to Gen Fund-Public Sch Cable Fund ⁶ | 1,477 | 1,477 | 1,596 | 1,596 | 1,654 | 1,717 | 1,784 | 1,857 | 1,935 | 2,016 |
| 127 | Transfer to CIP Fund | 3,916 | 3,916 | 3,748 | 2,979 | 4,098 | 3,945 | 4,422 | 4,100 | 4,100 | 4,100 |
| 128 | Transfer to the General Fund-Other | 7,175 | 7,175 | 4,266 | 5,035 | 4,787 | 2,385 | 4,276 | 3,864 | 3,450 | 3,034 |
| 129 | Transfer to the General Fund-Legislative Branch NDA | 400 | 400 | 488 | 488 | 490 | 490 | 490 | 490 | 490 | 490 |
| 130 | FUND TRANSFERS SUBTOTAL | 14,878 | 14,878 | 12,137 | 12,137 | 13,186 | 10,666 | 10,196 | 9,563 | 9,257 | 8,953 |
| 131 | Cable Fund Expenditure of Unrestricted Funds | 9,218 | 8,904 | 9,770 | 9,735 | 10,766 | 11,206 | 11,539 | 11,900 | 12,300 | 12,698 |
| 132 | Cable Fund Direct Expenditures | 13,623 | 13,107 | 14,706 | 14,767 | 15,765 | 16,422 | 18,172 | 18,966 | 19,450 | 19,926 |
| 133 | Cable Fund Personnel | 3,434 | 3,330 | 3,651 | 3,535 | 3,843 | 3,993 | 4,155 | 4,329 | 4,516 | 4,711 |
| 134 | Cable Fund Operating | 10,189 | 9,777 | 11,055 | 11,232 | 11,922 | 12,429 | 14,018 | 14,637 | 14,933 | 15,215 |

Notes: These projections are based on the Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, transfers, and fund balances may vary based on changes not assumed here to fee or tax rates, usage, inflation, future labor agreements, and other factors.

1. Subject to municipal pass-through payment.
2. Restricted revenue and expenditures: Certain Cable Fund revenues, required in excess of the federal limit on franchise fees, and corresponding expenditures (Municipal Franchise Fees/Pass-throughs, PEG Capital/Equipment Grants, and PEG Operating Revenue) are contractually required by franchise, municipal, and settlement agreements, and by the County Code, and may only be used for permissible federal purposes and in a manner consistent with applicable agreements.
3. The Comcast franchise renewal process is ongoing and specific elements of a final agreement are uncertain. Restricted categories such as PEG Capital and Operating support revenues, as well as Municipal Capital and Operating Support expenditures, will be affected. Municipal cost sharing is dependant on final negotiation of agreements between the County and municipalities. The County may require Capital Grants based on community needs. The County may negotiate, but may not require Operating Grants in addition to Franchise Fees. FY16-FY21 assumes that the County will receive payments from Comcast calculated at a new franchise agreement, but assumes Municipal payments as similar to the previous franchise agreement.
4. Montgomery Community Television, Inc., d/b/a Montgomery Community Media, is designated as a sole source contractor to provide community access media services.
5. Fund balance per policy guidance is calculated as 8% of total non-restricted revenues (franchise fees, tower fees, and investment income).
6. The Cable Fund makes a fund transfer to Montgomery College and MCPS to support MCPS ITV and MC ITV.



DEPARTMENT OF TECHNOLOGY SERVICES

Isiah Leggett
County Executive

Harash (Sonny) Segal
Chief Information Officer

MEMORANDUM

July 1, 2015

TO: Nancy Navarro, Chair
Government Operations and Fiscal Policy Committee
Montgomery County Council

FROM: H. N. Sonny Segal, Director
Department of Technology Services

SUBJECT: Status Report on the Implementation of the FiberNet Network Operations Center (NOC)

The purpose of this memorandum is to provide an update on the status of the efforts to implement a NOC, as requested in your memorandum dated February 3, 2015.

DTS has directed the contracted project manager (PM) to develop a mid-level detail plan including monthly targeted steps to accomplishing the major milestone as outlined in my May 1, 2015 Memorandum. This month's major accomplishments are reflected in the table below. They include: 1) the delivery of the new Network Management System (NMS) equipment and beginning of the installation of the workstations that will be used to operate and maintain FiberNet; 2) the interview and tentative selection of the network operations personnel who will staff the NOC stand up from now till Final Operational Capability is achieved in 2016; 3) continued initiation of requests to meet with an expanding list of Agency Points of Contact in-order to develop Service Level Agreements; we received one significant and positive response this month from HOC; 4) drafting of a Concept of Operations document presently in review. Additionally, a review of the County-wide Help Desk Response Plans was completed as related to FiberNet trouble ticket creation and resolution with a focus on future NOC involvement.

The following table provides an update to the timeline of major target milestones.

Table with 4 columns: No., Milestone, Target Completion Date, Issues/Comments. It lists two milestones: Project Manager retained (March 20, 2015) and NOC logistics completed (May 30, 2015).

Office of the CIO

101 Monroe Street, 13th Floor, Rockville, Maryland 20850
240 777-2900 FAX 240 777-2831

| No. | Milestone | Target Completion Date | Issues/Comments |
|-----|---|-----------------------------|--|
| | | | Data Center. Workstation equipment has been received and is being deployed. |
| 3. | NOC staff retained | July 31 2015 (updated) | Four well-qualified candidates have been identified and a task order will be issued shortly. |
| 4. | Phase 1 - Ramp-up completed | September 1, 2015 (updated) | Includes training program and server/workstations. |
| 5. | Concept of Operation drafted | July 15, 2015 | Pending PM review. |
| 6. | Phase 2 - 24x7 Operation implemented | October 1, 2015 | Monitoring, call taking. |
| 7. | SLAs negotiated | October 31, 2015 | ITPCC agencies. |
| 8. | Phase 3 - Full function operation implemented | March 1, 2016 | Design review, change management. |
| 9. | Phase 4 - TMC integration accomplished | December 1, 2016 | FY17 activity. |

The following table summarizes the status of the FY15 NOC funds on June 30, 2015. This item may be on the list for the FY16 Savings Plan.

| Item | Amount (\$) |
|----------------------|-------------|
| Starting Balance | \$360,000 |
| NOC PM task order | \$184,310 |
| Unencumbered Balance | \$175,690 |

I look forward to providing the next status update in the first week of August.

- c: Timothy L. Firestine, Chief Administrative Officer
Jennifer Hughes, Director, Office of Management and Budget
Fariba Kassiri, Assistant Chief Administrative Officer
Dieter Klinger, Chief Operation Officer, DTS
Max Stuckey, Chief, Telecommunications Division, DTS
John Castner, Manager, Network Services, DTS

Price, Linda

From: Finn, Erika Lopez
Sent: Tuesday, July 14, 2015 12:27 PM
To: Price, Linda
Cc: Branson, Cherri; Jones, Pam; Denno, Grace; Thomas, Marsha Watkins
Subject: Procurement Savings Plan Questions

1. The savings will reduce the number of legally required audits to four. How many were done last year and what was spent on audits? Was there an estimate of audits to be performed in FY16?

The law mandates audits but does not specify how many. Below is historical reference:

- a. Between 2004-2013, we conducted 5 wage investigations and 5 limited scope audits. Total cost was \$140,000.
- b. In FY14, we did 4 limited scope audits: CAMCO (\$29,760), Potomac Disposal (\$9,750), Unity (\$8,000) and Ecology(\$6,000), total expenditure is \$53,510 in FY14.
- c. In FY 15, we did 3 full audits (Potomac Disposal (\$46,080), Unity (\$27,520) and Camco (\$67,908). We also initiated another limited scope audit on Securitas (quoted \$27,904). The total expenditure is \$169,412 in FY15.
- d. In FY16, we estimate 4 random/limited scope audits and depending on the findings, we may need to initiate full audits thereafter. We reserved \$80,000 for this task in FY16.

Random Audits: randomly selected contractors, auditing a sample of employees and pay periods during a selected period to determine if the employer is in compliance of the WRL (Wage Requirements Law). If a Random Audit indicates there was a violation of the WRL, the County may initiate a Full-Scope Compliance Audit.

Limited Scope Audits: response to complaints or other allegations of WRL violations. The complaints can come from an employee, a departmental Contract Administration, a news media report, etc. These audits use a sample of employees and pay periods during a selected period to determine if the employer is in compliance of the WRL. If a Random Audit indicates there was a violation of the WRL, the County may initiate a Full-Scope Compliance Audit.

Full-Scope Audits: if either a Random Audit or a Limited Scope Audit finds indication of violation of the WRL, a Full-Scope Audit will be initiated by the County. A full-scope audit is conducted generally on a 100 percent of employees and payrolls from the beginning of the contract to the initiation of the audit.

2. The reduction would reduce to 10% the number of at-risk work sites being reviewed. How many sites were reviewed and what was the cost in FY15? How many were estimated for FY16? Of the \$20,000, what are the exact amounts for audits and work site reviews?
 - a. In FY15, we did not budget this item. The site visits were conducted for the five sites subject to audit. The cost was included in the audit cost.
 - b. In FY16, we engaged a consultant firm to do the site visits. We estimate 4-5 site visits a week to cover at-risk work sites (estimated at 50). Each visit is estimated to be \$28 for in-County site visits and \$55 for out-of-County site visits. To complete the 50 high risk sites, the estimate is \$2,000 and remains in the budget. In FY16, the plan was to conduct four to six random audits; the \$20,000 reduction would mean a maximum of four random audits for FY16.
3. There are proposed savings for Hosted Events, Professional Trainings, and Travel of \$11,300. Are these for the MFD and LSBRP programs? If not, is there any additional information on the types of activities that would be cut?
 - a. The Hosted and Outreach events include MFD and LSBRP outreach efforts. The reduction on this item is \$7,800, leaving \$13,200 in budget. These reductions will be mitigated by using no-cost or low cost venues to host these events and reducing paid participation activities, such as sponsorship for programs and events hosted by external groups.
 - b. Professional training, travel and collaboration are for Procurement operations staff for workshops, lectures and other training, national certification exam and re-certification, and travel to procurement events for networking and collaboration on resource sharing opportunities. The reduction is \$3,500, leaving \$5,823 in budget. The impact will be mitigated by using in-house training resources to assure a level of proficiency. Networking and collaboration events that require payment will be replaced by low-cost or no-cost activities.

Maryland Politics

Why the women who clean Montgomery garages didn't get their "living wage"

By Bill Turque May 10

For nine years, Reyna Mendez made above minimum wage cleaning the public parking garage on Elm Street in downtown Bethesda. Her pay was guaranteed by a Montgomery County law requiring a "living wage," meaning enough to survive in this expensive region.

But in 2012, new deductions appeared on Mendez's pay stub for benefits she neither asked for nor, in some cases, received — including cellphones, uniforms and vision coverage. Her pay shrank from \$13.65 an hour to about \$8.65.

Mendez says she was fired after she confronted her bosses at the Gaithersburg-based Camco. Now, she and seven other garage cleaners, all Hispanic women, are suing the company and the county for back wages and damages.

Ad

Their situation exposes a weak spot in the affluent county's aggressively liberal lawmaking regimen. Despite a raft of statutes intended to protect vulnerable workers, oversight and enforcement remain spotty. Experts say there are other jurisdictions that do a better job of making protections stick.

A 2013 county audit confirmed some of the women's allegations, including Camco's practice of improperly deducting the entire cost of health-care premiums from their paychecks. In Mendez's case, that amounted to more than \$500 a month. The county terminated a prior contract with Camco in 2010 because it kept virtually no payroll records, also a violation of living-wage regulations.

County attorneys maintain that Montgomery has no legal obligation to the women because they worked for an independent contractor, not the government.

"It's the ultimate hypocrisy," said John Riely, the women's attorney. "These women do the kind of work that very few

people want to do.”

Neither Camco executives nor their attorney responded to multiple phone and e-mail messages this past week. In a court filing answering allegations in the lawsuit, company owner Julio Arce denied “any and all liability.”

County government spokesman Ohene Gyapong declined to discuss the lawsuit because it remains pending. “The county recognizes and values the people who work to support our services and our residents,” Gyapong said in a statement. “The county is working to ensure everyone involved receives the compensation they are due.”

A motion by the county asking to be dismissed from the case was denied in Montgomery County Circuit Court. A hearing is scheduled for June 1 on a new motion, in which the county is seeking to be tried separately from Camco.

Montgomery’s living wage, \$14.15 an hour, has been in effect since 2003 and covers about 400 companies that provide services to the county. The ordinance is most significant for employees of approximately 40 firms that do low-paying janitorial, cleaning and landscaping work.

Ad

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About 140 cities and counties — including Arlington and the District — have similar statutes. Many were passed in the late 1990s and early 2000s, when efforts to raise the minimum wage for all workers were going nowhere.

[Minimum wage is going up in more cities]

As with many of the progressive laws Montgomery County legislators have passed in an effort to protect public health and welfare — including a ban on trans fats, a nickel tax on plastic shopping bags and a prohibition against asking questions about an applicant’s criminal convictions on job applications — Montgomery’s enforcement of its living-wage law is “complaint-based.”

That means there are no inspectors or compliance officers proactively checking for problems. For a company to be investigated, a worker would have to come forward.

Montgomery has one general services department staffer who is supposed to dedicate 30 percent of his time to checking into living-wage complaints. There is no daily fine for noncompliance and no requirement for firms to submit payroll information to the county certifying that proper wages are being paid. Nor is there any provision for

disqualifying a firm that breaks the law from bidding on new contracts in the future, once a two-year penalty period has expired.

In fact, Camco — which was fired by the county in 2010 for not documenting what it was paying its workers — bid on and won the three-year garage-cleaning contract in 2012. The agreement, worth about \$430,000, expires this month, and Camco is a bidder for the contract that will replace it.

Since 2003, when the law took effect, county officials say they have received 12 complaints that the law was not being followed. Eight led to findings of wrongdoing.

Stephanie Luce, City University of New York professor of labor studies, has analyzed living-wage laws across the country and said other jurisdictions are more aggressive in their enforcement.

She cited San Diego, which employs a living-wage manager and two senior compliance officers. Since 2006, when its law went into effect, the city has completed 57 investigations, found wrongdoing in 33 and recovered more than \$385,000 in back pay.

Montgomery General Services Director David Dise, whose department oversaw county procurement until a recent reorganization, said the low volume of complaints received by the county “would indicate that the vast majority of companies comply with the law.”

But advocates say the low-skilled, mostly immigrant workers who depend most on the living wage are among the least likely to complain, out of concern for their job security or immigration status.

Grace Denno, who heads business relations and compliance for the county’s newly formed procurement office — taking over for Dise — said she thinks the lack of enforcement is the issue.

Denno also oversees compliance of the county’s separate “prevailing wage” law, which requires that construction workers on county-funded projects be paid the same as private-sector employees doing comparable work in the region.

The county employs an auditing firm full time to make spot checks at construction sites and ensure that workers are being properly paid.

Unlike the living-wage measure, there are monetary penalties — \$10 per worker per day — for contractors who wait more than two weeks to submit proper payrolls to the county.

Denno said the number of violations found by the auditors “is much higher than if we just wait here for complaints.”

The garage-cleaning jobs are arduous, advocates say, with the women arriving at 6 a.m. to sweep, hose, scrub and polish in advance of the day's traffic. Mendez, 41, said she sent most of her money to five of her children in her native Guatemala.

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She feels betrayed by Camco. "After all these years, they tell me I'm fired," she said through a translator.

Mendez and the other plaintiffs — six of whom are listed as Jane Does in court documents because they still work for Camco and fear retaliation — said they are also disappointed with county officials, who they said regularly inspected the garage and came to know the women well. While contractors came and went, they said, the county was the constant in their work lives.

Gilma Alarcon, who broke her arm falling down the stairway of a Silver Spring garage, said workers told the county numerous times about the improper deductions.

"They said they were going to help us," Alarcon said.

Bill Turque, who covers Montgomery County government and politics, has spent more than thirty years as a reporter and editor for The Washington Post, Newsweek, the Dallas Times Herald and The Kansas City Star.