


**MEMORANDUM**

April 25, 2019

TO: Government Operations and Fiscal Policy Committee

FROM: Robert H. Drummer, Senior Legislative Attorney 

SUBJECT: **FY20 Operating Budget: Office of the County Attorney**

PURPOSE: Review and make recommendations on the FY20 Operating Budget for the Office of the County Attorney

Those expected to attend this worksession include:

Marc Hansen, County Attorney  
Ida Hsu, Office of the County Attorney  
Carolyn Kilgariff, Office of the County Attorney  
Naeem Mia, Office of Management and Budget

**Budget Summary:**

- For FY20, the County Executive is recommending a total budget of \$6,377,401, an increase of \$187,876 or 3.04 percent from the FY19 Approved Budget of \$6,189,525. The County Executive is not recommending any changes with service impacts.

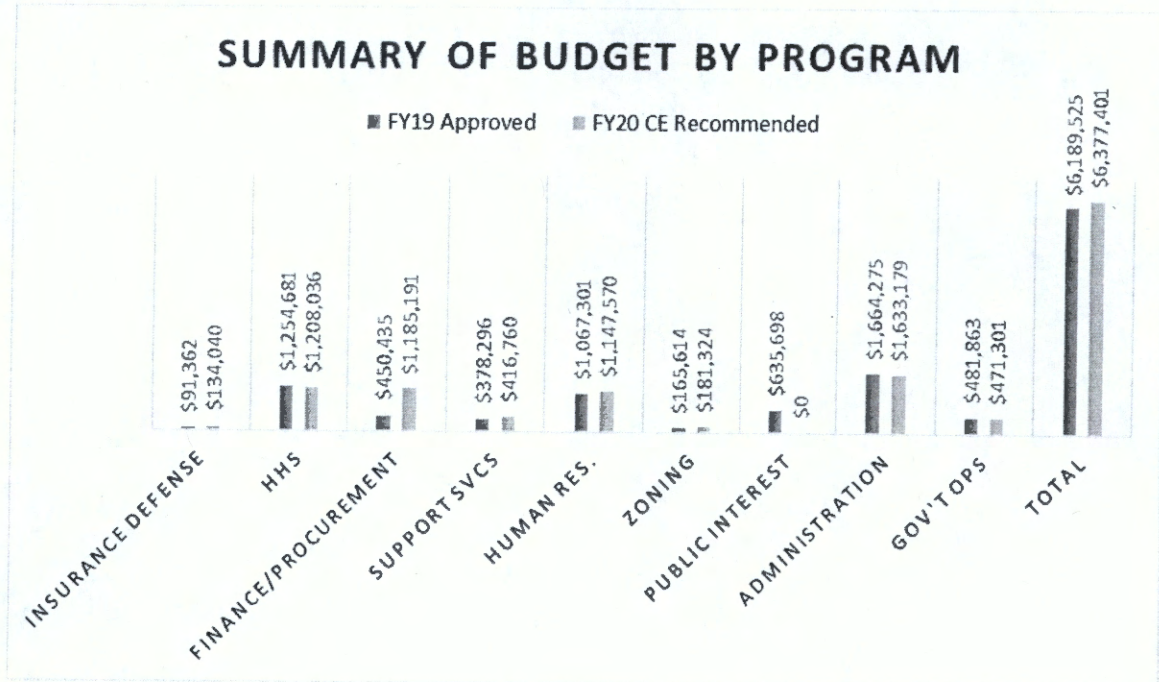
**Council Staff Recommendation:**

- **Council staff recommends adding \$600,000 to the reconciliation list to fund a Disparity Study in FY20.**

Relevant pages from the FY20 Recommended Operating Budget are attached on ©1-7.

## OVERVIEW

For FY20, the County Executive is recommending a total budget of \$6,377,401, an increase of \$187,876 or 3.04 percent from the FY19 Approved Budget of \$6,189,525. Personnel Costs comprise 88.83 percent of the budget for 76 full-time position(s) and two part-time position(s), and a total of 43.20 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 11.17 percent of the FY20 budget.



|                             | <i>FY18 Actual</i> | <i>FY19 Approved</i> | <i>FY20 Recommended</i>  | <i>% Change<br/>FY19 – FY20</i> |
|-----------------------------|--------------------|----------------------|--------------------------|---------------------------------|
| <b>Expenditures by fund</b> |                    |                      |                          |                                 |
| General Fund                | \$6,756,276        | \$6,189,525          | \$6,377,401              | 3.0%                            |
| <b>Expenditures by type</b> |                    |                      |                          |                                 |
| Personnel Cost              | \$5,974,924        | \$5,520,243          | \$5,665,119              | 2.6%                            |
| Operating Expenses          | \$781,352          | \$669,282            | \$712,282                | 6.4%                            |
| <b>Total Expenditures</b>   | <b>\$6,756,276</b> | <b>\$6,189,525</b>   | <b>\$6,377,401</b>       | <b>3.0%</b>                     |
| <b>Positions</b>            |                    |                      |                          |                                 |
| Full-Time                   | 76                 | 76                   | 76                       | -                               |
| Part-Time                   | 2                  | 2                    | 2                        | -                               |
| <b>FTEs</b>                 | <b>44.75</b>       | <b>43.50</b>         | <b>43.20<sup>1</sup></b> | <b>-0.7%</b>                    |

<sup>1</sup>In the approved FY19 budget, OCA includes 34.00 FTEs that are supported by charges to other departments amounting to \$5,043,259. The recommended FY20 budget includes 34.30 FTEs supported by charges to other departments amounting to \$5,308,325, a decrease of 0.4 FTE, and a dollar decrease of 2.6 percent, over FY19. See ©7.

## **FY20 EXPENDITURE ISSUES**

There are no recommended changes with service impacts in the FY20 recommended operating budget for the Office of the County Attorney. The personnel complement remains the same as FY19 at 76 full-time positions and 2 part-time positions. The FTE's have dropped from 43.50 in FY19 to 43.20 in FY20. This drop in FTE's reflects additional charge-backs for services provided to the Revenue Authority and the Police Department. Beginning with FY20, the 6.5 FTE's in the Public Interest Representation Program is scheduled to be moved into the existing Finance and Procurement Program. The Executive also recommended adding \$150,000 to the Office budget for FY20 to reduce the assumed lapse in FY19 that created a structural budget deficiency.

## **FY20 REVENUE**

The County received \$287,358 in FY18 through the Federal Financial Participation Reimbursement program. The Department of Health and Human Services applies for the funds as reimbursement for the three attorneys in the Office of the County Attorney who represent HHS in Child in Need of Assistance and Termination of Parental Rights cases. The County expects to receive approximately \$250,000 in reimbursement in both FY19 and FY20.

## **OTHER ISSUES**

Article XIV of the County's Procurement Law authorizes a program to remedy the effects of discrimination against certain Minority Owned Businesses that is scheduled to sunset on December 31, 2019. County Code §11B-61(b) states:

By July 1, 2019, the County Executive must submit a report to the County Council evaluating the need to extend the minority owned business purchasing program.

The County Executive submitted a Disparity Study to the Council on July 1, 2014 prepared by Griffin and Strong that supported the continuation of the program and the Council extended the sunset date until December 31, 2019 based on this Disparity Study. The law requires the Executive to submit a report by July 1, 2019 evaluating the need to extend this program. The 2014 Griffin and Strong Disparity Study was funded out of the County Attorney's Office.

Council staff notes that there is no funding for a disparity study in the FY20 recommended budget for the County Attorney's Office. The Executive is unable to evaluate the need to continue the program without an updated disparity study based on more recent contracting data. An updated disparity study is estimated to cost \$600,000 and would require significant time for solicitation and completion of the study. If the study is funded in the FY20 budget, it is estimated that it would be complete by the end of calendar year 2020. The Executive recently submitted legislation to the Council that would extend the time for the report until July 1, 2021 and the sunset of the program until December 31, 2021. If the Council wants to

see the Executive's evaluation on or before July 1, 2020, the Council would need to add \$600,000 to the County Attorney's FY20 budget.<sup>2</sup>

**Council staff recommendation:** add \$600,000 to the FY20 budget to fund a disparity study.

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<sup>2</sup> Funding for a disparity study would need to have been included in the FY19 budget to meet the current July 1, 2019 statutory deadline.



# County Attorney

**RECOMMENDED FY20 BUDGET**  
**\$6,377,401**

**FULL TIME EQUIVALENTS**  
**43.20**

✴ **MARC HANSEN, COUNTY ATTORNEY**

## MISSION STATEMENT

The mission of the Office of the County Attorney is to act as the Chief Legal Officer of Montgomery County Government and to conduct all its legal business.

## BUDGET OVERVIEW

The total recommended FY20 Operating Budget for the Office of the County Attorney is \$6,377,401, an increase of \$187,876 or 3.04 percent from the FY19 Approved Budget of \$6,189,525. Personnel Costs comprise 88.83 percent of the budget for 76 full-time position(s) and two part-time position(s), and a total of 43.20 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 11.17 percent of the FY20 budget.

## COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following is emphasized:

◆ **Effective, Sustainable Government**

## DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY19 estimates reflect funding based on the FY19 Approved Budget. The FY20 and FY21 figures are performance targets based on the FY20 Recommended Budget and funding for comparable service levels in FY21.

## INITIATIVES

- ★ Pursuing litigation against opioid manufacturers and distributors.
- ★ Pursuing litigation for violations of the Fair Housing Act against lenders for discriminatory practices that led to the housing market crash in 2008-2010.
- ★ Pursue litigation against the Federal Communications Commission (FCC) in connection with recently issued FCC orders regarding the construction of a 5G network.

## ACCOMPLISHMENTS

- ☒ Argued before the U.S Court of Appeals for the 4th Circuit defending a Federal District Court's grant of the County's motion to dismiss Pulte Home's claim for \$168,000,000.

- ✓ County prevailed in a seven-year long series of trials/hearings against a claim that the County violated the Rehabilitation Act/American with Disabilities Act in the U.S. District Court for Maryland. Argued the case before the U.S. Court of Appeals for the 4th Circuit defending the verdict rendered by the District Court in favor of the County.
- ✓ Maryland Court of Special Appeals affirmed the Tax Court's denial of Lockheed Martin's \$1.3 million refund claim for the hotel/motel tax paid by Lockheed Martin to the County.

## PROGRAM CONTACTS

Contact Carolyn Kilgariff of the Office of the County Attorney at 240.777.6766 or Philip Weeda of the Office of Management and Budget at 240.777.2780 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### ☀ Insurance Defense Litigation

Provides legal defense for cases involving Montgomery County and 14 local government Self-Insurance Fund participants (including the Montgomery County Board of Education, City of Rockville, Maryland-National Capital Park and Planning Commission, Montgomery College, and the Housing Opportunities Commission) and all of their employees. The attorneys appear regularly before State and Federal courts in Maryland and the District of Columbia for trials and oral arguments and before the Workers' Compensation Commission. These cases involve litigation in the following areas: common law torts, police civil rights claims, other Federal and State civil rights - constitutional torts, Americans with Disabilities Act, Individuals with Disabilities Education Act, workers' compensation, and employment discrimination.

| Program Performance Measures                                      | Actual<br>FY17 | Actual<br>FY18 | Estimated<br>FY19 | Target<br>FY20 | Target<br>FY21 |
|---|----------------|----------------|-------------------|----------------|----------------|
| Number of workers' compensation hearings <sup>1</sup>             | 1,901          | 2,055          | 1,984             | 1,984          | 1,984          |
| Worker's compensation cases: Total net gain to the County (\$000) | 3,299          | 2,584          | 2,966             | 2,966          | 2,966          |
| Last settlement amount demanded by plaintiff (\$000)              | \$46,864       | \$658,906      | \$324,135         | \$324,135      | \$324,135      |
| Total paid to plaintiff by the County (\$000)                     | \$94           | \$91.8         | \$110             | \$110          | \$110          |
| Ratio amount paid by County vs. amount demanded by the plaintiff  | 0.20           | 0.014          | 0.08              | 0.08           | 0.08           |
| Total number of settlements                                       | 27             | 19             | 26                | 26             | 26             |
| Number of judgments paid  | 2              | 7              | 6                 | 6              | 6              |
| Number of judgments in County's favor                             | 43             | 44             | 46                | 46             | 46             |
| Self-insurance fund litigation: Win/loss ratio                    | 96%            | 86%            | 89%               | 89%            | 89%            |
| Code enforcement - Win/loss ratio                                 | 98.67%         | 99.2%          | 98.4%             | 98.4%          | 98.4%          |
| Code enforcement collected (\$000)                                | \$553          | \$578          | \$482             | \$482          | \$482          |

<sup>1</sup> The increase in workers compensation hearings in FY18 correlates to the increase in work-related injuries, which can be attributed to more safety concerns and less resources dedicated to injury prevention.

| FY20 Recommended Changes  | Expenditures   | FTEs        |
|---|----------------|-------------|
| <b>FY19 Approved</b>  | <b>91,362</b>  | <b>1.00</b> |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 42,678         | 0.25        |
| <b>FY20 Recommended</b>   | <b>134,040</b> | <b>1.25</b> |

### ☀ Health and Human Services

The attorneys in this division act as counsel and give legal advice to the Department of Health and Human Services. The attorneys represent Child Welfare Services in the Juvenile Court, in cases involving child abuse and child neglect, and Aging and Disability Services in the Circuit Court, in adult guardianship cases.

| Program Performance Measures   | Actual<br>FY17 | Actual<br>FY18 | Estimated<br>FY19 | Target<br>FY20 | Target<br>FY21 |
|--|----------------|----------------|-------------------|----------------|----------------|
| Number of children in need of assistance (CINA) or guardianship hearings | 2,476          | 2,618          | 2,444             | 2,444          | 2,444          |
| Number of adoptions granted  | 15             | 19             | 19                | 19             | 19             |

| Program Performance Measures  | Actual<br>FY17 | Actual<br>FY18 | Estimated<br>FY19 | Target<br>FY20 | Target<br>FY21 |
|---|----------------|----------------|-------------------|----------------|----------------|
| Number of CINA cases closed   | 168            | 182            | 175               | 175            | 175            |
| Number of new adoption petitions filed  | 17             | 19             | 19                | 19             | 19             |
| Number of new CINA petitions filed  | 170            | 193            | 178               | 178            | 178            |
| Number of new termination of parental rights (TPR) petitions filed <sup>1</sup>   | 46             | 22             | 32                | 32             | 32             |
| Number of termination of parents rights (TPR's) granted <sup>2</sup>  | 38             | 32             | 29                | 29             | 29             |
| Child welfare litigation - ratio of termination of parental rights (TPR) and child in need of assistance (CINA) adjudicated granted or denied | 100%           | 99.5%          | 99.8%             | 99.8%          | 99.8%          |

<sup>1</sup> The number of Termination of Parental Rights petitions filed is determined by the number of times the court challenges a child's plan for reunification to adoption. The increased number of adoption cases in FY17 could reflect more serious cases coming into Juvenile Court where reunification with a parent cannot be achieved and/or more cases with sibling groups. The increase in the number of petitions filed reflect the judges' commitment to permanency in Juvenile Court.

<sup>2</sup> The number of Termination of Parental Rights petitions filed is determined by the number of times the court challenges a child's plan for reunification to adoption. The increased number of adoption cases could reflect more serious cases coming into Juvenile Court where reunification with a parent cannot be achieved and/or more cases with sibling groups. The increase in the number of petitions filed reflect the judges' commitment to permanency in Juvenile Court.

| FY20 Recommended Changes  | Expenditures     | FTEs        |
|---|------------------|-------------|
| <b>FY19 Approved</b>  | <b>1,254,681</b> | <b>7.10</b> |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | (46,645)         | 0.00        |
| <b>FY20 Recommended</b>   | <b>1,208,036</b> | <b>7.10</b> |

## Finance and Procurement

Acts as counsel and provides legal advice to the County Executive, County Council, and to several County departments, agencies, boards, and commissions. The Division represents the County Government in tax and procurement matters before State, Federal, and local administrative agencies and courts; drafts and reviews agreements, legislation, regulations, and other legal documents; conducts negotiations; and prepares and issues legal opinions.

Beginning in FY20, the Public Interest Representation program is merged with the Finance and Procurement program.

| Program Performance Measures                      | Actual<br>FY17 | Actual<br>FY18 | Estimated<br>FY19 | Target<br>FY20 | Target<br>FY21 |
|---|----------------|----------------|-------------------|----------------|----------------|
| Debt collection - collected/total referred ratio  | 189.0%         | 191.0%         | 164.0%            | 164.0%         | 164.0%         |
| Debt collection - cost/revenue ratio <sup>1</sup> | 3.1%           | 2.7%           | 3.2%              | 3.2%           | 3.2%           |
| Debt collection (\$000)                           | \$14,814       | \$17,889       | \$15,545          | \$15,545       | \$15,545       |
| Forfeitures collected (\$000)                     | \$217.73       | \$286.00       | \$295.00          | \$295.00       | \$295.00       |

<sup>1</sup> This measure indicates the labor cost spent on collection. This is an indicator designed to show that the County is able to keep the collection cost low compared to outside private industry.

| FY20 Recommended Changes  | Expenditures     | FTEs         |
|---|------------------|--------------|
| <b>FY19 Approved</b>  | <b>450,435</b>   | <b>4.00</b>  |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 734,756          | 7.50         |
| <b>FY20 Recommended</b>   | <b>1,185,191</b> | <b>11.50</b> |

## Support Services

Provide administrative, research, and technical guidance and support to divisions within the Department. Allows for an equitable distribution of work assignments, to cross-train staff, and to evaluate fairly the performance of the staff. Provides administrative support to the Risk Management Fund, and revenue support to the Risk Management Fund, Revenue Authority, and Solid Waste Fund.

| FY20 Recommended Changes | Expenditures   | FTEs        |
|--------------------------|----------------|-------------|
| <b>FY19 Approved</b>     | <b>378,296</b> | <b>4.70</b> |

| FY20 Recommended Changes  | Expenditures   | FTEs        |
|---|----------------|-------------|
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 38,464         | 0.00        |
| <b>FY20 Recommended</b>   | <b>416,760</b> | <b>4.70</b> |

### ☀ **Human Resources**

Attorneys act as counsel and give legal advice to the following agencies: Montgomery County Fire and Rescue Service, Ethics Commission, Board of Investment Trustees, Office of Human Resources, Department of Correction and Rehabilitation, Office of Public Information, Department of Transportation (Transit Services Division, Taxicab Unit), Human Rights Commission, Board of Appeals, and the Police Department (Internal Affairs Division). Attorneys also defend or prosecute contested cases involving the County, and their employees, while pending before State and Federal appellate courts.

| FY20 Recommended Changes  | Expenditures     | FTEs        |
|---|------------------|-------------|
| <b>FY19 Approved</b>  | <b>1,067,301</b> | <b>7.25</b> |
| Shift: Net-Gross Charge County Attorney Position to Police  | (71,833)         | (0.50)      |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 152,102          | 0.75        |
| <b>FY20 Recommended</b>   | <b>1,147,570</b> | <b>7.50</b> |

### ☀ **Zoning, Land Use and Economic Development**

Represents and advises the County Executive, the County Council, and various County departments, including the Department of General Services, the Department of Transportation, the Department of Housing and Community Affairs, and the Department of Public Libraries. Represents and advises agencies and commissions, including the Historic Preservation Commission, the Revenue Authority, Community Use of Public Facilities, and the Cable Compliance Commission. Advises the County Executive and County Council regarding telecommunications and cable matters. Represents the County with respect to land acquisitions and real estate transactions. Represents the County before Federal, State, and administrative courts. Drafts legal opinions and amendments to the County code and County regulations.

| FY20 Recommended Changes  | Expenditures   | FTEs        |
|---|----------------|-------------|
| <b>FY19 Approved</b>  | <b>165,614</b> | <b>2.70</b> |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 15,710         | (1.80)      |
| <b>FY20 Recommended</b>   | <b>181,324</b> | <b>0.90</b> |

### ☀ **Public Interest Representation**

The Office of the County Attorney provides litigation and other legal services to County agencies and departments in support of their mission to promote general welfare and protect vulnerable citizens. The Office of the County Attorney acts as counsel and provides legal advice to the Police Department, the Department of Emergency Management and Homeland Security, Environmental Protection, Permitting Services, and the Office of Consumer Affairs and Recreation. It also provides counsel to the Office of Landlord and Tenant Affairs, the Historic Preservation Commission, and the Inspector General's Office. The Office of the County Attorney also drafts and reviews agreements, legislation, regulations and other legal documents. Attorneys conduct negotiations, issue legal opinions, and testify before public bodies. The Office of the County Attorney is responsible for the processing and prosecution of code enforcement violations from all departments, agencies, boards and commissions which are presented in the District Court of Maryland. The Collection Unit collects all fees owed to Montgomery County that have been referred to the County Attorney, including past-due property taxes, personal property taxes, code enforcement judgments, subrogation claims, bounced checks, unpaid fines, and miscellaneous amounts billed to the County. Beginning in FY20, this program's functions are incorporated into the Finance and Procurement program.

| FY20 Recommended Changes | Expenditures   | FTEs        |
|--------------------------|----------------|-------------|
| <b>FY19 Approved</b>     | <b>635,698</b> | <b>6.50</b> |



| FY20 Recommended Changes  | Expenditures | FTEs        |
|---|--------------|-------------|
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | (635,698)    | (6.50)      |
| <b>FY20 Recommended</b>   | <b>0</b>     | <b>0.00</b> |

### ☀ Administration

Provides internal personnel, financial, and operational management for the Office of the County Attorney.

| Program Performance Measures                                      | Actual<br>FY17 | Actual<br>FY18 | Estimated<br>FY19 | Target<br>FY20 | Target<br>FY21 |
|---|----------------|----------------|-------------------|----------------|----------------|
| Overall average rating from Internal Customer Satisfaction Survey | 3.40           | 3.39           | 3.40              | 3.40           | 3.40           |

| FY20 Recommended Changes  | Expenditures     | FTEs        |
|---|------------------|-------------|
| <b>FY19 Approved</b>  | <b>1,664,275</b> | <b>7.50</b> |
| Increase Cost: Westlaw Research and Library Subscription  | 20,000           | 0.00        |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | (51,096)         | 0.00        |
| <b>FY20 Recommended</b>   | <b>1,633,179</b> | <b>7.50</b> |

### ☀ Government Operations and Appeals

Drafts and reviews County and State legislation; represents the County in legal challenges to its legislative acts; drafts and coordinates formal legal advice given by the Office of the County Attorney; provides legal assistance to the Office of Management and Budget, Ethics Commission, Office of the Inspector General, and the Charter Review Commission; provides legal guidance on the Open Meetings Act and the Public Information Act; oversees the publication of the County Code; and provides legal guidance to the Special Assistant to the Executive for Boards, Committees, and Commissions.

| Program Performance Measures                  | Actual<br>FY17 | Actual<br>FY18 | Estimated<br>FY19 | Target<br>FY20 | Target<br>FY21 |
|---|----------------|----------------|-------------------|----------------|----------------|
| Percent of appeals in the Appellate Court won | 94.73%         | 87.00%         | 92.00%            | 92.00%         | 92.00%         |
| Appeals lost                                  | 1              | 2              | 1                 | 1              | 1              |
| Appeals won                                   | 18             | 13             | 17                | 17             | 17             |

| FY20 Recommended Changes  | Expenditures   | FTEs        |
|---|----------------|-------------|
| <b>FY19 Approved</b>  | <b>481,863</b> | <b>2.75</b> |
| Increase Cost: Cloud eDiscovery Application   | 20,000         | 0.00        |
| Increase Cost: ProLaw Case Management Licenses  | 3,000          | 0.00        |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | (33,562)       | 0.00        |
| <b>FY20 Recommended</b>   | <b>471,301</b> | <b>2.75</b> |

## BUDGET SUMMARY

|  | Actual<br>FY18   | Budget<br>FY19   | Estimate<br>FY19 | Recommended<br>FY20 | %Chg<br>Bud/Rec |
|--|------------------|------------------|------------------|---------------------|-----------------|
| <b>COUNTY GENERAL FUND</b>                 |                  |                  |                  |                     |                 |
| <b>EXPENDITURES</b>                        |                  |                  |                  |                     |                 |
| Salaries and Wages                         | 4,525,565        | 4,201,208        | 4,703,851        | 4,313,025           | 2.7 %           |
| Employee Benefits                          | 1,449,359        | 1,319,035        | 1,453,517        | 1,352,094           | 2.5 %           |
| <b>County General Fund Personnel Costs</b> | <b>5,974,924</b> | <b>5,520,243</b> | <b>6,157,368</b> | <b>5,665,119</b>    | <b>2.6 %</b>    |
| Operating Expenses                         | 781,352          | 669,282          | 703,874          | 712,282             | 6.4 %           |
| <b>County General Fund Expenditures</b>    | <b>6,756,276</b> | <b>6,189,525</b> | <b>6,861,242</b> | <b>6,377,401</b>    | <b>3.0 %</b>    |
| <b>PERSONNEL</b>                           |                  |                  |                  |                     |                 |
| Full-Time                                  | 76               | 76               | 76               | 76                  | —               |
| Part-Time                                  | 2                | 2                | 2                | 2                   | —               |

## BUDGET SUMMARY

|  | Actual<br>FY18 | Budget<br>FY19 | Estimate<br>FY19 | Recommended<br>FY20 | %Chg<br>Bud/Rec |
|--|----------------|----------------|------------------|---------------------|-----------------|
| FTEs   | 44.75          | 43.50          | 43.50            | 43.20               | -0.7 %          |
| <b>REVENUES</b>                                |                |                |                  |                     |                 |
| Federal Financial Participation Reimbursements | 287,358        | 250,000        | 250,000          | 250,000             | —               |
| Other Charges/Fees                             | (693)          | 75,000         | 75,000           | 0                   | -100.0 %        |
| Other Intergovernmental                        | 45,691         | 45,630         | 48,230           | 45,630              | —               |
| <b>County General Fund Revenues</b>            | <b>332,356</b> | <b>370,630</b> | <b>373,230</b>   | <b>295,630</b>      | <b>-20.2 %</b>  |

## FY20 RECOMMENDED CHANGES

|  | Expenditures     | FTEs         |
|--|------------------|--------------|
| <b>COUNTY GENERAL FUND</b>   |                  |              |
| <b>FY19 ORIGINAL APPROPRIATION</b>   | <b>6,189,525</b> | <b>43.50</b> |
| <b><u>Other Adjustments (with no service impacts)</u></b>  |                  |              |
| Increase Cost: FY20 Compensation Adjustment  | 198,472          | 0.00         |
| Re-align: Adjust Budget for County Attorney to Address Structural Budget Deficiencies (reduce lapse) | 150,000          | 0.00         |
| Increase Cost: Restore One-Time Lapse Increase   | 21,467           | 0.00         |
| Increase Cost: Westlaw Research and Library Subscription [Administration]                            | 20,000           | 0.00         |
| Increase Cost: Cloud eDiscovery Application [Government Operations and Appeals]                      | 20,000           | 0.00         |
| Increase Cost: Retirement Adjustment   | 9,609            | 0.00         |
| Increase Cost: ProLaw Case Management Licenses [Government Operations and Appeals]                   | 3,000            | 0.00         |
| Technical Adj: Adjusted Charges to Other Departments   | 0                | 0.20         |
| Shift: Net-Gross Charge County Attorney Position to Police [Human Resources]                         | (71,833)         | (0.50)       |
| Decrease Cost: Annualization of FY19 Personnel Costs   | (162,839)        | 0.00         |
| <b>FY20 RECOMMENDED</b>  | <b>6,377,401</b> | <b>43.20</b> |

## PROGRAM SUMMARY

| Program Name                              | FY19 APPR<br>Expenditures | FY19 APPR<br>FTEs | FY20 REC<br>Expenditures | FY20 REC<br>FTEs |
|---|---------------------------|-------------------|--------------------------|------------------|
| Insurance Defense Litigation              | 91,362                    | 1.00              | 134,040                  | 1.25             |
| Health and Human Services                 | 1,254,681                 | 7.10              | 1,208,036                | 7.10             |
| Finance and Procurement                   | 450,435                   | 4.00              | 1,185,191                | 11.50            |
| Support Services                          | 378,296                   | 4.70              | 416,760                  | 4.70             |
| Human Resources                           | 1,067,301                 | 7.25              | 1,147,570                | 7.50             |
| Zoning, Land Use and Economic Development | 165,614                   | 2.70              | 181,324                  | 0.90             |
| Public Interest Representation            | 635,698                   | 6.50              | 0                        | 0.00             |
| Administration                            | 1,664,275                 | 7.50              | 1,633,179                | 7.50             |
| Government Operations and Appeals         | 481,863                   | 2.75              | 471,301                  | 2.75             |
| <b>Total</b>                              | <b>6,189,525</b>          | <b>43.50</b>      | <b>6,377,401</b>         | <b>43.20</b>     |

## CHARGES TO OTHER DEPARTMENTS

| Charged Department            | Charged Fund                           | FY19<br>Total\$ | FY19<br>FTEs | FY20<br>Total\$ | FY20<br>FTEs |
|-------------------------------|--|-----------------|--------------|-----------------|--------------|
| <b>COUNTY GENERAL FUND</b>    |  |                 |              |                 |              |
| Board of Appeals              | General Fund                           | 68,344          | 0.50         | 73,328          | 0.50         |
| Intergovernmental Relations   | General Fund                           | 27,653          | 0.30         | 28,807          | 0.30         |
| Finance                       | General Fund                           | 144,059         | 1.05         | 173,345         | 1.05         |
| Finance                       | Risk Management (Self Insurance - ISF) | 2,997,116       | 20.50        | 3,130,073       | 20.50        |
| Human Resources               | Employee Health Self Insurance         | 18,009          | 0.10         | 18,588          | 0.10         |
| Correction and Rehabilitation | General Fund                           | 126,412         | 1.00         | 134,728         | 1.00         |
| Police                        | General Fund                           | 0               | 0.00         | 71,933          | 0.50         |
| Parking District Services     | Bethesda Parking                       | 23,534          | 0.10         | 24,200          | 0.10         |
| Parking District Services     | Silver Spring Parking                  | 47,068          | 0.20         | 28,992          | 0.20         |
| Health and Human Services     | Grant Fund                             | 194,294         | 2.40         | 194,294         | 2.40         |

## CHARGES TO OTHER DEPARTMENTS

| Charged Department                                | Charged Fund                            | FY19<br>Total\$  | FY19<br>FTES | FY20<br>Total\$  | FY20<br>FTES |
|---|---|------------------|--------------|------------------|--------------|
| Permitting Services                               | Permitting Services                     | 217,598          | 1.00         | 223,810          | 1.00         |
| Housing and Community Affairs                     | General Fund                            | 87,614           | 0.50         | 92,655           | 0.50         |
| Housing and Community Affairs                     | Montgomery Housing Initiative           | 175,228          | 1.00         | 182,143          | 1.00         |
| Solid Waste Services                              | Solid Waste Disposal                    | 135,067          | 0.75         | 139,411          | 0.75         |
| Solid Waste Services                              | Solid Waste Collection                  | 45,022           | 0.25         | 46,470           | 0.25         |
| CIP   | Capital Fund                            | 465,494          | 3.00         | 466,548          | 2.80         |
| NDA - Montgomery County Employee Retirement Plans | General Fund                            | 18,009           | 0.10         | 18,588           | 0.10         |
| NDA - Montgomery County Employee Retirement Plans | Employees Retirement Savings Plan (RSP) | 18,009           | 0.10         | 18,588           | 0.10         |
| NDA - Montgomery County Employee Retirement Plans | Retirement Fund (ERS)                   | 75,638           | 0.42         | 78,070           | 0.42         |
| NDA - Retiree Health Benefits Trust               | Retiree Health Benefits Trust Fund      | 30,615           | 0.17         | 31,600           | 0.17         |
| NDA - Retiree Health Benefits Trust               | RSP-Disability Benefits (LTD2)          | 10,805           | 0.06         | 11,153           | 0.06         |
| Cable Television Communications Plan              | Cable TV                                | 117,671          | 0.50         | 121,001          | 0.50         |
| <b>Total</b>                                      |   | <b>5,043,259</b> | <b>34.00</b> | <b>5,308,325</b> | <b>34.30</b> |

## FUTURE FISCAL IMPACTS

### CE RECOMMENDED (\$000S)

| Title  | FY20         | FY21         | FY22         | FY23         | FY24         | FY25         |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>COUNTY GENERAL FUND</b>   |              |              |              |              |              |              |
| <b>EXPENDITURES</b>  |              |              |              |              |              |              |
| <b>FY20 Recommended</b>  | <b>6,377</b> | <b>6,377</b> | <b>6,377</b> | <b>6,377</b> | <b>6,377</b> | <b>6,377</b> |
| No inflation or compensation change is included in outyear projections.  |              |              |              |              |              |              |
| <b>Labor Contracts</b>   | <b>0</b>     | <b>42</b>    | <b>42</b>    | <b>42</b>    | <b>42</b>    | <b>42</b>    |
| These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items. |              |              |              |              |              |              |
| <b>Subtotal Expenditures</b>   | <b>6,377</b> | <b>6,419</b> | <b>6,419</b> | <b>6,419</b> | <b>6,419</b> | <b>6,419</b> |