



Management and Budget

APPROVED FY19 BUDGET

\$4,920,305

FULL TIME EQUIVALENTS

33.25

JENNIFER HUGHES, DIRECTOR

MISSION STATEMENT

The mission of the Office of Management and Budget (OMB) is to offer a broad-based, objective perspective on public and fiscal policy to the County Executive, County Council, and other County partners. The analytical work performed in OMB provides policymakers with data and options for informed decisions. The Office supports and enhances the effective operation of County government, ensuring funds are spent in the most fiscally prudent and socially responsible way. OMB also ensures that departmental expenditures are made in accordance with Executive polices and Council appropriations, consistent with the County Charter.

BUDGET OVERVIEW

The total approved FY19 Operating Budget for the Office of Management and Budget is \$4,920,305, an increase of \$189,374 or 4.00 percent from the FY18 Approved Budget of \$4,730,931. Personnel Costs comprise 97.97 percent of the budget for 33 full-time position(s) and one part-time position(s), and a total of 33.25 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 2.03 percent of the FY19 budget.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following is emphasized:

A Responsive, Accountable County Government

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable). The FY18 estimates reflect funding based on the FY18 Approved Budget. The FY19 and FY20 figures are performance targets based on the FY19 Approved Budget and funding for comparable service levels in FY20.

Measure	Actual FY16	Actual FY17	Estimated FY18	Target FY19	Target FY20
Program Measures					
Overall Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award ratings - percent rated outstanding or proficient ¹	92.6	98.9	95.0	95.0	95.0
Percentage of respondents rating OMB services as good or very good on the OMB Customer Survey for the budget process ²	84.4	88.9	90.0	90.0	90.0

Measure	Actual	Actual	Estimated	Target	Target
	FY16	FY17	FY18	FY19	FY20
Percentage of respondents rating the ability of OMB staff to provide effective support in solving problems as good or very good on the OMB Customer Survey for the budget process	91.0	85.1	87.0	90.0	90.0
Percentage of respondents rating the quality of OMB training and instructional materials as good or very good on the OMB Customer Survey for the budget process	95.5	96.0	96.0	96.0	96.0
Number of budget preparation and system trainings conducted by OMB ³	7	8	5	7	5

¹ The fiscal year shown for GFOA rating corresponds to the fiscal year during which the budget was prepared (e.g. FY17 GFOA results apply to FY18 budget document, which was prepared during FY17).

² The Fiscal year shown in connection with all OMB Customer Survey results corresponds to the fiscal year during which the budget was prepared (e.g. FY17 results apply to the process of preparing the FY18 budget, which occurred during FY17).

³ Increase in odd numbered fiscal years due to increased CIP trainings during a full CIP year.

INITIATIVES

- ★ Designing and developing Operating Budget Planning & Workforce Modules. These modules will replace the remaining Hyperion functionality for better data integrity, ease of use, and reduced server footprint and cost. The system is being developed in-house at no additional cost to the County. The new modules will be available for use in developing the FY20 Operating budget.

ACCOMPLISHMENTS

- ✓ Developed options for CE decisions to close FY19 Budget gap of \$208.8 million while preserving the County Executive and Council priorities.
- ✓ Provided solutions for closing the budget gap of \$3.7 billion between FY08 and FY19 to produce balanced budgets while preserving critical services and advancing key County policies.
- ✓ Developed and implemented a \$53.5 million Operating Budget and \$9.3 million Capital Improvements Program (CIP) Budget Savings Plan to close the gap caused by FY18 revenue shortfalls.
- ✓ Rolled out the new CIP BASIS (OMB's Budget Analytical and Statistical Information System used for development and monitoring the CIP). This intuitive, scalable, and mobile-friendly application provides OMB and County departments with streamlined workflows, enhanced real-time reports and dashboards, prior year / version data archiving, and user management. CIP BASIS delivers comprehensive capital project management including funding, expenditures, appropriations, narratives, accounting, review packets, issue reporting, supplementals, transfers, funding switches, transaction logs, and user management.
- ✓ Provided analysis to the County Executive and County Council recommending General Obligation bond and other debt reductions as part of the County's CIP Spending Affordability Guidelines decision making process. These reductions moved the County towards a more sustainable debt level and contributed to AAA ratings from all three credit rating agencies.
- ✓ Oversee on-going cross-departmental working groups to ensure the most effective resource allocation in the following policy priorities: Positive Youth Development; Senior Programs and Services; Information Technology, including eDiscovery; Criminal Justice; and Pedestrian Safety-Vision Zero.
- ✓ Conducted comparative and other Program of Requirements (POR) analyses resulting in project and debt service efficiencies, programmatic improvements, and enhanced collaboration between co-locating agencies for projects included in the CIP.
- ✓ Continued outreach efforts to promote open data, government transparency, budgeting processes, and to solicit community input into the development of the Operating and Capital budgets. Information and training sessions were held to inform community members and not-for-profit organizations of the community grant application system; CIP and Operating budget

forums were held in conjunction with the County Executive's Office and the five Regional Services Centers; budget overview sessions were presented to Leadership Montgomery's CORE Leadership class and Emerging Leaders programs, Montgomery County Taxpayers League, Greater Olney Civic Association and presented a session on local government budgeting for a budgeting and financial management class at American University; OMB representatives presented at the Maryland Association of Counties (MACo) Winter Conference, and met with representatives from Baltimore City and Mecklenburg County, North Carolina to promote BASIS and OpenBudget System. Budget presentations were conducted for visiting dignitaries from the People's Republic of China and the Philippines.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ★ Designed, developed, and implemented CIP BASIS. By completely replacing Oracle's Hyperion system, CIP BASIS significantly streamlined the CIP budget development process for end users. In addition, it improved OMB's internal operations resulting in reduced Comp Time hours earned, expedited the publication timeline by five days, improved accuracy in the data published online and in print, reduced printing costs, and freed up capacity on the Department of Technology Services (DTS) servers. In addition to the positive impact on OMB's Comp Time hours, it would be reasonable to assume user departments and the printshop would also experience a decline in work hours, including overtime and compensatory, related to budget development.
- ★ Designed, developed, and implemented the public facing OpenBudget (Operating & Capital) systems, based on the output of the data, narratives, tables, and graphics directly from BASIS. This system completely replaced the Socrata Capital and Operating Budget Books, and budgetMontgomery application. This created another user-friendly tool to access data-Interactive Google Maps, ability to customize searches, and archived data. These changes also saved OMB over 300 hours of time previously required to update and maintain the Socrata sites.
 - Capital Budget at montgomerycountymd.gov/capitalbudget
 - Operating Budget at montgomerycountymd.gov/operatingbudget
- ★ Redesigned OMB's public website for mobility, improved access to data and publications, and to serve as a central portal for all the County's budget activities. montgomerycountymd.gov/omb
- ★ Enhanced Operating BASIS - Improvements include enhanced budget monitoring capabilities allowing OMB and departments to better track expenditure and revenue trends and projections; development of a savings plan module; and standardization of budget analysis and reporting.
- ★ Launched eBudget 2.0 (OMB's Knowledge Management System), the redesigned site streamlined access, enhanced availability of content, and expanded mobility.

COLLABORATION AND PARTNERSHIPS

- ★ CIP and Operating Budget Forums
CIP and Operating budget forums were held in conjunction with the County Executive's Office and the five Regional Services Centers.
Partners
Community Engagement Cluster, Office of the County Executive
- ★ Facilitated Cluster Meetings
OMB facilitated operating budget cluster meetings to promote collaboration, information sharing, cost-savings, and efficiency

among departments. Specific areas of focus included Positive Youth Development, Seniors, Criminal Justice, Technology, and Pedestrian Safety-Vision Zero.

* Project Search

Partnered with OHR by providing opportunities for Project Search participants to intern at OMB. Since 2013, OMB has hosted seven Project Search participants and hired two of those participants to permanent positions.

Partners
Office of Human Resources

* Collective Bargaining

OMB, in partnership with the Office of Human Resources, County Attorney, Finance, and Police served on the County's collective bargaining negotiating team.

Partners
Office of the County Attorney, Department of Finance, Office of Human Resources, Department of Police

* Community Grant Outreach Forums

OMB partnered with staff from the County Council and conducted three information and training sessions on the County's Community Grant application and award process. The sessions were conducted throughout the County and were attended by 148 representatives from community non-profit organizations.

Partners
County Council

* Facilitated eDiscovery and Digital Evidence Management Working Group

Directed the eDiscovery and Digital Evidence Management Working Group, focusing on the process and technology related to Electronically Stored Information (ESI) including management, policy, budget, data (storage, compliance, translation), software (discovery, licensing, editing), and hardware (servers, devices).

Partners
Circuit Court, Department of Correction and Rehabilitation, Office of the County Attorney, Office of the County Executive, Office of Human Resources, Department of Police, Sheriff's Office, Office of the State's Attorney, Department of Technology Services, Department of Transportation

* 2017 State legislative session Bill review

During the FY17 State legislative session, OMB provided fiscal and policy analysis on over 50 proposed bills, including the 2017 Budget Reconciliation and Financing Act, to the Office of Intergovernmental Relations. This helped shape the County's position on State legislation.

Partners
Office of Intergovernmental Relations

PROGRAM CONTACTS

Contact Amy Wilson of the Office of Management and Budget at 240.777.2775 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Budget Preparation and Administration

Staff in the Budget Preparation and Administration program serve the County by preparing the County's Operating Budget, Public Services Program, Capital Budget, and Capital Improvement Program ensuring compliance with the County Charter and the decisions of elected officials. Fiscal projections prepared by OMB are used by County elected officials in setting policy for the County, and help maintain the County's AAA bond rating.

OMB staff support County partners in fiscal management and policy development; resource management; collective bargaining negotiations; management and performance analyses; fiscal impact analyses of legislation and regulations; development and monitoring of user fees and other revenue sources; and the review of grant applications and contract compliance. To ensure prudent fiscal stewardship, OMB offers several training sessions for County partners throughout the year, and provides support for the County Executive's budget forums with County residents. OMB is frequently recognized by the Government Finance Officers Association for its high-quality budget publications.

OMB provides representation on a number of committees including the Contract Review Committee, Interagency Group on Energy and Utilities Management, the Board of Investment Trustees, the Diversity Council, the Telecommunications Transmission Facility Coordinating Group, the Labor Relations Policy Committee, the ERP Steering Committee, the Information Technology Policy Advisory Committee, the Public Safety System Modernization Project, the Housing Loan Review Committee, the Collaboration Council of Montgomery County, and the Rapid Transit Steering Committee.

BUDGET SUMMARY

	Actual FY17	Budget FY18	Estimate FY18	Approved FY19	%Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	2,990,001	3,651,805	3,612,917	3,904,607	6.9 %
Employee Benefits	902,895	979,352	1,079,729	915,698	-6.5 %
County General Fund Personnel Costs	3,892,896	4,631,157	4,692,646	4,820,305	4.1 %
Operating Expenses	237,142	99,774	107,396	100,000	0.2 %
County General Fund Expenditures	4,130,038	4,730,931	4,800,042	4,920,305	4.0 %
PERSONNEL					
Full-Time	32	32	32	33	3.1 %
Part-Time	0	1	1	1	—

BUDGET SUMMARY

	Actual FY17	Budget FY18	Estimate FY18	Approved FY19	%Chg Bud/App
FTEs	29.50	32.25	32.25	33.25	3.1 %

FY19 APPROVED CHANGES

		Expenditures	FTEs
COUNTY GENERAL FUND			
FY18 ORIGINAL APPROPRIATION		4,730,931	32.25
<u>Other Adjustments (with no service impacts)</u>			
Increase Cost: Annualization of FY18 Personnel Costs		163,035	0.00
Increase Cost: Restore FY18 One-Time Lapse Increase [Budget Preparation and Administration]		86,006	0.00
Increase Cost: FY19 Compensation Adjustment		81,889	0.00
Shift: Mid-year Adjustment - Position Transferred from DTS [Budget Preparation and Administration]		81,850	1.00
Increase Cost: Printing and Mail		226	0.00
Decrease Cost: Retirement Adjustment		(28,919)	0.00
Decrease Cost: Increase Lapse [Budget Preparation and Administration]		(194,713)	0.00
FY19 APPROVED		4,920,305	33.25

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY18 Total\$	FY18 FTES	FY19 Total\$	FY19 FTES
COUNTY GENERAL FUND					
Human Resources	Employee Health Self Insurance	76,784	0.50	79,213	0.50

FUTURE FISCAL IMPACTS

CC APPROVED (\$000S)

Title	FY19	FY20	FY21	FY22	FY23	FY24
COUNTY GENERAL FUND						
EXPENDITURES						
FY19 Approved	4,920	4,920	4,920	4,920	4,920	4,920
No inflation or compensation change is included in outyear projections.						
Restore One-Time Lapse Increase	0	195	195	195	195	195
Restoration of one-time lapse adjustment in the budget development year						
Labor Contracts	0	42	42	42	42	42
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	4,920	5,157	5,157	5,157	5,157	5,157