


M E M O R A N D U M

TO: Health and Human Services Committee

FROM: Justina Ferber  Legislative Analyst

SUBJECT: **Worksession** – FY17 Non-Departmental Account
Takoma Park Library Annual Payment

Those expected to attend this worksession:

- Nic Fontem, Coordinator for Technical Services, Takoma Park Library
- Bruce Meier, Office of Management and Budget

The County Executive's recommendation for the Takoma Park Library Annual Payment Non-Department Account is attached on ©1.

Budget Summary

FY13 Budget	\$151,320
FY14 Budget	\$108,810
FY15 Budget	\$132,819
FY16 Budget	\$149,624
FY17 Rec.	\$158,225

The Takoma Park Library Annual Payment is required under County Code Section 2-53 (©4). The amount to be paid is derived by formula based on the City's assessable base multiplied by the County's ad valorem tax rate on real and personal property attributable to the net County library appropriation.

FY17 Recommendation

For FY17, the Executive recommends budgeting \$158,225 for the Takoma Park Library Annual Payment. *The budgeted amount is a placeholder.* The actual annual payment is calculated at the end of each calendar year. Fluctuations in the amount reflect changes in the formula elements (for example, changes in the assessable base, or in the proportion of the County libraries appropriation that is funded by property tax).

Pages from the proposed FY17 Takoma Park Library budget are attached at ©2-3. The FY17 budget for the Takoma Park Library proposed by the City Manager is \$1,281,804. The recommended funding would be 12.3% of the Library's total budget.

In previous budget worksessions there were discussions regarding the issue of Takoma Park charging a library card fee to Montgomery County residents who do not reside in Takoma Park. Takoma Park continues to charge the library card fee.

Council staff recommends approval of the NDA for the Takoma Park Library Annual Payment at \$158,225.

This packet contains:

Takoma Park Library Annual Payment FY17 NDA
Pages from proposed FY17 Takoma Park Library budget
County Code Section 2-53

Circle #

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FY17 Recommended Changes	Expenditures	FTEs
FY16 Approved	60,756	0.00
FY17 Recommended	60,756	0.00

State Property Tax Services

This NDA reimburses the State for three programs that support the property tax billing administration conducted by the Department of Finance: the Montgomery County's Homeowners Credit Supplement, the Homestead Credit Certification Program, and the County's share of the cost of conducting property tax assessments by the State Department of Assessments and Taxation (SDAT).

FY17 Recommended Changes	Expenditures	FTEs
FY16 Approved	3,464,610	0.00
Increase Cost: Property Valuation	168,489	0.00
Increase Cost: Renters' Property Tax Relief Supplement	78,000	0.00
Increase Cost: Homestead Property Tax Credit	67,580	0.00
FY17 Recommended	3,778,679	0.00

State Retirement Contribution

This NDA provides for the County's payment of two items to the State Retirement System:

- Maryland State Retirement System: Unfunded accrued liability, as established by the Maryland State Retirement System (MSRS), for employees hired prior to July 1, 1984, who are members of the MSRS (including former Department of Social Services employees hired prior to July 1, 1984), and for those who have retired (all County employees participated in the State Retirement System until 1965.) The County's contribution for this account is determined by State actuaries. Beginning in FY81, the amount due was placed on a 40-year amortization schedule.
- State Library Retirement: Accrued liability for retirement costs for three Montgomery County Public Library retirees who are receiving a State retirement benefit. These were County employees prior to 1966 who opted to stay in the State plan.

FY17 Recommended Changes	Expenditures	FTEs
FY16 Approved	1,313,995	0.00
Increase Cost: Adjustment Based on Actuarial Schedule	65,512	0.00
FY17 Recommended	1,379,507	0.00

Takoma Park Library Annual Payment

The annual amount provided in this NDA is a function of County expenditures for the Montgomery County Public Libraries (as a share of property tax-funded spending) and the City of Takoma Park's assessable base. The payment is authorized by Section 2-53 of the Montgomery County Code.

FY17 Recommended Changes	Expenditures	FTEs
FY16 Approved	149,624	0.00
Increase Cost: Payment Based on Formula	8,601	0.00
FY17 Recommended	158,225	0.00

Takoma Park Police Rebate

The County provides financial support to the City of Takoma Park for police protection services in accordance with provisions of the

Department Summary

Department Overview:

The Takoma Park Maryland Library enhances the quality of life in Takoma Park by responding to and inspiring the literary, educational, and informational needs of a diverse community. The Library provides and promotes up-to-date resources, collections, and referrals that match community interests, promote literacy and learning, nurture a love of books and stories, and present a broad range of views within an inviting and safe environment. The Library also operates the City's Computer Learning Center.

<i>Staffing Summary by Division (FTEs)</i>	<i>Actual FY15</i>	<i>Adopted FY16</i>	<i>Proposed FY17</i>
<i>Library</i>	9.52	9.74	9.75
<i>Computer Learning Center</i>	1.38	1.38	1.38
<i>Department Total FTEs</i>	10.90	11.12	11.13

<i>Source of Funds</i>	<i>Actual FY15</i>	<i>Adopted FY16</i>	<i>Estimated FY16</i>	<i>Proposed FY17</i>
<i>Library Aid from County</i>	145,801	149,624	149,000	158,225
<i>Library Fines and Fees</i>	33,782	35,500	35,500	35,500
<i>Subtotal</i>	179,583	185,124	184,500	193,725
<i>General Fund</i>	950,032	1,059,506	1,013,830	1,088,079
<i>Department Total</i>	1,129,615	1,244,630	1,198,330	1,281,804

Department Summary

<i>Dept. Expenditures by TYPE</i>	<i>Actual FY15</i>	<i>Adopted FY16</i>	<i>Estimated FY16</i>	<i>Proposed FY17</i>
<i>Wages</i>	710,619	754,000	736,500	785,500
<i>Fringe Benefits</i>	263,537	276,500	255,000	288,500
<i>Overtime</i>	2,640	6,200	5,200	6,200
<i>Employee Recognition</i>	650	4,500	4,500	420
<i>Personnel Subtotal</i>	977,446	1,041,200	1,001,200	1,080,620
<i>Supplies</i>	116,690	147,780	141,780	144,275
<i>Services and Charges</i>	25,686	40,750	40,850	42,229
<i>Miscellaneous</i>	9,793	14,900	14,500	14,680
<i>Department Total</i>	1,129,615	1,244,630	1,198,330	1,281,804

<i>Dept. Expenditures by DIVISION</i>	<i>Actual FY15</i>	<i>Adopted FY16</i>	<i>Estimated FY16</i>	<i>Proposed FY17</i>
<i>Library</i>	1,040,450	1,148,930	1,114,530	1,186,872
<i>Computer Learning Center</i>	89,165	95,700	83,800	94,932
<i>Department Total</i>	1,129,615	1,244,630	1,198,330	1,281,804

MONTGOMERY COUNTY CODE

Sec. 2-53. Annual payment of county library tax to certain municipalities.

(a) If the governing body of any municipality in the County which supports or operates a free public library on December 31, 1997 does not transfer that library into the County system, the Director of Finance must pay annually to the governing body of that municipality for library purposes, as soon after the beginning of each fiscal year as possible:

(1) an amount which would be realized if that portion of the general County ad valorem tax rate on real and personal property attributable to the appropriation for the Department of Public Libraries for that fiscal year were levied against the assessed value, on the preceding County date of finality, of the real and personal property in that municipality; or

(2) a lower amount approved in the annual operating budget or a Council resolution.

For the purposes of this subsection, the amount of the appropriation for the Department of Public Libraries in any fiscal year includes the estimated amount of the payment to that municipality in that fiscal year. The amount of payment to any municipality must not exceed in any given fiscal year the amount of revenue derived from taxes levied by that municipality for library purposes for the preceding fiscal year.

(b) If the governing body of a library supported by a municipality indicates a desire to transfer all or part of the library facilities owned by it into the County public library system, the Director of Public Libraries must negotiate for that transfer as provided in this Article. (Mont. Co. Code 1965, § 2-59; 1999 L.M.C., ch. 11, § 1; 2010 L.M.C., ch. 23, § 1.)

Editor's note—2010 L.M.C., ch. 23, § 3, states: The amendments inserted in Section 2-53 in Section 1 expire after June 30, 2012.