

MEMORANDUM

April 18, 2023

TO: Economic Development Committee

FROM: Marlene Michaelson, Executive Director

SUBJECT: **FY24 Operating Budget: Urban Districts**

PURPOSE: Review and make recommendation to the Council

Those expected for this worksession:

Luisa Cardona, Wheaton Regional Services Center Director
Pete Fosselman, Bethesda Regional Services Center Director
Jacob Newman, Silver Spring Regional Services Center Director
Yvette Torres, Manager, Community Engagement Cluster
Seamus McNamara, Fiscal and Policy Analyst, Office of Management and Budget

Summary of FY24 Recommended Budget – Urban Districts

	FY23 Approved	FY24 CE Recommended	Change from FY23 Approved
Urban Districts - Total	\$10,394,612	\$11,661,656	12.51%
Personnel Costs	\$4,767,927 60.70 FTEs	\$5,060,181 60.70 FTEs	7.0% 2.00 FTEs
Operating Costs	\$5,626,685	\$6,601,475	17.32%
Total Expenditures (All Funds)	\$10,394,612 60.70 FTEs	\$11,661,656 60.70 FTEs	4.2%

I. Budget Overview

The Executive’s recommendation for the Urban Districts budget is attached on ©1-8. Urban districts are special taxing districts that provide an administrative and financial framework to maintain and enhance

the County’s downtowns as prosperous, livable urban centers.¹ **These districts levy an additional tax on property within the district so that the County may provide services in addition to those that it generally provides all residents.** These additional services include: 1) increasing the maintenance of the streetscape and its amenities; 2) providing additional public amenities such as plantings, seating, shelters, and works of art; 3) promoting the commercial and residential interest of the district; 4) programming cultural and community activities and 5) providing enhanced security.

The FY24 budget includes funding for three Urban Districts: 1) Bethesda; 2) Silver Spring; and 3) Wheaton. The Bethesda Urban District’s efforts are implemented through the Bethesda Urban Partnership (BUP). Silver Spring and Wheaton Urban Districts’ efforts are implemented through the respective Regional Service Center district. On April 11, 2023, the Council enacted Bill 13-23 which created the Friendship Heights Urban District. Simultaneously, the District of Columbia created a Business Improvement District on the portion of Friendship Heights within its boundaries. The Fiscal Impact Statement for the Bill indicated that the new Urban District is intended to be fully funded by charges levied on property owners within the Urban District.

Tables 1 and 2 below compare FY23-FY24 expenditures and FTEs for the urban districts. Table 1 compares the difference by program area for all three urban districts, and Table 2 compares the difference within each urban district. The budget includes a programmatic shift of expenditures from Administration and Promotion of Community and Business Activities to Enhanced Security and Ambassadorship. These programmatic shifts do not impact total expenditures or the resource allocation to the different districts.

Program Area	FY23	FY24	FY23-24	FY23	FY24	FY23-24
	Expenditures	Expenditures	Change	FTEs	FTEs	Change
Administration	\$1,943,958	\$2,085,021	\$141,063	8	6	(2.0)
Enhanced Security	\$1,394,735	\$2,224,692	\$829,957	14	19.5	5.5
Promotion of Act.	\$4,675,866	\$4,682,909	\$7,043	38.7	35.2	-3.5
Streetscape Maint.	\$2,380,053	\$2,669,034	\$288,981	0	0	0
Total	\$10,394,612	\$11,661,656	\$1,267,044	60.7	60.7	0

¹ Sections 68A-2 through 3 of the County Code describes the intent and purpose of urban districts

District	FY23	FY24	FY23-24	FY23	FY24	FY23-24
	Expenditures	Expenditures	Change	FTEs	FTEs	Change
Bethesda	\$3,416,615	\$3,706,950	\$290,335	1	1	0
Silver Spring	\$3,915,565	\$4,719,358	\$803,793	35	35	0
Wheaton	\$3,062,432	\$3,235,348	\$172,916	24.7	24.7	2
Total	\$10,394,612	\$11,661,656	\$1,267,044	60.7	60.7	2

A. Expenditure Overview by District

1. *Bethesda Urban District*

The Executive recommends an increase of \$290,335 for the Bethesda Urban District. Table 3 below summarizes the recommended FY24 changes. The increase to this budget is primarily due to the Executive’s recommended adjustments to the BUP contract and new rodent proof trash cans and recycling bins. Operating expenses account for 96.7% of the district’s expenditures because BUP manages this district through a contract with the County.

Description	Expenditures	FTEs
<i>Changes with service impacts</i>		
Add: Bethesda Rodent Proof Trash Cans and Recycling Bins (Streetscape Maintenance)	\$50,000	
<i>Changes with no service impacts</i>		
Increase Cost: Bethesda Urban Partnership Contract Adjustment (Adminstration)	\$204,885	0
Increase Cost: Risk management adjustment	\$23,406	0
Increase Cost: FY24 compensation adjustments	\$6,000	0
Increase Cost: FY23 annualization adjustments	\$5,117	0
Increase Cost: Printing and mail	\$1,149	0
Decrease Cost: Annualization of FY23 Personnel Costs	(\$222)	0
	\$290,335	0

The cost increases for BUP are detailed on © 9. Compensation and health insurance increases account for 62.2% (\$127,435) of the increase. The remaining 37.8% (\$77450) is for increases in operating costs for items such as events, communications, and maintenance. The budget for the urban districts includes funding for rodent bait stations and maintenance. One year ago, the County entered into an emergency contract with a vendor for pest control services and staff does not know whether those services will continue. It is also unclear whether the Rodent Proof Trash Cans proposed to be added in FY24 are a substitute for the previously provided pest control services, or an additional need. The budget does not provide information on the need for new recycling bins.

2. Silver Spring Urban District

The Executive recommends an increase of \$803,793 to the Silver Spring Urban District. Table 4 below summarizes the recommended FY24 changes. Slightly more than half of the increase (\$435,000) is for new or enhanced services. Over \$400,000 are increases related to compensation and personnel changes, however, these are offset by a \$164,340 onetime adjustment to reflect higher than expected vacancies rates. The remaining cost changes are due to changes in internal funds. Personnel costs account for 63.7% of this district's expenditures in FY24.

Description	Expenditures	FTEs
<i>Changes with service impacts</i>		
Enhance: Sidewalk Repair (Streetscape Maintenance)	\$200,000	0
Add: Youth in Public Spaces Pilot Program (Enhanced Security and Ambassadorship)	\$125,000	0
Enhance: Lighting Upgrades (Streetscape Maintenance)	\$60,000	0
Add: Bethesda Rodent Proof Trash Cans and Recycling Bins	\$50,000	0
<i>Changes with no service impacts</i>		
Increase Cost: FY23 annualization adjustments	\$200,743	0
Increase Cost: FY24 compensation adjustments	\$109,013	0
Increase Cost: Motor Pool Adjustment	\$105,607	0
Increase Cost: Annualization of FY23 Personnel Costs	\$98,680	0
Increase Cost: Risk Management Adjustment	\$23,566	0
Decrease Cost: Retirement Adjustment	(\$4,476)	0
Re-align: One-time Budget Adjustment to Reflect Higher than Expected Vancant Positions	(\$164,340)	0
Total	\$803,793	0

The new services include the rodent proof trash cans and recycling bins described above. The additional funding for sidewalk repair increases funding for existing programs which is not believed to sufficiently cover the need for sidewalk repairs. Lighting upgrades are recommended as a safety measure. The new Youth in Public Spaces program aims to create more opportunities for you to engage in social activities and activate several locations across the Urban District. This new program will be created in partnership with the Collaboration Council for Children Youth and Families and other organizations. Additional planning and organization are necessary before the program will be operational.

3. Wheaton Urban District

The Executive recommends an increase of \$172,916 for the Wheaton Urban District. Table 5 below summarizes the recommended FY24 changes. The increase to this budget is due to the Executive's recommendation for new services for wayfinding signs (\$50,000), rodent proof trash cans (\$50,000) and pedestrian redesign (\$30,000). There are also over \$420,000 in increases related to compensation,

however, these are offset by a \$164,340 onetime adjustment to reflect higher than expected vacancy rates. Personnel costs account for 59.7% of the district’s expenditures in FY24.

Table 5: Summary of the Wheaton Urban District FY24 Recommended Changes

Description	Expenditures	FTEs
<i>Changes with service impacts</i>		
Add: Wayfinding Sign Package (Enhanced Security and Ambassadorship)	\$50,000	0
Add: Wheaton Rodent Proof Trash Cans and Recycling Bins (Streetscape Maintenance)	\$50,000	0
Add: Pedestrian Redesign (Streetscape Maintenance)	\$30,000	0
<i>Changes with no service impacts</i>		
Increase Cost: FY23 annualization adjustments	\$124,114	0
Increase Cost: FY24 compensation adjustments	\$87,638	0
Increase Cost: Risk Management Adjustment	\$29,707	0
Decrease Cost: Retirement Adjustment	(\$2,104)	
Decrease Cost: Annualization of FY23 Personnel Costs	(\$3,569)	0
Decrease Cost: Motor Pool Adjustment	(\$28,530)	0
Re-align: One-time Budget Adjustment to Reflect Higher than Expected Vancant Positions	(\$164,340)	0
Total	\$172,916	0

In addition to the rodent proof trash cans, the proposed increases are for wayfinding signage that would mainly be in elevators, with some exterior signs to direct people on where to go within the M-NCPPC headquarters building and around the Urban District. The funding for the pedestrian redesign is to fund the redesign of the crosswalk that crosses Reedie Drive next to the Wheaton Park and M-NCPPC Headquarters which has raised safety concerns. Typically, the Department of Transportation would fund pedestrian improvements.

B. Funding Sources Overview

The recommended FY24-29 fiscal plan for each urban district is attached at © 10-12. Urban districts are funded through a variety of sources. The major funding sources include urban district taxes and transfers from each district’s respective parking lot district (PLD). In addition, urban districts may receive a baseline transfer from the general fund to support a level of service that the County would have otherwise provided to the area without the urban district.² While services that exceed the baseline services provided to other areas of the County are supposed to be funded by urban district taxes and PLD revenue, the County previously made a decision to subsidize the Wheaton Urban District since it did not earn sufficient tax or parking revenues to support it. It was hoped that as Wheaton redeveloped, additional revenue would become available from the urban district tax and parking lot district. **The Executive did not recommend any changes to the property tax rates for each urban district in FY24 but does recommend**

² In years in which urban district taxes and PLD reviews were strong, the transfer from the general fund did not always occur.

significant increases in the transfer from the general fund to the Bethesda and Silver Spring Urban Districts. The decision to significantly increase general fund contributions for non-baseline services is a policy change the Committee should discuss (see below).

Tables 6-8 below detail the funding sources for each urban district for the current estimate in FY23 and the recommended FY24 budgets.

Table 6: Bethesda Urban District Funding Sources FY23-24		
	FY23 Estimate	FY24 Recommended
<i>Beginning Fund Balance</i>	\$278,143	\$194,563
Revenues		
Taxes	\$816,079	\$836,546
Charges for services	\$183,975	\$183,975
Interfund Transfers		
Transfers to the General Fund	(\$20,512)	(\$22,033)
Transfers from the General Fund		\$605,115
Parking Lot District	\$2,352,550	\$2,003,834
Total Resources	\$3,610,235	\$3,802,000
Operating Budget Expenditures	(\$3,415,672)	(\$3,706,950)
Projected Year-End Fund Balance	\$194,563	\$95,050
Year-End Fund Balance as % of Resources	5.4%	2.5%

Table 7: Silver Spring Urban District Funding Sources FY23-24		
	FY23 Estimate	FY24 Recommended
<i>Beginning Fund Balance</i>	(\$124,473)	\$161,007
Revenues		
Taxes	\$1,022,997	\$1,049,134
Charges for services	\$120,000	\$120,000
Interfund Transfers		
Transfers to the General Fund	(\$507,842)	(\$540,085)
Transfers from the General Fund (Baseline Services)	\$761,789	\$1,407,730
Parking Lot District	\$2,804,101	\$2,642,581
Total Resources	\$4,076,572	\$4,840,367
Operating Budget Expenditures	(\$3,915,565)	(\$4,719,358)
Projected Year-End Fund Balance	\$161,007	\$121,009
Year-End Fund Balance as % of Resources	3.9%	2.5%

Table 8: Wheaton Urban District Funding Sources FY23-24		
	FY23 Estimate	FY24 Recommended
<i>Beginning Fund Balance</i>	(\$3,210)	\$100,211
Revenues		
Taxes	\$264,315	\$270,858
Charges for services	\$0	\$0
Interfund Transfers		
Transfers to the General Fund	(\$346,560)	(\$346,691)
Transfers from the General Fund Baseline Services	\$76,090	\$76,090
Non-Baseline Services	\$2,854,420	\$2,917,838
Parking Lot District	\$300,000	\$300,000
Total Resources	\$3,145,055	\$3,318,306
Operating Budget Expenditures	(\$3,044,844)	(\$3,235,348)
Projected Year-End Fund Balance	\$100,211	\$82,958
Year-End Fund Balance as % of Resources	3.2%	2.5%

II. FY23 Budget Discussions

A. Vacancies

The chart attached at © 13 lists the current vacancies in the Silver Spring and Wheaton Urban District. (Bethesda has only one full time equivalent since the work is contracted to the Bethesda Urban Partnership.) The chart indicates that 6 positions are being lapsed, 3 positions are filled, and that interviews are being conducted for the remaining 6 positions. The Committee may want to have further discussions with Executive representatives to determine whether any further decreases in funding are possible since they are either lapsing or actively filling vacant positions. One question is whether the positions described as being lapsed are lapsed for the entire year.

B. Transfer from the Parking Lot Districts

As noted in the preceding charts, the Parking Lot Districts (PLDs) each transfer money to the respective Urban District. Council Senior Analyst Glenn Orlin has prepared an analysis of the health of the Parking Lot Districts for a T&E discussion on Thursday April 20, 2023. His analysis for the Committee notes the Wheaton PLD's fiscal picture has brightened considerably with the opening of the garage beneath the new County building. The fund balance is well above the 25% goal in each year through FY28 and is projected to be 80% in FY24. Dr. Orlin has therefore recommended to the T&E Committee that the Wheaton PLD increase its transfer to the Wheaton Urban District by \$200,000 (from \$300,000 to \$500,000) in FY24, supplanting \$200,000 of the General Fund's non-baseline subsidy in FY24, thus reducing its non-baseline subsidy from \$2,917,838 to \$2,717,838. Staff will update the ECON Committee on the decision of the T&E Committee worksession on April 21. Should the Committees agree with this approach, it would enable a \$200,000 reduction in General Fund support for the Wheaton Urban District.

C. General Fund Transfer

As noted above, the budget recommends a significant increase in the transfer from the general fund to the Bethesda and Silver Spring Urban Districts with ongoing increases recommended for the six-year period shown in the Fiscal Plan. Without this subsidy, there would be a structural imbalance between projected revenues and expenditures. **From FY23 to FY29, the total general fund transfer would increase from \$3.7 million to \$5.8 million.**

TRANSFER FROM GENERAL FUND TO THE URBAN DISTRICTS							
District	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29
Bethesda	\$ -	\$ 605,115	\$ 730,797	\$ 807,538	\$ 894,691	\$ 954,277	\$1,036,278
Silver Spring	\$ 761,789	\$1,407,730	\$1,586,701	\$1,491,263	\$1,511,192	\$1,543,072	\$1,577,796
Wheaton	\$2,930,510	\$2,993,928	\$3,124,021	\$3,144,398	\$3,169,818	\$3,199,725	\$3,230,772
TOTAL	\$3,692,299	\$5,006,773	\$5,441,519	\$5,443,199	\$5,575,701	\$5,697,074	\$5,844,846

The rationale for creating these special taxing districts was to create a source of revenue for expenditures unique to the districts. The Executive has not provided a rationale for increasing the general fund subsidy beyond what appears to be necessary to cover baseline services. Staff has asked for updated estimates of the cost of baseline services and the Committee should consider whether additional enhancements beyond

baseline services should be paid by the general fund or District taxes. While the Council may decide that a subsidy to an urban district may continue to be appropriate in unique instances (e.g., the desire to help Wheaton redevelop or to compensate for a temporary reduction in revenues), staff does not believe this should be the norm for urban districts. In addition, the strategy used to fund the Friendship Heights Urban District may be a preferable approach. These issues require an in-depth analysis which may need to occur after the Council’s work on the budget is completed.

D. Increases from the FY23 Budget

Consistent with the Council President’s recommended approach to the operating budget, all Committee supported increases other than compensation will go on the reconciliation list. While many of the requested increases appear to serve an important need, staff does not believe that any increases should be placed on the reconciliation list until the Council has had an in-depth discussion about the sources of funding for the urban districts and under what circumstances general fund subsidies are appropriate. Alternatively, the Committee may prefer to place these additions on the reconciliation list as priority items. Staff does not believe they should be identified as high priority in advance of resolving the funding questions. Each requested increase is listed below. Staff further recommends that Executive staff be asked to identify other sources of funding for all increases linked to safety concerns. For example, DOT should be asked to assess and potentially fund the crosswalk identified as unsafe for redesign.

EXECUTIVE RECOMMENDED INCREASES FOR THE URBAN DISTRICTS			
Item	Cost of Increase	FTE	One-time only?
Bethesda Urban District			
Increase Cost: Bethesda Urban Partnership Contract Adjustment	\$204,885	0	no
Add: Bethesda Rodent Proof Trash Cans and Recycling Bins	\$50,000	0	yes
Silver Spring Urban District			
Enhance: Sidewalk Repair	\$200,000	0	yes
Add: Youth in Public Spaces Pilot Program	\$125,000	0	no
Enhance: Lighting Upgrades	\$60,000	0	yes
Add: Silver Spring Rodent Proof Trash Cans and Recycling Bins	\$50,000	0	yes
Wheaton Urban District			
Add: Wayfinding Sign Package	\$50,000	0	yes
Add: Pedestrian Redesign	\$30,000	0	yes
Add: Wheaton Rodent Proof Trash Cans and Recycling Bins	\$50,000	0	yes
TOTAL	\$819,885		

E. Racial Equity and Social Justice

The Urban Districts Budget received a 1 of 3 potential points from the Office of Racial Equity and Social Justice operating budget equity tool rating. The rating stated that the Department-level budget “demonstrates an emerging commitment to advancing racial equity and social justice in Montgomery County”. It is attached at © 14-15.

The ORESJ comments indicated that the “department indicated commitments in each area of the GARE framework, however only one (the organizing) group of commitments contained an explanation. Therefore, it's difficult to assess how the departmental budget in collaboration with the Community Engagement Cluster will be targeted towards the commitments indicated.”

Staff in the Urban Districts are part of the Community Engagement Cluster, which should play a central role to the County's equity work in critically looking at service delivery through the lens of race, ethnicity, country of origin, language, gender, and geographic regions/neighborhoods. Staff are hopeful that the commitments identified by ORESJ will lead to specific measure that can be monitored to determine their success.

This packet contains:

	<u>Circle #</u>
Executive’s recommended FY24 budget for urban districts	1-8
BUP Inflationary Adjustment	9
FY23-29 PLD’s Fiscal Plans	10-12
Urban District Vacancies	13
ORESJ Budget Equity Tool Rating	14-15



Urban Districts

RECOMMENDED FY24 BUDGET

\$11,661,656

FULL TIME EQUIVALENTS

60.70

✻ **FARIBA KASSIRI**, DEPUTY CHIEF ADMINISTRATIVE OFFICER

MISSION STATEMENT

Urban Districts support and enhance the County's unincorporated downtowns (Bethesda, Silver Spring, and Wheaton) as prosperous, livable urban centers by maintaining streetscape and its investments; providing additional public amenities such as plantings, seating, shelters, and works of art; promoting the commercial and residential interests of these areas; and programming cultural and community activities.

BUDGET OVERVIEW

The total recommended FY24 Operating Budget for the Urban Districts is \$11,661,656, an increase of \$1,267,044 or 12.19 percent from the FY23 Approved Budget of \$10,394,612. Personnel Costs comprise 43.39 percent of the budget for 62 full-time position(s) and one part-time position(s), and a total of 60.70 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 56.61 percent of the FY24 budget.

COUNTY PRIORITY OUTCOMES

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

- ❖ **Thriving Youth and Families**
- ❖ **A Growing Economy**
- ❖ **A Greener County**
- ❖ **Safe Neighborhoods**
- ❖ **Effective, Sustainable Government**

INITIATIVES

- ★ The Bethesda Urban District is the first area in Montgomery County to provide street level recycling education signs. Bethesda Green designed the signs in collaboration with the Bethesda Urban Partnership (BUP) and the Montgomery County Department of Environmental Protection. Four signs will be installed at recycling bins in high traffic areas.
- ★ The Bethesda Urban District, at the request of constituents, re-introduced a Veterans Day celebration at Veterans Park in partnership with the Daughters of the American Revolution and the Bethesda Urban Partnership.
- ★ Funding is provided in FY24 for the Bethesda Urban District to replace all three gas powered Circulator buses with electric buses, marking an important step towards meeting the County's goal of reducing emissions by 80 percent by 2027. The Circulator is a free bus route providing quick and easy transportation to 20 stops in downtown Bethesda.

- ★ The Silver Spring Urban District worked closely with contractors to enhance tree beds southbound on Georgia Ave using feature beds for each block. Working with local ecologists and contractors, the District has developed a Spring 2023 planting that further enhances these planting areas using native plants that should improve the local ecosystem for native wildlife and insects. The effort is also intended to aid in the management and reduction of pest and invasive species.
- ★ The Silver Spring Urban District will implement a new Youth in Public Spaces pilot program with the Collaboration Council to find safe ways for young people to have fun in the community.
- ★ Funding is provided for the Silver Spring Urban District to reduce sidewalk tripping hazards in FY24. This will dramatically shrink the backlog of sidewalk repair orders.
- ★ The Silver Spring Urban District transformed Ellsworth Place into a community gathering spot that featured Silver Spring's breweries. The initiative created a welcoming environment for families, local businesses, and visitors to mix and mingle while enjoying and bolstering the flagship live concert on Veterans Plaza.
- ★ The Silver Spring Urban District reinitiated its Safe Escort program as a service to the community. This service, and several specialized trainings for District staff on de-escalation, affords the Safe Team of the Urban District the opportunity to serve as a vital resource and to assuage local concerns around safety and crime.
- ★ The Wheaton Urban District worked to repair 250 square feet of curb and gutter, 2,400 square feet of sidewalk, and made repairs to the Marian Fryer Stage. Sidewalk improvements will continue into 2023 to promote greater pedestrian accessibility within the Wheaton Urban District.
- ★ The Wheaton Urban District hosted eleven (11) events to promote local businesses through art and entertainment. FY2023 Summer Concerts Series will also feature the specially curated concerts by Chuck Levin in honor of the music store's 65th anniversary.
- ★ Funds are provided for the Wheaton Urban District to install new wayfinding signs around Wheaton to make it easier for pedestrians to navigate the area.
- ★ Funds are provided for all three Urban Districts to install new self-enclosed rodent-proof trash cans and more recycling containers to limit rodents in the urban core and improve recycling rates.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ★ The Bethesda Urban District re-designed the Woodmont Streetery as a shared space for bike lanes, vehicular traffic, and public activity. The re-design solves multiple problems by using input from local residents and businesses to improve the use of space around community goals
- ★ In an effort to reduce paper waste and increase staff productivity, the Silver Spring Urban District implemented a tablet-based technology service to track and enter the information exchanged for lockout and jumpstart services. The technology also allows staff the ability to handle, process, and create 311 calls for service in-real time.
- ★ The Wheaton Urban District successfully implemented a one to one recycling receptacle ratio to improve recycling rates in Wheaton.
- ★ The Wheaton Urban District converted fifty (50) percent of fleet vehicles from gas-powered to fully electric and will complete transition from gas-powered equipment to electric-powered equipment in FY24.
- ★ The Wheaton Urban District partnered with One Montgomery Green in support of the Wheaton Sustainability Innovation Zone to build and maintain sustainable innovation ecosystems for climate and energy technologies.

PROGRAM CONTACTS

Contact Yvette Torres of the Urban Districts at 240.777.8044 or Seamus McNamara of the Office of Management and Budget at 240.777.2755 for more information regarding this department's operating budget.

PROGRAM 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 FY23 estimates reflect funding based on the FY23 Approved Budget. The FY24 and FY25 figures are performance targets based on the FY24 Recommended Budget and funding for comparable service levels in FY25.

PROGRAM DESCRIPTIONS

☀ Administration

This program provides staff support for contract administration, the Urban District Advisory Committees, and for the administration of Urban District corporations. This program also provides for budget preparation and monitoring, payment authorization, records maintenance, and the Bethesda Circulator contract.

FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	1,943,958	8.00
Increase Cost: Bethesda Urban Partnership Contract Adjustment	204,885	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.	(63,822)	(2.00)
FY24 Recommended	2,085,021	6.00

☀ Enhanced Security and Ambassadorship

This program promotes clean, safe, and welcoming Urban Districts through uniformed aides. The program provides visual deterrents and/or trained observer documentation for theft, vandalism, and violations in the Silver Spring and Wheaton Urban Districts. Aides also act as ambassadors by providing information, directions, first aid and CPR, and roadside assistance to residents, visitors, and the business.

The goal of the program is to provide an enhanced physical presence and reduce the likelihood of crime. The Safe Team serves as an uniformed visual presence that promotes a safer environment and supports residents and visitors.

FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	1,394,735	14.00
Add: Youth in Public Spaces Pilot Program	125,000	0.00
Add: Wayfinding Sign Package	50,000	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.	654,957	5.50
FY24 Recommended	2,224,692	19.50

☀ Promotion of Community and Business Activities

This program enhances the quality of life in the Urban Districts and surrounding communities; fosters a strong, vibrant business climate within each Urban District; and creates a positive image and a sense of identity for the Districts. These goals are accomplished through sponsorship of community events that may include festivals, concerts, and parades; the installation of seasonal banners, unique signs, holiday decorations, and other amenities to give each District a sense of place; and the development and distribution of newsletters, brochures, and other promotional material highlighting the Districts. Each Urban District develops its programs with the active participation of its advisory committee or Urban District Corporation.

FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	4,675,866	38.70
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	7,043	(3.50)
FY24 Recommended	4,682,909	35.20

☀ Streetscape Maintenance

This program provides maintenance of, and improvement to, the streetscape amenities within each Urban District. Various service levels

include litter collection, sidewalk maintenance, trash receptacle service at least three times a week, mowing and snow removal as needed, lighting maintenance, maintenance of planted/landscaped areas, and street sweeping.

FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	2,380,053	0.00
Enhance: Sidewalk Repair	200,000	0.00
Enhance: Lighting Upgrades	60,000	0.00
Add: Bethesda Rodent Proof Trash Cans and Recycling Bins	50,000	0.00
Add: Silver Spring Rodent Proof Trash Cans and Recycling Bins	50,000	0.00
Add: Wheaton Rodent Proof Trash Cans and Recycling Bins	50,000	0.00
Add: Pedestrian Redesign	30,000	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.	(151,019)	0.00
FY24 Recommended	2,669,034	0.00

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
URBAN DISTRICT - BETHESDA					
EXPENDITURES					
Salaries and Wages	72,045	84,673	84,918	93,047	9.9 %
Employee Benefits	19,906	27,110	26,683	29,631	9.3 %
Urban District - Bethesda Personnel Costs	91,951	111,783	111,601	122,678	9.7 %
Operating Expenses	3,126,319	3,304,832	3,304,071	3,584,272	8.5 %
Urban District - Bethesda Expenditures	3,218,270	3,416,615	3,415,672	3,706,950	8.5 %
PERSONNEL					
Full-Time	1	1	1	1	—
Part-Time	0	0	0	0	—
FTEs	1.00	1.00	1.00	1.00	—
REVENUES					
Property Tax	735,784	813,096	816,079	836,546	2.9 %
Optional Method Development	234,133	183,975	183,975	183,975	—
Urban District - Bethesda Revenues	969,917	997,071	1,000,054	1,020,521	2.4 %
URBAN DISTRICT - SILVER SPRING					
EXPENDITURES					
Salaries and Wages	1,825,992	2,016,981	1,952,989	2,220,873	10.1 %
Employee Benefits	614,946	750,552	658,247	786,280	4.8 %
Urban District - Silver Spring Personnel Costs	2,440,938	2,767,533	2,611,236	3,007,153	8.7 %
Operating Expenses	1,297,844	1,148,032	1,304,329	1,712,205	49.1 %
Urban District - Silver Spring Expenditures	3,738,782	3,915,565	3,915,565	4,719,358	20.5 %
PERSONNEL					
Full-Time	38	38	38	38	—
Part-Time	0	0	0	0	—
FTEs	35.00	35.00	35.00	35.00	—
REVENUES					
Property Tax	944,293	1,058,586	1,022,997	1,049,134	-0.9 %
Optional Method Development	179,061	120,000	120,000	120,000	—
Facility Rental Fees	(750)	0	0	0	—
Urban District - Silver Spring Revenues	1,122,604	1,178,586	1,142,997	1,169,134	-0.8 %
URBAN DISTRICT - WHEATON					
EXPENDITURES					
Salaries and Wages	1,290,288	1,384,792	1,335,493	1,423,827	2.8 %
Employee Benefits	475,818	503,819	477,113	506,523	0.5 %
Urban District - Wheaton Personnel Costs	1,766,106	1,888,611	1,812,606	1,930,350	2.2 %

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
Operating Expenses	1,069,268	1,173,821	1,232,238	1,304,998	11.2 %
Urban District - Wheaton Expenditures	2,835,374	3,062,432	3,044,844	3,235,348	5.6 %
PERSONNEL					
Full-Time	22	22	22	23	4.6 %
Part-Time	1	1	1	1	—
FTEs	22.70	24.70	24.70	24.70	—
REVENUES					
Property Tax	236,556	293,914	264,315	270,858	-7.8 %
Urban District - Wheaton Revenues	236,556	293,914	264,315	270,858	-7.8 %
DEPARTMENT TOTALS					
Total Expenditures	9,792,426	10,394,612	10,376,081	11,661,656	12.2 %
Total Full-Time Positions	61	61	61	62	1.6 %
Total Part-Time Positions	1	1	1	1	—
Total FTEs	58.70	60.70	60.70	60.70	—
Total Revenues	2,329,077	2,469,571	2,407,366	2,460,513	-0.4 %

FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
URBAN DISTRICT - BETHESDA		
FY23 ORIGINAL APPROPRIATION	3,416,615	1.00
<u>Changes (with service impacts)</u>		
Add: Bethesda Rodent Proof Trash Cans and Recycling Bins [Streetscape Maintenance]	50,000	0.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Bethesda Urban Partnership Contract Adjustment [Administration]	204,885	0.00
Increase Cost: Risk Management Adjustment	23,406	0.00
Increase Cost: FY24 Compensation Adjustment	6,000	0.00
Increase Cost: Annualization of FY23 Compensation Increases	5,117	0.00
Increase Cost: Printing and Mail	1,149	0.00
Decrease Cost: Annualization of FY23 Personnel Costs	(222)	0.00
FY24 RECOMMENDED	3,706,950	1.00
URBAN DISTRICT - SILVER SPRING		
FY23 ORIGINAL APPROPRIATION	3,915,565	35.00
<u>Changes (with service impacts)</u>		
Enhance: Sidewalk Repair [Streetscape Maintenance]	200,000	0.00
Add: Youth in Public Spaces Pilot Program [Enhanced Security and Ambassadorship]	125,000	0.00
Enhance: Lighting Upgrades [Streetscape Maintenance]	60,000	0.00
Add: Silver Spring Rodent Proof Trash Cans and Recycling Bins [Streetscape Maintenance]	50,000	0.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Annualization of FY23 Compensation Increases	200,743	0.00
Increase Cost: FY24 Compensation Adjustment	109,013	0.00
Increase Cost: Motor Pool Adjustment	105,607	0.00
Increase Cost: Annualization of FY23 Personnel Costs	98,680	0.00
Increase Cost: Risk Management Adjustment	23,566	0.00
Decrease Cost: Retirement Adjustment	(4,476)	0.00
Re-align: One-time Budget Adjustment to Reflect Higher Than Expected Vacant Positions	(164,340)	0.00
FY24 RECOMMENDED	4,719,358	35.00
URBAN DISTRICT - WHEATON		
FY23 ORIGINAL APPROPRIATION	3,062,432	24.70

Urban Districts

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FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
Changes (with service impacts)		
Add: Wayfinding Sign Package [Enhanced Security and Ambassadorship]	50,000	0.00
Add: Wheaton Rodent Proof Trash Cans and Recycling Bins [Streetscape Maintenance]	50,000	0.00
Add: Pedestrian Redesign [Streetscape Maintenance]	30,000	0.00
Other Adjustments (with no service impacts)		
Increase Cost: Annualization of FY23 Compensation Increases	124,114	0.00
Increase Cost: FY24 Compensation Adjustment	87,638	0.00
Increase Cost: Risk Management Adjustment	29,707	0.00
Decrease Cost: Retirement Adjustment	(2,104)	0.00
Decrease Cost: Annualization of FY23 Personnel Costs	(3,569)	0.00
Decrease Cost: Motor Pool Adjustment	(28,530)	0.00
Re-align: One-time Budget Adjustment to Reflect Higher Than Expected Vacant Positions	(164,340)	0.00
FY24 RECOMMENDED	3,235,348	24.70

PROGRAM SUMMARY

Program Name	FY23 APPR Expenditures	FY23 APPR FTEs	FY24 REC Expenditures	FY24 REC FTEs
Administration	1,943,958	8.00	2,085,021	6.00
Enhanced Security and Ambassadorship	1,394,735	14.00	2,224,692	19.50
Promotion of Community and Business Activities	4,675,866	38.70	4,682,909	35.20
Streetscape Maintenance	2,380,053	0.00	2,669,034	0.00
Total	10,394,612	60.70	11,661,656	60.70

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY23 Total\$	FY23 FTEs	FY24 Total\$	FY24 FTEs
URBAN DISTRICT - SILVER SPRING					
Parking District Services	Silver Spring Parking	165,230	3.00	165,230	3.00

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY24	FY25	FY26	FY27	FY28	FY29
URBAN DISTRICT - BETHESDA						
EXPENDITURES						
FY24 Recommended	3,707	3,707	3,707	3,707	3,707	3,707
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Items Recommended in FY24	0	(50)	(50)	(50)	(50)	(50)
Items recommended for one-time funding in FY24, including Rat-proof Trash Cans, will be eliminated from the base in the outyears.						
Labor Contracts	0	2	2	2	2	2
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	3,707	3,659	3,659	3,659	3,659	3,659

URBAN DISTRICT - SILVER SPRING

EXPENDITURES

FY24 Recommended	4,719	4,719	4,719	4,719	4,719	4,719
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Items Recommended in FY24	0	(50)	(50)	(50)	(50)	(50)
Items recommended for one-time funding in FY24, including Rat Proof Trash Cans, will be eliminated from the base in the outyears.						
Restore One-Time Lapse Increase	0	164	164	164	164	164
Labor Contracts	0	98	98	98	98	98
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY24	FY25	FY26	FY27	FY28	FY29
Subtotal Expenditures	4,719	4,931	4,931	4,931	4,931	4,931
URBAN DISTRICT - WHEATON						
EXPENDITURES						
FY24 Recommended	3,235	3,235	3,235	3,235	3,235	3,235
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Items Recommended in FY24	0	(130)	(130)	(130)	(130)	(130)
Items recommended for one-time funding in FY24, including (Pedestrian Redesign for Reddie Drive, Rat Proof Trash Cans, and Wayfinding Sign Package), will be eliminated from the base in the outyears.						
Restore One-Time Lapse Increase	0	164	164	164	164	164
Labor Contracts	0	72	72	72	72	72
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	3,235	3,341	3,341	3,341	3,341	3,341

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Bethesda Urban Partnership Inflationary Adjustment		
Administration		\$45,850
Liability Insurance		\$3,000
Performance Based Increase	3% increase	\$15,855
Cost of Living	3% increase	\$15,855
Health Insurance		\$1,340
General Overhead		\$9,800
Sidewalk Maintenance		\$9,000
Tree Removal & Replacement		\$3,450
Promotion of Business & Community Activities		\$48,920
Performance Based Increase	3% increase	\$11,390
Cost of Living	3% increase	\$11,390
Health Insurance		\$1,440
Events		\$19,200
Communications		\$5,500
Streetscape		\$82,160
Performance Based Increase	3% increase	\$24,530
Cost of Living	3% increase	\$24,530
Health Insurance		\$5,600
Maintenance Operating Costs		\$17,500
Pest Control		\$10,000
Ambassadors		\$15,505
Performance Based Increase	3% increase	\$6,790
Cost of Living	3% increase	\$6,790
Health Insurance		\$1,925
Total		\$204,885
Operating		\$77,450
Personnel		\$127,435

0.378017

0.621983



Montgomery County Government

FY24-29 PUBLIC SERVICES PROGRAM: FISCAL PLAN		Bethesda Urban District					
FISCAL PROJECTIONS	FY23 ESTIMATE	FY24 REC	FY25 PROJECTION	FY26 PROJECTION	FY27 PROJECTION	FY28 PROJECTION	FY29 PROJECTION
ASSUMPTIONS							
Property Tax Rate: Real Property	0.0120	0.0120	0.0120	0.0120	0.0120	0.0120	0.0120
Assessable Base: Real Property (000)	6,299,300	6,487,700	6,694,700	6,871,800	6,990,900	7,047,300	7,088,700
Property Tax Collection Factor: Real Property	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%
Property Tax Rate: Personal Property	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Assessable Base: Personal Property (000)	216,200	209,500	204,700	201,400	199,100	197,500	196,400
Property Tax Collection Factor: Personal Property	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
Indirect Cost Rate	18.35%	17.96%	17.96%	17.96%	17.96%	17.96%	17.96%
CPI (Fiscal Year)	2.9%	2.1%	2.2%	2.2%	2.2%	2.3%	2.3%
Investment Income Yield	3.3%	5.0%	4.0%	3.5%	3.0%	2.5%	2.5%
BEGINNING FUND BALANCE	278,143	194,563	95,050	95,811	97,887	100,027	102,323
REVENUES							
Taxes	816,079	836,546	859,800	879,937	893,456	899,704	904,313
Charges For Services	183,975	183,975	187,986	192,140	196,425	201,021	205,705
Subtotal Revenues	1,000,054	1,020,521	1,047,786	1,072,077	1,089,881	1,100,725	1,110,018
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To The General Fund	2,332,038	2,586,916	2,689,609	2,747,573	2,813,313	2,892,175	2,974,176
Indirect Costs	(20,512)	(22,033)	(22,310)	(22,310)	(22,310)	(22,310)	(22,310)
Transfers From The General Fund	(20,512)	(22,033)	(22,310)	(22,310)	(22,310)	(22,310)	(22,310)
General Fund	0	605,115	730,797	807,538	894,691	954,277	1,036,278
Transfers From Special Fds: Non-Tax + ISF Bethesda PLD	0	605,115	730,797	807,538	894,691	954,277	1,036,278
Transfers From Special Fds: Non-Tax + ISF Bethesda PLD	2,352,550	2,003,834	1,981,122	1,962,345	1,940,932	1,960,208	1,960,208
Bethesda PLD	2,352,550	2,003,834	1,981,122	1,962,345	1,940,932	1,960,208	1,960,208
TOTAL RESOURCES	3,610,235	3,802,000	3,832,445	3,915,461	4,001,081	4,092,927	4,186,517
PSP OPER. BUDGET APPROX/ EXP'S.							
Operating Budget	(3,415,672)	(3,706,950)	(3,785,090)	(3,866,030)	(3,949,510)	(4,039,060)	(4,130,310)
Labor Agreement	n/a	0	(1,544)	(1,544)	(1,544)	(1,544)	(1,544)
Annualizations and One-Time	n/a	n/a	50,000	50,000	50,000	50,000	50,000
Subtotal PSP Oper Budget Approx / Exp's	(3,415,672)	(3,706,950)	(3,736,634)	(3,817,574)	(3,901,054)	(3,990,604)	(4,081,854)
TOTAL USE OF RESOURCES	(3,415,672)	(3,706,950)	(3,736,634)	(3,817,574)	(3,901,054)	(3,990,604)	(4,081,854)
YEAR END FUND BALANCE	194,563	95,050	95,811	97,887	100,027	102,323	104,663
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	5.4%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Assumptions:

- Transfers from the Bethesda Parking District are adjusted annually to fund the approved service program and to maintain an ending fund balance of approximately 2.5 percent of resources.
- Property tax revenue is assumed to increase during the six years based on an improved assessable base.
- Assessable base increases are due to economic growth and new projects coming online.
- These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY25-29 expenditures are based on the "major known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage inflation, future labor agreements, and other factors not assumed here.
- Section 68A-4 of the County Code requires: a) that the proceeds from either the Urban District tax or parking fee transfer must not be greater than 90 percent of their combined total; and b) that the transfer from the Parking District not exceed the number of spaces in the Urban District times the number of enforcement hours per year times 20 cents.

FY24-29 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Silver Spring Urban District

FISCAL PROJECTIONS	FY23 ESTIMATE	FY24 REC	FY25 PROJECTION	FY26 PROJECTION	FY27 PROJECTION	FY28 PROJECTION	FY29 PROJECTION
ASSUMPTIONS							
Property Tax Rate: Real Property	0.0240	0.0240	0.0240	0.0240	0.0240	0.0240	0.0240
Assessable Base: Real Property (000)	3,984,900	4,104,000	4,234,900	4,347,000	4,422,300	4,458,000	4,484,200
Property Tax Collection Factor: Real Property	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%
Property Tax Rate: Personal Property	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Assessable Base: Personal Property (000)	120,900	117,100	114,400	112,600	111,300	110,400	109,700
Property Tax Collection Factor: Personal Property	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
Indirect Cost Rate	18.35%	17.96%	17.96%	17.96%	17.96%	17.96%	17.96%
CPI (Fiscal Year)	2.9%	2.1%	2.2%	2.2%	2.2%	2.3%	2.3%
Investment Income Yield	3.3%	5.0%	4.0%	3.5%	3.0%	2.5%	2.5%
BEGINNING FUND BALANCE	(124,473)	161,007	121,009	127,398	128,390	129,412	130,509
REVENUES							
Taxes	1,022,997	1,049,134	1,078,746	1,104,411	1,121,597	1,129,574	1,135,406
Charges For Services	120,000	120,000	122,616	125,326	128,121	131,119	134,174
Subtotal Revenues	1,142,997	1,169,134	1,201,362	1,229,737	1,249,718	1,260,693	1,269,580
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To The General Fund	3,058,048	3,510,226	3,773,567	3,778,455	3,798,384	3,830,264	3,864,988
Indirect Costs	(507,842)	(540,085)	(557,598)	(557,598)	(557,598)	(557,598)	(557,598)
Transfers From The General Fund	(507,842)	(540,085)	(557,598)	(557,598)	(557,598)	(557,598)	(557,598)
Baseline Services	761,789	1,407,730	1,586,701	1,491,263	1,511,192	1,543,072	1,577,796
Transfers From Special Fds: Non-Tax + ISF	761,789	1,407,730	1,586,701	1,491,263	1,511,192	1,543,072	1,577,796
Silver Spring PLD	2,804,101	2,642,581	2,744,464	2,844,790	2,844,790	2,844,790	2,844,790
TOTAL RESOURCES	4,076,572	4,840,367	5,095,938	5,135,590	5,176,492	5,220,369	5,265,077
PSP OPER. BUDGET APPROP/ EXP'S.							
Operating Budget	(3,915,565)	(4,719,358)	(4,756,688)	(4,795,348)	(4,835,228)	(4,878,008)	(4,921,598)
Labor Agreement	n/a	0	(97,512)	(97,512)	(97,512)	(97,512)	(97,512)
Annualizations and One-Time	n/a	n/a	50,000	50,000	50,000	50,000	50,000
Restore One-Time Lapse Increase	n/a	n/a	(164,340)	(164,340)	(164,340)	(164,340)	(164,340)
Subtotal PSP Oper Budget Approp / Exp's	(3,915,565)	(4,719,358)	(4,968,540)	(5,007,200)	(5,047,080)	(5,089,860)	(5,133,450)
TOTAL USE OF RESOURCES	(3,915,565)	(4,719,358)	(4,968,540)	(5,007,200)	(5,047,080)	(5,089,860)	(5,133,450)
YEAR END FUND BALANCE	161,007	121,009	127,398	128,390	129,412	130,509	131,627
END-OF-YEAR RESERVES AS A							
PERCENT OF RESOURCES	3.9%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Assumptions:

1. Transfers from the Silver Spring District are adjusted annually to fund the approved service program and to maintain an ending fund balance of approximately 2.5 percent of resources.
2. Property tax revenue is assumed to increase during the six years based on an improved assessable base.
3. Assessable base increases are due to economic growth and new projects coming online.
4. The Baseline Services transfer provides basic right-of-way maintenance comparable to services provided countywide.
5. The Non-Baseline Services transfer is necessary to maintain fund balance policy.
6. These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY25-29 expenditures are based on the "major, known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage inflation, future labor agreements, and other factors not assumed here.
7. Section 68A-4 of the County Code requires: a) that the proceeds from either the Urban District tax or parking fee transfer must not be greater than 90 percent of their combined total; and b) that the transfer from the Parking District not exceed the number of spaces in the Urban District times the number of enforcement hours per year times 20 cents.

FY24-29 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Wheaton Urban District

FISCAL PROJECTIONS	FY23 ESTIMATE	FY24 REC	FY25 PROJECTION	FY26 PROJECTION	FY27 PROJECTION	FY28 PROJECTION	FY29 PROJECTION
ASSUMPTIONS							
Property Tax Rate: Real Property	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Assessable Base: Real Property (000)	810,100	834,300	861,000	883,700	899,100	906,300	911,600
Property Tax Collection Factor: Real Property	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%
Property Tax Rate: Personal Property	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Assessable Base: Personal Property (000)	30,400	29,500	28,800	28,400	28,000	27,800	27,600
Property Tax Collection Factor: Personal Property	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
Indirect Cost Rate	18.35%	17.96%	17.96%	17.96%	17.96%	17.96%	17.96%
CPI (Fiscal Year)	2.9%	2.1%	2.2%	2.2%	2.2%	2.3%	2.3%
Investment Income Yield	3.3%	5.0%	4.0%	3.5%	3.0%	2.5%	2.5%
BEGINNING FUND BALANCE	(3,210)	100,211	82,958	85,639	86,377	87,139	87,955
REVENUES							
Taxes	264,315	270,858	278,296	284,766	289,060	291,057	292,487
Subtotal Revenues	264,315	270,858	278,296	284,766	289,060	291,057	292,487
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To The General Fund	2,883,950	2,947,237	3,064,317	3,084,694	3,110,114	3,140,021	3,171,068
Indirect Costs	(346,560)	(346,691)	(359,704)	(359,704)	(359,704)	(359,704)	(359,704)
Transfers From The General Fund	(346,560)	(346,691)	(359,704)	(359,704)	(359,704)	(359,704)	(359,704)
Baseline Services	2,930,510	2,993,928	3,124,021	3,144,398	3,169,818	3,199,725	3,230,772
Non-Baseline Services	76,090	76,090	76,090	76,090	76,090	76,090	76,090
Transfers From Special Fds: Non-Tax + ISF	2,854,420	2,917,838	3,047,931	3,068,308	3,093,728	3,123,635	3,154,682
Wheaton PLD	300,000	300,000	300,000	300,000	300,000	300,000	300,000
TOTAL RESOURCES	3,145,055	3,318,306	3,425,571	3,455,099	3,485,551	3,518,217	3,551,510
PSP OPER. BUDGET APPROP/ EXP'S.							
Operating Budget	(3,044,844)	(3,235,348)	(3,233,138)	(3,261,928)	(3,291,618)	(3,323,468)	(3,355,928)
Labor Agreement	n/a	0	(72,454)	(72,454)	(72,454)	(72,454)	(72,454)
Annualizations and One-Time	n/a	n/a	130,000	130,000	130,000	130,000	130,000
Restore One-Time Lapse Increase	n/a	n/a	(164,340)	(164,340)	(164,340)	(164,340)	(164,340)
Subtotal PSP Oper Budget Approp / Exp's	(3,044,844)	(3,235,348)	(3,339,932)	(3,368,722)	(3,398,412)	(3,430,262)	(3,462,722)
TOTAL USE OF RESOURCES	(3,044,844)	(3,235,348)	(3,339,932)	(3,368,722)	(3,398,412)	(3,430,262)	(3,462,722)
YEAR END FUND BALANCE	100,211	82,958	85,639	86,377	87,139	87,955	88,788
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	3.2%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Assumptions:

1. Transfers from the Wheaton Parking District are adjusted annually to fund the approved service program and to maintain an ending fund balance of approximately 2.5 percent of resources.
2. Property tax revenue is assumed to increase during the the six years based on an improved assessable base.
3. Assessable base increases are due to economic growth and new projects coming online.
4. The Baseline Services transfer provides basic right-of-way maintenance comparable to services provided countywide.
5. The Non-Baseline Services transfer is necessary to maintain fund balance policy.
6. These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY25-29 expenditures are based on the "major, known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage inflation, future labor agreements, and other factors not assumed here.
7. Section 68A-4 of the County Code requires: a) that the proceeds from either the Urban District tax or parking fee transfer must not be greater than 90 percent of their combined total; and b) that the transfer from the Parking District not exceed the number of spaces in the Urban District times the number of enforcement hours per year times 20 cents.

URBAN DISTRICT VACANCIES

Dept	Urban District	Position	Days Vacant	Personnel Cost	Notes
CEC	Wheaton	014975.Public Service Worker II.005231.PT.P.1	3386	\$54,242	Required One Time Lapse
CEC	Wheaton	017696.Urban District Public Service Aide.000630.FT.P.	950	\$72,932	Required One Time Lapse
CEC	Wheaton	017694.Public Service Worker II.005231.FT.P.	363	\$71,030	Required One Time Lapse
CEC	Silver Spring	013495.Equipment Operator I.005113.FT.P.2	3398	\$81,520	Lapse Position
CEC	Silver Spring	017456.Public Service Worker II.005231.FT.P.	1752	\$71,030	Interviews being conducted.
CEC	Silver Spring	011138.Urban District Public Service and Maintenance Team Supv.000628.FT.P.1	1381	\$89,372	No longer vacant/effective 4/24/23
CEC	Silver Spring	017464.Urban District Public Service Aide.000630.FT.P.	1328	\$72,932	Interviews being conducted.
CEC	Silver Spring	017455.Public Service Worker II.005231.FT.P.	1324	\$71,030	Interviews being conducted.
CEC	Silver Spring	011631.Program Specialist II.000836.FT.P.	684	\$102,596	No longer vacant/effective 4/9/23
CEC	Silver Spring	017452.Public Service Worker II.005231.FT.P.	489	\$71,030	Interviews being conducted.
CEC	Silver Spring	017449.Public Service Worker II.005231.FT.P.	488	\$71,030	Interviews being conducted. Delay hiring by 2 months to meet lapse target.
CEC	Silver Spring	016773.Program Manager II.000832.FT.P.2	224	\$118,724	Interviews being conducted. Marketing Manager
CEC	Silver Spring	005968.Urban District Public Service and Maintenance Team Supv.000628.FT.P.2	180	\$89,372	No longer vacant/effective 4/24/23
CEC	Silver Spring	017451.Public Service Worker II.005231.FT.P.	136	\$79,969	Required One Time Lapse
CEC	Silver Spring	017447.Public Service Worker II.005231.FT.P.	-16	\$78,098	Promoted internally. Required One Time Lapse
				\$1,325,384	

to enable attendance at GARE and other industry specific conferences as well as retain the services of expert facilitators and designated staff resources. Continuing to build the knowledge and capabilities of department staff will help the department refine its analysis, planning, community engagement, and service delivery in ways that advance racial equity and equitable transportation outcomes.

Urban Districts



1. How will your overall budget support the department's commitment to advancing racial equity and social justice? To aid you in the formulation of your response, we've offered a list of activities, using the GARE framework, that demonstrate department-level commitments to racial equity and social justice. More information about the GARE framework is below and here.

Normalize - Establish racial equity as a key value by developing a shared understanding of key concepts across the department and create a sense of urgency to make changes

- ★ Form a Racial Equity CORE Team.
- ★ Allocate or support the use of staff time for CORE team activities.
- ★ Develop a racial equity vision statement (and/or racial equity and social justice mission, values, or guiding principles).

Each Urban District is a sub entity of the Regional Services. Regional Services are within the Community Engagement Cluster (CEC). The CEC intends to develop a CORE Team, have staff wide CORE time, and develop a vision statement for the entire CEC.

Organize - Build staff and organizational capacity, skills, and competencies through training while also building infrastructure to support the work, like internal organizational change teams and external partnerships with other institutions and community.

- ★ Implement a plan or policy requiring all staff and leadership to complete "Advancing Racial Equity: the Role of Government" and "the Racial Equity Institute's Groundwater Approach: building practical understanding of structural racism" trainings.
- ★ Designate permanent and sustainable staff resources, with an FTE or similar investment, to organize and lead the department's commitment to racial equity and social justice.
- ★ Designate resources for staff participation in GARE conferences and other department-specific racial equity and social justice professional development.

No Data

Operationalize - Put theory into action by implementing new tools for decision-making, measurement, and



accountability like a Racial Equity Tool and developing a Racial Equity Action Plan.

- ★ Field a staff survey and or conduct focus groups to identify areas of strength and opportunity in recruiting, retaining, and advancement of a diverse and representative workforce.
- ★ Conduct an organizational assessment to identify areas of strength and opportunity for advancing racial equity in policies, programs, and practices.
- ★ Track program access and service outcomes by race, ethnicity, and other relevant demographic or socioeconomic characteristics.
- ★ Using or creating department-specific racial equity tools or maps to support analysis (of policy, program, practice, procedure) or resource decisions.

No Data

2. How does your department's budget allocate funds towards ensuring that public documents (including websites and related apps), policies, plans, meetings, and hearings are readily accessible to the public? Please use the checkboxes below to indicate which activities your department budget will enable. Then, in the text box that follows, please describe how your budget targets resources towards these activities.

- ★ Translating documents and marketing material to relevant languages based on the project impact area. Completed in partnership or at the advisement of the Office of Community Partnerships.
- ★ Ensuring interpretation services (ASL and closed-captioning) are available to the public in all relevant places and programs (such as service desks, service phone lines, open houses, public meetings, etc.).
- ★ Ensuring accessibility for people with disabilities using Section 508 of the Rehabilitation Act; Web Content Accessibility Guidelines; and compliance with the Americans with Disabilities Act as a minimum standard.

No Data

3. What persistent gaps or limitations could inhibit your department's ability to advance racial equity and social justice?

The CEC and the Regional Services do have staff shortages. However, the Council funded new positions for the CEC in FY23 that have just been filled and funding positions for the Regional Services that are in the resume and application process. Interviews for the RS staff will begin in December 2022.

ORESJ Rating

1-Department-level budget demonstrates an emerging commitment to advancing racial equity and social justice in Montgomery County

ORESJ Justification

The department indicated commitments in each area of the GARE framework, however only one (the organizing) group of commitments contained an explanation. Therefore, it's difficult to assess how the departmental budget in collaboration with the Community Engagement Cluster will be targeted towards the commitments indicated.

