

PHED Committee #1
July 20, 2015

MEMORANDUM

July 16, 2015

TO: Planning, Housing and Economic Development Committee

FROM: Jacob Sesker, Senior Legislative Analyst *JS*
Linda Price, Legislative Analyst *LP*

SUBJECT: FY16 Savings Plan

On July 13, the Committee reviewed elements of the Executive's recommended FY16 Savings Plan that are under its jurisdiction. See ©1-14 for the Executive's July 8 transmittal. The Committee requested additional information regarding certain elements of the savings plan.

ECONOMIC DEVELOPMENT

The CE's recommended savings included \$50,000 related to MBDC's marketing activities. **Council Staff characterized the savings as "manageable."** Councilmembers Floreen and Leventhal requested additional information regarding this proposed reduction.

MBDC agrees that the cut is manageable. Some of the possible expanded marketing efforts do not make sense in light of the transition (e.g., spending on an expanded social media program, improved website, brochures and collateral material, etc.). Furthermore, MBDC can spend down cash reserves if necessary to take advantage of marketing opportunities that arise over the next few months.

The \$50,000 was added to the budget by the Council in reconciliation¹. The Committee was not specific about what additional marketing-related expenditures would be funded through the reconciliation list item. DED and MBDC did not expand the scope of services or price of services in the executed contract for FY16 because of the pending savings plan. If the Council decides to oppose the recommended savings, DED and MBDC will have to execute an amendment to the contract in order to change both the scope of services and the price term.

For more information regarding potential expanded services, see © 17.

¹ Council Staff had opposed adding the money to the budget, generally noting the challenges of marketing during a transition (e.g., that logos and contact information will change, relationships between individuals will be interrupted or lost, etc.).

URBAN DISTRICTS

This information will be distributed as an addendum once it is ready.

Attachments:

Executive's transmittal © 1
MBDC Base and Proposed Budget (March 2015) © 17

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OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

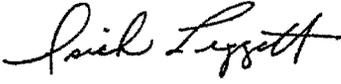
Isiah Leggett
County Executive

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).



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George Leventhal, Council President
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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	FY16 Approved <small>(per Council Resolution 18-159)</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	11,832,745	-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	-121,782	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>				

FY16 SAVINGS PLAN ANALYSIS

Fund/Department Name	FY16 Approved <small>(per Council Resolution 16-150)</small>	CE Recommended		Savings as a percent of Original FY16 Budget
		Total \$	Revenue	
<u>Mass Transit</u>	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			
<i>Board of Appeals</i>			
1	LAPSE IN EXECUTIVE DIRECTOR POSITION	-11,790	0
		Board of Appeals Total:	0
<i>Board of Elections</i>			
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:	0
<i>Circuit Court</i>			
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:	0
<i>Community Engagement Cluster</i>			
8	LAPSE PROGRAM MANAGER I	-69,702	0
		Community Engagement Cluster Total:	0
<i>Consumer Protection</i>			
9	LAPSE ADMINISTRATIVE SPECIALIST I	-47,780	0
		Consumer Protection Total:	0
<i>Correction and Rehabilitation</i>			
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:	0
<i>County Attorney</i>			
16	DECREASE EXPENSES	-113,206	0
		County Attorney Total:	0

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FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

Ref No.	Title	Total \$	Revenue
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
Economic Development			
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
Emergency Management and Homeland Security			
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
Environmental Protection			
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
Ethics Commission			
33	OPERATING EXPENSES	-7,640	0
Ethics Commission Total:		-7,640	0
Finance			
34	PERSONNEL COST SAVINGS	-274,258	0

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

Ref No.	Title	Total \$	Revenue
		Finance Total:	0
		-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:	0
		-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

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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
 Housing and Community Affairs			
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
 Human Resources			
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
Inspector General			
87	REDUCE OTHER PROFESSIONAL SERVICES (ACCOUNT 60530)	-20,860	0
Inspector General Total:		-20,860	0
Intergovernmental Relations			
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
Legislative Oversight			
92	PERSONNEL COSTS	-29,586	0
Legislative Oversight Total:		-29,586	0
Management and Budget			
93	PERSONNEL COSTS	-81,878	0
Management and Budget Total:		-81,878	0
Merit System Protection Board			
94	DECREASE OPERATING EXPENSE	-3,930	0
Merit System Protection Board Total:		-3,930	0
NDA - Arts and Humanities Council			
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
NDA - Housing Opportunities Commission			
98	2 PERCENT UNSPECIFIED COST REDUCTION	-128,028	0
NDA - Housing Opportunities Commission Total:		-128,028	0
Office of Procurement			
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

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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

(11)

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
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14

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
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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
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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	

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FY16 SAVINGS PLAN

FY16 Savings Plan

MC Tax Supported

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

M-NCPPC Administration

M-NCPPC

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

M-NCPPC

181	FY16 SAVINGS PLAN	-1,157,738	0
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	M-NCPPC Total:	-1,157,738	0
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	M-NCPPC Park Total:	-1,157,738	0
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	M-NCPPC Tax Supported Total:	-1,529,329	0
	Net Savings:		
	<i>(Total Exp. Savings & Revenue Changes)</i>	-1,529,329	

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

Uses of Funds from All Sources

FY 16 Base Budget		FY 16 MBDC Proposed Budget		Difference
Personnel	\$389,000	Personnel	\$404,836	\$15,836
Rent/Organization	\$54,850	Rent/Organization	\$54,850	\$0
Accounting	\$15,000	Accounting	\$15,000	\$0
Databases	\$11,000	Databases	\$12,000	\$1,000
Professional Development	\$2,000	Professional Development	\$3,600	\$1,600
Brochures/Collateral	\$12,000	Brochures/Collateral	\$30,000	\$18,000
DBED Recruiting Trip	\$1,800	DBED Recruiting Trip	\$4,000	\$2,200
Site Selection Cons. Outreach	\$4,000	Site Selection Cons. Outreach	\$10,000	\$6,000
ICSC Conferences	\$8,000	ICSC Conferences	\$12,000	\$4,000
IAMC Conference	\$0	IAMC Conference	\$4,000	\$4,000
Meetings/Entertainment	\$7,000	Meetings/Entertainment	\$15,000	\$8,000
Advertising	\$10,000	Advertising	\$30,000	\$20,000
Contract Services	\$10,000	Contract Services	\$30,000	\$20,000
Communications/Social Media	\$2,500	Communications/Social Media	\$10,000	\$7,500
Memberships	\$4,800	Memberships	\$4,800	\$0
Website Hosting, Maintenance	\$5,000	Website Hosting, Maintenance	\$10,000	\$5,000
	\$536,950		\$650,086	\$113,136

MEMORANDUM

July 17, 2015

TO: Planning, Housing, and Economic Development Committee
FROM: Linda Price, ^{LP}Legislative Analyst
SUBJECT: FY16 Savings Plan: Urban Districts

On July 13, the Committee reviewed elements of the Executive's recommended FY16 Savings Plan that are under its jurisdiction. The Committee requested greater clarity regarding certain elements of the Urban Districts savings plan, particularly surrounding funding sources for the proposed reductions. See ©1- 6 for the Executive's July 8 transmittal and related information.

Background

For FY16, the Council appropriated a total of \$8,877,052 for the Urban District Budgets. The Executive is recommending a savings plan reduction of \$621,542, overall a 7.0% reduction to the Council's May appropriation.

In May, the Council restored operating expense reductions in the Bethesda and Silver Spring Urban Districts to the Executive's FY16 Recommended Operating Budget. The Council also added \$150,000 in each of the Urban Districts for service enhancements. The following table illustrates the additional funds, with revenue sources, that the Council added in the Urban Districts in FY16. It also seeks to clarify that the savings plan is reducing the General Fund portion of the Urban District budgets.

Urban District Funding Source	FY16 CE Recommended	Council Changes	FY16 Council Approved	Savings Plan
<i>Bethesda General Fund</i>	\$500,318	+\$150,000 service enhancements	\$650,318	-\$212,074
<i>Bethesda PLD Funds</i>	\$2,050,578	+\$112,077 to restore operating expense reductions +\$38,300 wage adjustments	\$2,200,955	-\$0

Urban District Funding Source	FY16 CE Recommended	Council Changes	FY16 Council Approved	Savings Plan
<i>Silver Spring General Fund</i>	\$524,660	\$0	\$524,660	-\$220,244
<i>Silver Spring PLD Funds</i>	\$2,201,257	+\$150,000 service enhancements +\$96,948 to restore operating expense reductions	\$2,448,205	-\$0
<i>Wheaton General Fund</i>	\$1,817,509	-\$607,000 reduction to General Fund transfer +\$150,000 service enhancements	\$1,360,509	-\$189,224
<i>Wheaton PLD Funds</i>	\$0	+\$607,000 to reduce General Fund transfer into Wheaton Urban District	\$607,000	\$0

Savings Plan Reductions

In May, the Council approved \$150,000 in each of the Urban Districts for service enhancements. It is expected to be spent on items such as enhanced streetscape maintenance, sidewalk repair, promotions and marketing, Clean and Safe team activities, and other similar items. **Council staff recommends cutting \$150,000 in service enhancement funds that the Council added in May from each of the Urban Districts.** By accepting Council's staff's recommendation, this would reduce the Urban District budgets by \$450,000, overall a 5.1% reduction from the Council's May appropriation.

The Executive's proposed savings plan recommends the following additional reductions above the \$150,000 service enhancements amount as follows: Bethesda -\$62,074; Silver Spring -\$70,244; Wheaton -\$39,224. **Council staff does not recommend taking these remaining reductions.** The Council made it a priority to preserve and enhance services in the Urban Districts for FY16. This was done by adding funds on the reconciliation list or by increasing the transfers from the Parking Lot District (PLD) in cases where PLD funds could cover those enhancements. Council staff's recommendation to cut \$150,000 from each of the Urban Districts would keep consistent with the Council's intent to preserve services, but still contributes to the savings plan.

Parking Lot District Loan Follow-Up

During the July 13 PHED Committee meeting, the Bethesda PLD financial situation was mentioned. In May, the Council approved a \$3 million loan from the Silver Spring PLD to the Bethesda PLD to be paid back in FY18. This does not relate to the reductions in the savings plan.



2015 JUL -8 PM 5:36

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).



①

George Leventhal, Council President
July 8, 2015
Page 2

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 ongoing 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
 Page 3

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	FY16 Approved per Council Resolution 16-102	CE Recommended		Savings as a percent of Original FY16 Budget
		Total \$	Revenue	
Tax Supported				
General Fund				
Board of Appeals	588,425	-11,790	0	-2.0%
Board of Elections	6,556,351	-60,000	0	-0.8%
Circuit Court	11,832,745	-101,404	0	-0.8%
Community Engagement Cluster	3,485,081	-69,702	0	-2.0%
Consumer Protection	2,388,730	-47,780	0	-2.0%
Correction and Rehabilitation	70,809,851	-1,255,800	0	-1.8%
County Attorney	5,680,259	-113,208	0	-2.0%
County Council	10,828,888	-218,540	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	-27,066	0	-2.0%
Environmental Protection	2,200,860	-113,685	0	-5.2%
Ethics Commission	382,007	-7,840	0	-2.0%
Finance	13,712,942	-274,258	0	-2.0%
General Services	26,939,015	-908,781	0	-3.4%
Health and Human Services	209,253,900	-3,898,044	0	-1.9%
Housing and Community Affairs	5,554,107	-111,082	0	-2.0%
Human Resources	8,088,066	-121,782	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	4,873,815	-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	270,817,984	-2,008,877	0	-0.7%
Public Information	4,932,519	-78,850	0	-1.6%
Public Libraries	40,707,935	-1,578,062	0	-3.9%
Sheriff	23,044,208	-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	48,098,835	-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:	1,026,881,378	-15,619,237	0	-1.5%
Special Funds				
<u>Urban District - Bethesda</u>				
Urban District - Bethesda	3,253,887	-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	-8.0%
<u>Mass Transit</u>				

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

Ref No.	Title	Total \$	Revenue
158	WIFI ACCESS AT RECREATION FACILITIES Funding was provided to support new installation and access to WiFi points within 8 facilities. Funding will be provided for 4 of these 8 facilities.	-48,000	0
159	ADDITIONAL LAPSE AND TURNOVER SAVINGS There will be no service impact related to this reduction. Lapsed funding has been identified as a direct result of filling existing previously funded positions at a lower cost to the agency.	-147,017	0
160	SUSPEND MULT-LINGUAL RECREATION SPECIALIST POSITION This position remains unfilled from FY 15, however, the department continues to use workaround methods to fill this gap.	-82,394	0
161	SUSPEND PROGRAM SPECIALIST II POSITION This position remains unfilled from FY 15, however, the department continues to use workaround methods to fill this gap. The position is intended to provide statistical analysis and data reports to CountyStat, Data Montgomery, and Open Montgomery.	-82,394	0
162	REDUCE SEASONAL STAFFING IN DIRECTOR'S OFFICE TO SUPPORT SAVINGS PLAN The Department is often called to support Executive Branch programs, events, and initiatives. The reduction of these funds may limit the Department's ability to support these activities for other County Departments and the County Executive's office.	-42,034	0
Recreation Total:		-561,839	0
Recreation Total:		-561,839	0

Urban District - Bethesda

Urban Districts

163	PROMOTIONS This is a reduction to the Bethesda Urban Partnership budget for promotions.	-102,074	0
164	STREETSCAPE MAINTENANCE The reduction of \$75,000 in streetscape maintenance will inhibit enhancements in this program. For example; this reduction would result in landscaping beds and tree pits only being mulched once per year in the spring instead of twice. Mulch is lost throughout the season from rain, wind and other factors. We would not reapply so bare areas would result, potentially leading to root issues with trees and shrubs since mulch acts as a temperature regulator and water holder.	-75,000	0
165	SIDEWALK MAINTENANCE Sidewalk repairs would be limited to emergency repairs resulting in other damaged sidewalks to be prioritized by those in the most need of repairs. As the sidewalks age and development continues in the downtown, the remaining budget would not be sufficient to handle emergency repairs ,which totaled over \$40,000 in previous fiscal years, and other sidewalks in need of repair. This will result in a reduction in proactive repairs.	-35,000	0
Urban Districts Total:		-212,074	0
Urban District - Bethesda Total:		-212,074	0

Urban District - Silver Spring

Urban Districts

166	ADMINISTRATION AND MANAGEMENT The miscellaneous line item for minor unexpected expenditures will be reduced with minimal impact.	-7,500	0
167	PROMOTIONS This reduction would reduce the ability to promote several Silver Spring Events.	-17,500	0
168	ENHANCED SERVICES This removes the additional funding for marketing, promotions, streetscape maintenance, sidewalk repair, and clean team services.	-150,000	0

FY16 SAVINGS PLAN

FY16 Savings Plan

MCG Tax Supported

Ref No.	Title	Total \$	Revenue
169	STREETSCAPE MAINTENANCE This is a reduction in maintenance of certain streetscape items such as sidewalk repairs. We will target the most glaring needs and continue taking care of emergencies.	-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 Lapsing the Public Service worker II position will delay the implementation of providing Clean Team services on the weekends.	-39,224	0
171	PROMOTIONS The reduction of \$50,000 in promotions will inhibit enhancements in this program.	-50,000	0
172	STREETSCAPE MAINTENANCE The reduction of \$50,000 in streetscape maintenance will inhibit enhancements in this program.	-50,000	0
173	SIDEWALK REPAIR The reduction of \$50,000 in sidewalk repair will inhibit enhancements in this program.	-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: <i>(Total Exp. Savings & Revenue Changes)</i>	-22,735,211	

Cable Television

Cable Communications Plan

174	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.	-728,900	0
175	PEG AUDIENCE MEASUREMENT INITIATIVE Do not implement the PEG channel audience measurement survey in FY16. Funds will be transferred to the General Fund.	-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
177	HOUSING FIRST: 10 RAPID RE-HOUSING SUBSIDIES FOR FAMILIES WITH CHILDREN	-150,000	0