

Worksession

MEMORANDUM

May 2, 2022

TO: Government Operations and Fiscal Policy Committee
FROM: Marlene Michaelson, Executive Director
SUBJECT: FY23 Operating Budget: **County Council**

Those expected for this worksession:

Sandra Marin, Administrative Services Manager, County Council
Julie Knight, Office of Management and Budget

The recommended FY23 budget for the Council Office is on ©1-4. For FY23, the recommended total expenditures are \$15,672,251, an increase of \$2,425,747 or 18.3 percent from the FY22 approved budget. Personnel costs are 90.3% of the total; operating expenses are 9.7%. FTEs increase by 22.22, or 25.3%.

COUNCIL BUDGET (\$000'S)			
Expenditures			
County Council	FY22 Approved	FY23 CE Recommended	Change from FY22 Approved
Personnel Costs	\$ 11,776,812	\$ 14,151,923	20.2%
	87.83	110.05	25.3%
Operating Costs	1,469,714	1,520,328	3.4%
Total	13,246,614	15,672,361	18.3%

The budget includes several adjustments to the approved FY22 budget, which are almost exclusively due to the addition of two new Councilmembers and the related costs. In addition to technical adjustments from FY22, the budget includes 12 new full-time equivalents (FTEs) to account for new Councilmembers and their staff and 9 additional FTEs for Central Staff. These new FTEs include seven new central staff members described below who will provide the necessary capacity for the additional Councilmembers and their staff, the full year costs of positions created in FY22 and adjustments from part-time to full time.

Changes to Councilmember Offices

- Two new Councilmembers and their staff (estimated to be 12 new staff)
- Leave pay-out and severance associated with departing staff (quadrennial cost)

The rationale for the new positions required for the Council's central staff to serve 12 new Councilmembers and their staff are described in the chart at the end of this memorandum. Of note, the Council will be starting a new Fellows Program to bring student graduating with a master's degree in public policy (or a related field) to the Council for a one-year fellowship. This program continues our efforts to:

- Provide enhanced capacity for central staff to track new programs and policies developed by other progressive local governments and additional research capacity for new Council initiatives.
- Continually bring new staff members shortly out of school to the Council who can introduce new ideas and approaches to tackling challenging policy issues.
- Attract the most talented students from top public policy programs and create a pipeline for full-time employees.

Council staff will continue its efforts to improve our already cost-effective operations. Over the past year we have made significant advances in our ability to allow the public to engage with the Council remotely. We have moved seamlessly first to remote meetings and now to hybrid meetings. We will soon have a new Customer Relationship Management (CRM) system making it easier for residents to contact the Council and for us to manage and expedite our responses. We have worked with the Office of Innovation to improve workflow in the Legislative Information Services and the Clerk's offices and update processes to reflect our conversion from paper documents to electronic document storage and management.

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.

FY23 Proposed New Positions

Position	FTE	Start Date	Rationale
Councilmember Offices			
Councilmember	2.0	12/1/22	Result of 2 new Councilmembers added by the approved Charter Amendment. The specific number of Legislative Senior Aide positions will be determined by each Councilmember office (The FTE complement includes a placeholder of 8.0)
Confidential Aide	2.0	12/1/22	
Legislative Senior Aide	TBD	12/1/22	
Central Staff – Council Staff Operations			
Legislative Services Coordinator	1.0	1/1/23	This position is needed to provide administrative support due to increased staffing levels in Councilmember offices and central staff. Position would be lapsed for 6 to 9 months while workload needs are assessed with new Council.
Paralegal Specialist	1.0	7/1/22	This position is needed to address an anticipated expansion in legislative research and drafting for the expanded council.
Legislative Analyst or Attorney	2.0	3/1/23	One position will replace contractual support currently used for transportation and capital budget issues, and the cost will be offset by a reduction in operating costs. The second position will either be an additional legislative analyst or attorney, to be determined based on actual workload demands after the new Council begins. These positions will be lapsed 6 to 9 months while needs are assessed.
Council Fellow (Public Policy Intern)	3.0	9/1/22	As part of the central staff's policy team structure, these positions will provide research and analysis across a variety of topics and issues in each team. The positions will be part of a new Council Fellows program that provides one-year positions for recent master's degree graduates (with the possibility that the program could allow Fellows to extend for a 2 nd year).



County Council

RECOMMENDED FY23 BUDGET

\$15,672,251

FULL TIME EQUIVALENTS

110.05

✻ 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 FY23 Operating Budget for the County Council is \$15,672,251, an increase of \$2,425,725 or 18.31 percent from the FY22 Approved Budget of \$13,246,526. Personnel Costs comprise 90.30 percent of the budget for 127 full-time position(s) and two part-time position(s), and a total of 110.05 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 9.70 percent of the FY23 budget.

PROGRAM CONTACTS

Contact Sandra Marin of the County Council at 240.777.7923 or Julie Knight of the Office of Management and Budget at 240.777.2760 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.

FY23 Recommended Changes	Expenditures	FTEs
FY22 Approved	6,230,543	37.23
Enhance: FY22 Mid Year Position Changes	760,078	9.00
Increase Cost: Additional Expenditures for Council Staff	49,082	0.00
Increase Cost: Operating Expenses	14,600	0.00
Technical Adj: Position Change from Part-time to Full-time	0	0.22
Technical Adj: FY22 Approved position	0	1.00
Decrease Cost: Lapse Manager II Position	(197,203)	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.	(267,117)	(2.90)
FY23 Recommended	6,589,983	44.55

☼ 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.

FY23 Recommended Changes	Expenditures	FTEs
FY22 Approved	7,015,983	50.60
Enhance: New Council Member Offices	965,268	12.00
Increase Cost: One-time Expenditures Necessary for Quadrennial Turnover	400,000	0.00
Increase Cost: Additional Expenditures for New Council Member offices	198,764	0.00
Increase Cost: Operating Expenses	35,646	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.	466,607	2.90
FY23 Recommended	9,082,268	65.50

BUDGET SUMMARY

	Actual FY21	Budget FY22	Estimate FY22	Recommended FY23	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	8,441,806	9,208,102	9,277,612	11,200,486	21.6 %
Employee Benefits	2,397,491	2,568,710	2,568,710	2,951,437	14.9 %
County General Fund Personnel Costs	10,839,297	11,776,812	11,846,322	14,151,923	20.2 %
Operating Expenses	599,717	1,469,714	1,466,201	1,520,328	3.4 %
County General Fund Expenditures	11,439,014	13,246,526	13,312,523	15,672,251	18.3 %
PERSONNEL					
Full-Time	96	94	94	127	35.1 %
Part-Time	7	9	9	2	-77.8 %
FTEs	87.43	87.83	87.83	110.05	25.3 %
County General Fund Revenues	0	0	0	0	—

BUDGET SUMMARY

	Actual FY21	Budget FY22	Estimate FY22	Recommended FY23	%Chg Bud/Rec
GRANT FUND - MCG					
EXPENDITURES					
Salaries and Wages	5,364	0	0	0	---
Employee Benefits	0	0	0	0	---
Grant Fund - MCG Personnel Costs	5,364	0	0	0	---
Grant Fund - MCG Expenditures	5,364	0	0	0	---
PERSONNEL					
Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	0.00	0.00	0.00	0.00	---
REVENUES					
Federal Grants	5,364	0	0	0	---
Grant Fund - MCG Revenues	5,364	0	0	0	---
DEPARTMENT TOTALS					
Total Expenditures	11,444,378	13,246,526	13,312,523	15,672,251	18.3 %
Total Full-Time Positions	96	94	94	127	35.1 %
Total Part-Time Positions	7	9	9	2	-77.8 %
Total FTEs	87.43	87.83	87.83	110.05	25.3 %
Total Revenues	5,364	0	0	0	---

FY23 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY22 ORIGINAL APPROPRIATION	13,246,526	87.83
Changes (with service impacts)		
Enhance: New Council Member Offices [Councilmember Offices]	965,268	12.00
Enhance: FY22 Mid Year Position Changes [Council Staff Operations]	760,078	9.00
Other Adjustments (with no service impacts)		
Increase Cost: One-time Expenditures Necessary for Quadrennial Turnover [Councilmember Offices]	400,000	0.00
Increase Cost: Additional Expenditures for New Council Member offices [Councilmember Offices]	198,764	0.00
Increase Cost: Annualization of FY22 Compensation Increases	156,052	0.00
Increase Cost: FY23 Compensation Adjustment	144,011	0.00
Increase Cost: Additional Expenditures for Council Staff [Council Staff Operations]	49,082	0.00
Increase Cost: Operating Expenses [Councilmember Offices]	35,646	0.00
Increase Cost: Operating Expenses [Council Staff Operations]	14,600	0.00
Increase Cost: Printing and Mail Adjustment	368	0.00
Technical Adj: Position Change from Part-time to Full-time [Council Staff Operations]	0	0.22
Technical Adj: FY22 Approved position [Council Staff Operations]	0	1.00
Decrease Cost: Retirement Adjustment	(100,941)	0.00
Decrease Cost: Lapse Manager II Position [Council Staff Operations]	(197,203)	0.00
FY23 RECOMMENDED	15,672,251	110.05

PROGRAM SUMMARY

Program Name	FY22 APPR Expenditures	FY22 APPR FTEs	FY23 REC Expenditures	FY23 REC FTEs
Council Staff Operations	6,230,543	37.23	6,589,983	44.55
Councilmember Offices	7,015,983	50.60	9,082,268	65.50
Total	13,246,526	87.83	15,672,251	110.05

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY22 Total\$	FY22 FTEs	FY23 Total\$	FY23 FTEs
COUNTY GENERAL FUND					
NDA - Legislative Branch Communications Outreach	General Fund	775,130	7.00	1,438,270	13.00
Cable Television Communications Plan	Cable TV	668,542	5.00	655,672	5.00
Total		1,443,672	12.00	2,093,942	18.00

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY23	FY24	FY25	FY26	FY27	FY28
COUNTY GENERAL FUND						
EXPENDITURES						
FY23 Recommended	15,672	15,672	15,672	15,672	15,672	15,672
No inflation or compensation change is included in outyear projections.						
Annualization of Positions Recommended in FY23	0	860	860	860	860	860
New positions in the FY23 budget are generally assumed to be filled at least two months after the fiscal year begins. Therefore, the above amounts reflect annualization of these positions in the outyears.						
Elimination of One-Time Items Recommended in FY23	0	(400)	(400)	(400)	(400)	(400)
Items recommended for one-time funding in FY23, including payouts for Council member and staff turnover, will be eliminated from the base in the outyears.						
Labor Contracts	0	531	531	531	531	531
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	15,672	16,663	16,663	16,663	16,663	16,663

ANNUALIZATION OF FULL PERSONNEL COSTS

	FY23 Recommended		FY24 Annualized	
	Expenditures	FTEs	Expenditures	FTEs
New Council Member Offices	965,268	12.00	1,654,745	12.00
FY22 Mid Year Position Changes	760,078	9.00	930,103	9.00
Total	1,725,346	21.00	2,584,848	21.00