

Worksession

MEMORANDUM

May 4, 2021

TO: Government Operations and Fiscal Policy Committee
FROM: Marlene Michaelson, Executive Director
SUBJECT: FY22 Operating Budget: **County Council**
PURPOSE: Review and make recommendations on FY22 Operating Budget

Those expected for this worksession:

Sandra Marin, Administrative Services Manager, County Council
Philip Weeda, Office of Management and Budget

The recommended FY22 budget for the Council Office is on ©1-3. For FY22, the recommended total expenditures are \$12,786,526, an increase of \$174,436 or 1.38 percent from the FY21 approved budget. Personnel costs are 92.1% of the total; operating expenses are 7.9%. FTEs increase by 0.4, or less than 1%.

County Council	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
Personnel Costs	11,643,531	11,776,812	1.14%
	87.43 FTEs	87.83 FTEs	0.4 FTEs
Operating Costs	968,559	1,009,714	4.25%
Total	12,612,090	12,786,526	1.38%

The budget includes adjustments from the approved FY21 budget shown below. Other than compensation changes, the only increase worth noting is the need to increase advertising costs as the Council's access to local, less expensive print newspapers decreases, requiring us to place ads with higher-priced regional newspapers. State legislation requiring that ads for public hearings be placed in newspapers does not allow advertisement via electronic publications.

FY22 RECOMMENDED CHANGES		
	Expenditures	FTEs
Increase Cost: FY21 Compensation Adjustment	215,919.00	0.00
Increase Cost: Personnel Costs [Councilmember Offices]	118,338.00	0
Increase Cost: FY22 Compensation Adjustment	70,016.00	0
Increase Cost: Advertising Operating Expenses [Council Staff Operations]	32,000.00	0
Increase Cost: Planning Lapse (Reduction) [Council Staff Operations]	25,088.00	0
Increase Cost: Operating Expenses [Councilmember Offices]	10,000.00	0
Increase Cost: Print and Mail Adjustment	2,521.00	0
Increase Cost: Workforce Adjustment [Councilmember Offices]	0	0.4
Decrease Cost: Reduce Operating Expenses - Printing	(3,366.00)	0
Decrease Cost: Retirement Adjustment	(26,131.00)	0
Increase Cost: Annualization of FY21 Personnel Costs	(269,949.00)	0
Total	12,786,526.00	87.83

Staff recommends two additions to the Council Office FY22 Budget not included in the recommended budget. First, due to the significant increase in constituent services provided directly by Councilmember offices, **Staff is recommending a \$40,000 increase for each office** (\$360,000). As the diversity of the County increases, the range and complexity of resident requests has also increased. In addition, the number of requests from residents has increased exponentially over the past 10 years, in part due to the Council’s increased presence on social media and the ease with which residents can contact Councilmembers. One measure of this increase is the number of messages that come into the Council’s correspondence tracking system. One analysis of this information estimated 46,000 messages coming into the Council in 2011, increasing to approximately 314,000 inbound messages in 2020, an almost six-fold increase in 9 years. The messages that come in through the correspondence tracking system are just one measure of the constituent requests going to Councilmember offices.

The second addition is to allow ongoing **equity and inclusion training** in the Legislative Branch. The Council Office undertook introductory training this spring; at its culmination, the contractor will identify further steps for the Office. In addition to continuing this important effort, the next step will expand training opportunities to the entire Legislative Branch. While it is anticipated that this training will complement and not duplicate other training being provided by the Office of Racial Equity and Social Justice, Staff will work with this office to ensure there is no overlap. It is difficult to estimate the cost before a scope of work has been prepared; **Staff recommends adding \$100,000 for contractual services.**

Finally, Staff will be working with the Office of Management and Budget to make sure that all compensation increases that occur during FY21 are properly annualized in FY22.

Council staff will continue to explore ways to improve our already cost-effective operation. We have and will continue to consider how restructuring, re-engineering, and new technology, combined with the hard work of our talented staff, can enable us to improve our productivity and better serve the Council and the public.



County Council

RECOMMENDED FY22 BUDGET

\$12,786,526

FULL TIME EQUIVALENTS

87.83

 **MARLENE MICHAELSON**, EXECUTIVE DIRECTOR

MISSION STATEMENT

The mission of the County Council is to legislate for the peace, good government, health, safety, and welfare of Montgomery County and establish policies under which a system of public administration and finance provides services effectively, efficiently, and equitably.

BUDGET OVERVIEW

The total recommended FY22 Operating Budget for the County Council is \$12,786,526, an increase of \$174,436 or 1.38 percent from the FY21 Approved Budget of \$12,612,090. Personnel Costs comprise 92.10 percent of the budget for 94 full-time position(s) and nine part-time position(s), and a total of 87.83 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 7.90 percent of the FY22 budget.

PROGRAM CONTACTS

Contact Sandra Marin of the County Council at 240.777.7923 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

Council Staff Operations

Council Staff Operations is responsible for four activities in support of the Council: Legislative Program, Planning, and Budget; Legislative Information Services and Council Communications Office; Office of the Clerk of the Council; and Administration.

Legislative Program, Planning, and Budget staff perform research and analysis on issues before the Council and prepare written reports and recommendations for all agenda items at Council sessions and Committee meetings. Staff also respond to requests from individual Councilmembers for research, legal advice, and data relevant to their work program. Staff draft legislation and resolutions for Council action; analyze reports, bills, plans, and budgets forwarded to the Council by the County Executive and County agencies; and advise Councilmembers on issues related to the Council work program. Personnel in this unit provide

staffing for the Charter Review Commission and other groups created by the Council and represent the Council at meetings held on issues before the Council.

Legislative Information Services and Council Communications Office staff perform the public relations function of the Council. In order to facilitate two-way communication between the Council and County residents, staff prepare informational materials, serve as first-line telephone contact with the public, provide information about the legislative process, update the Council's website, and produce programs for the County's cable channel. Staff inform Councilmembers of the views of citizens through a correspondence control system, telephone tabulation system, and documentation of petitions. Legislative Information Services arranges for and provides notice of public hearings, and assembles packets of background material for Councilmembers, the press, and the public.

The Office of the Clerk of the Council prepares and maintains all official records of the Council; attends meetings of the Council; writes minutes; processes resolutions and legislation; prepares Council and Committee agendas; arranges for both regular and special meetings; and tracks sunset, expiration, and deadline dates of legislation and regulations.

Administration performs the Council's personnel, procurement, payroll, and budgetary functions; provides supervision; manages the automation system for the legislative branch; monitors inventory and office space; coordinates program issues; and serves as the liaison between Councilmembers and program staff. The staff in this unit contribute to the Legislative Program, Planning, and Budget work program. The administrative staff also provide staff orientation, training for the automation and telephone systems, backup support for all programs, volunteer coordination, and receptionist coverage for Councilmember offices.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	6,089,731	37.63
Increase Cost: Advertising Operating Expenses	32,000	0.00
Increase Cost: Planning Lapse (Reduction)	25,088	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.	(16,276)	(0.40)
FY22 Recommended	6,130,543	37.23

Councilmember Offices

The nine elected County Councilmembers enact all local laws, oversee zoning and planning, appropriate funding for the budgets of public agencies, establish spending affordability guidelines, set property tax rates, and meet as the County Board of Health. The Council holds regular weekly sessions, conducts public hearings, and worksessions throughout the year. Each Councilmember serves on two of the following six Council Committees: Education and Culture; Health and Human Services; Government Operations and Fiscal Policy; Planning, Housing, and Economic Development; Public Safety; and Transportation and Environment. Five Councilmembers are elected by district, and four are elected Countywide. Councilmembers have staffs which are responsible for carrying out their work programs. The County Charter provides for a Confidential Aide for each Councilmember. Staff may consist of interns, analysts, legislative services coordinators, legislative senior aides, and other administrative personnel.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	6,522,359	49.80
Increase Cost: Personnel Costs	118,338	0.00

FY22 Recommended Changes	Expenditures	FTEs
Increase Cost: Operating Expenses	10,000	0.00
Increase Cost: Workforce Adjustment	0	0.40
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	5,286	0.40
FY22 Recommended	6,655,983	50.60

BUDGET SUMMARY

	Actual FY20	Budget FY21	Estimate FY21	Recommended FY22	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	8,216,761	9,025,407	8,624,350	9,208,102	2.0 %
Employee Benefits	2,543,016	2,618,124	2,618,124	2,568,710	-1.9 %
County General Fund Personnel Costs	10,759,777	11,643,531	11,242,474	11,776,812	1.1 %
Operating Expenses	1,011,434	968,559	826,335	1,009,714	4.3 %
County General Fund Expenditures	11,771,211	12,612,090	12,068,809	12,786,526	1.4 %
PERSONNEL					
Full-Time	92	96	96	94	-2.1 %
Part-Time	4	7	7	9	28.6 %
FTEs	85.18	87.43	87.43	87.83	0.5 %
County General Fund Revenues	0	0	0	0	—

FY22 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY21 ORIGINAL APPROPRIATION	12,612,090	87.43
Other Adjustments (with no service impacts)		
Increase Cost: FY21 Compensation Adjustment	215,919	0.00
Increase Cost: Personnel Costs [Councilmember Offices]	118,338	0.00
Increase Cost: FY22 Compensation Adjustment	70,016	0.00
Increase Cost: Advertising Operating Expenses [Council Staff Operations]	32,000	0.00
Increase Cost: Planning Lapse (Reduction) [Council Staff Operations]	25,088	0.00
Increase Cost: Operating Expenses [Councilmember Offices]	10,000	0.00
Increase Cost: Print and Mail Adjustment	2,521	0.00
Increase Cost: Workforce Adjustment [Councilmember Offices]	0	0.40
Decrease Cost: Reduce Operating Expenses - Printing	(3,366)	0.00
Decrease Cost: Retirement Adjustment	(26,131)	0.00
Increase Cost: Annualization of FY21 Personnel Costs	(269,949)	0.00
FY22 RECOMMENDED	12,786,526	87.83

PROGRAM SUMMARY

Program Name	FY21 APPR Expenditures	FY21 APPR FTEs	FY22 REC Expenditures	FY22 REC FTEs
Council Staff Operations	6,089,731	37.63	6,130,543	37.23
Councilmember Offices	6,522,359	49.80	6,655,983	50.60
Total	12,612,090	87.43	12,786,526	87.83

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY21 Total\$	FY21 FTEs	FY22 Total\$	FY22 FTEs
COUNTY GENERAL FUND					
NDA - Legislative Branch Communications Outreach	General Fund	678,173	7.00	775,130	7.00
Cable Television Communications Plan	Cable TV	663,125	5.00	668,542	5.00
Total		1,341,298	12.00	1,443,672	12.00

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY22	FY23	FY24	FY25	FY26	FY27
COUNTY GENERAL FUND						
EXPENDITURES						
FY22 Recommended	12,787	12,787	12,787	12,787	12,787	12,787
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	156	156	156	156	156
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	12,787	12,943	12,943	12,943	12,943	12,943