

MEMORANDUM

April 26, 2023

TO: Planning, Housing, and Parks (PHP) Committee

FROM: Pamela Dunn, Senior Legislative Analyst
 Livhu Ndou, Legislative Attorney
 Marlene Michaelson, Executive Director

SUBJECT: **Maryland-National Capital Park and Planning Commission (M-NCPPC)
 FY24 Operating Budget**

PURPOSE: Make Committee recommendations for Council Consideration

Expected Participants:

- Jeffrey Zyontz, Chair, Montgomery Planning Board
- Tanya Stern, Acting Director, Planning Department
- Mike Riley, Director, Parks Department
- John Kroll, Corporate Budget Director, Central Administrative Services, M-NCPPC
- Nancy Steen, Budget Manager, Parks Department
- Shuchi Vera, Chief, Management Services, Parks Department
- Karen Warnick Chief, Management Services, Planning Department
- Katy Bryant-Higgins, Budget Analyst, Office of Management and Budget

Summary of FY24 Recommended Budget and Key Discussion Issues

M-NCPPC	FY23 Approved	FY24 CE Recommended	Change from FY23 Approved
Administrative Fund			
Operating	\$36,847,696	\$39,438,402	7.0%
	190.48 FTEs	191.23 FTEs	0.4%
Park Fund			
Operating	\$117,024,459	\$121,940,777	4.2%
	779.20 FTEs	783.20 FTEs	0.5%
Debt Serv, Grants, Other Funds	\$26,935,487	\$28,370,455	5.3%
Total Expenditures	\$180,807,642	\$189,749,634	4.9%
FTEs	1,134.4	1,135.1	0.1%

Council staff notes key issues/recommendations for the Committee review:

- The County Executive recommends an FY24 tax-supported appropriation, excluding debt service, of \$161,379,179. This represents an increase of \$7,507,024 or 4.9 percent over the FY23 Approved Operating Budget.
- The County Executive supports the requested transfer of \$500,000 from the tax-supported Administration Fund to the non-tax supported Special Revenue Fund.
- The County Executive recommends a transfer of \$50,000 from the Cable Fund to support the Department of Parks Connected Parks initiative.
- The County Executive concurs with the M-NCPPC request for funding of the Advance Land Acquisition Debt Service Fund, the Enterprise Fund, the Property Management Fund, the Special Revenue Fund, and the Grant Fund.
- Due to concerns over sufficient revenue to fund the County Executive's Recommended Budget, the Council President sent a memorandum to his colleagues outlining his intended approach for Committee and Council review of the FY24 operating budget. CP Glass' memorandum is attached on ©50-52.

OTHER ISSUES

Bi-County Approval - The Montgomery County and Prince George's County Councils must agree on any change to the CAS budget, or the Commission's budget will stand as submitted. The bi-county meeting will occur on May 11 before the Council has completed its review of other departments and agency budgets; it is not possible to consider any reductions or additions to the CAS portion of the M-NCPPC budget after May 11.

A copy of the M-NCPPC Proposed FY24 Annual Budget can be found at the following link:
<https://www.mncppc.org/ArchiveCenter/ViewFile/Item/784>.

This memorandum provides an overview of the Maryland-National Capital Park and Planning Commission (M-NCPPC) FY24 Operating Budget and addresses all aspects of the M-NCPPC budget.

All page references are to the M-NCPPC Proposed Annual Budget Fiscal Year 2024. The Planning Board Chair’s transmittal letter is on ©1-10. Relevant pages from the County Executive’s Recommended FY24 Operating Budget are attached on ©11-18. M-NCPPC responses to Council Staff questions on the budget are attached on ©19-49.

OVERVIEW OF M-NCPPC BUDGET

The budget for the Maryland-National Capital Park and Planning Commission includes tax supported funds, self-supporting funds, debt service, and reserves. The tax-supported funds—the Administration Fund and the Park Fund—represent the lion’s share of the operating budget and of this packet. The Commission’s total FY24 budget request is \$196.7 million, which includes Enterprise operations, Property Management, Debt Service, and Special Revenue Funds. The appropriation required to support the operating budget is \$210.5 million.¹

In FY24, the proposed tax-supported operating budget, including debt service, is \$175.6 million. This represents an increase of about \$15 million (or 9.3%) over the adopted FY23 tax-supported budget. The County Executive (CE) has recommended a smaller increase for FY24. For the Administration Fund, the CE’s recommended budget is \$2,590,085 below the Commission’s request. For the Park Fund, his recommended budget is \$4,310,985 below the Commission’s request. Non-tax supported operating budget items total \$21.1 million, up \$850,875 (4.2%) over FY23.

Due to concerns over sufficient revenue to fund the County Executive’s Recommended Budget, the Council President (CP) sent a memorandum to his colleagues outlining his intended approach for Committee and Council review of the FY24 operating budget. CP Glass’ memorandum is attached on ©50-52. The most significant element of the CP’s approach is the review of additions above FY23 approved funding levels. For M-NCPPC, the typical review of the operating budget focuses on changes (reductions) necessary to meet the CE’s budget; however, the following review will concentrate on proposed budget changes from FY23 to FY24.

The table below summarizes the Commission’s operating budget appropriation request (by fund or fund type) compared to the adopted FY23 budget. It also includes the tax-supported budget total (with and without debt service) as these amounts are also frequently referenced in the staff report.

¹ The appropriation differs from the tax-supported budget due to the Internal Service Funds: Risk Management Fund, Capital Equipment Fund, CIO Initiatives, IT Initiatives, and Wheaton Headquarters Building.

M-NCPPC BUDGET REQUEST

		FY23 Adopted	FY24 Request
I.	<u>Administration Fund</u>	\$36,847,696	\$42,028,487
a)	Commissioner's Office	\$1,138,750	\$1,386,299
b)	Planning Department	\$22,380,318	\$24,776,915
c)	Central Administrative Services	\$9,693,854	\$11,436,331
d)	Non-Departmental	\$3,634,774	\$4,428,942
II.	<u>Park Fund</u>	\$123,596,478	\$133,416,824
a)	Park Operations	\$106,754,776	\$114,114,058
b)	Non-Departmental	\$10,269,683	\$12,137,704
c)	Debt Service	\$6,572,019	\$7,165,062
III.	<u>Grants</u>	\$550,000	\$550,000
a)	Admin Fund Future Grants	\$150,000	\$150,000
b)	Park Fund Future grants	\$400,000	\$400,000
IV.	<u>Self-Supporting Funds</u>	\$12,350,878	\$12,590,805
a)	Enterprise Fund	\$10,613,078	\$10,833,205
b)	Property Management	\$1,737,800	\$1,757,600
V.	<u>Advance Land Acquisition Fund</u>	\$132,550	\$123,600
a)	Debt Service	\$132,550	\$123,600
VI.	<u>Internal Service Funds</u>	\$13,298,048	\$13,880,580
a)	Risk Management Fund	\$3,433,966	\$3,568,420
b)	Capital Equipment Fund	\$3,813,114	\$4,074,085
c)	CIO-	\$2,467,564	\$2,765,306
d)	IT Initiatives	\$646,301	\$535,666
e)	Wheaton Headquarters Building	\$2,937,103	\$2,937,103
VII.	<u>Special Revenue Funds</u>	\$7,330,040	\$7,940,988
a)	Park Activities	\$3,177,489	\$3,598,590
b)	Planning Activities	\$4,152,551	\$4,342,398
I+II-IIc	<i>Tax Supported (excluding debt service)</i>	\$153,872,155	\$168,280,249
I+II	<i>Tax Supported (including debt service)</i>	\$160,576,724	\$175,568,911
Sum I through VII	<i>Total Appropriation</i>	\$194,105,690	\$210,531,284

SPENDING AFFORDABILITY GUIDELINES

The County’s Charter and Code establish a Spending Affordability process that is tied to the approval of the Aggregate Operating Budget. The Aggregate Operating Budget (AOB) excludes enterprise funds, the Washington Suburban Sanitary Commission, tuition and tuition-related charges, and specific grants. For the purposes of the AOB resolution and the related Spending Affordability process, debt service and retiree health pre-funding are accounted for separately from the agency budgets. This can create confusion when comparing the Commission’s budget, the Executive’s recommended budget, the Council’s Spending Affordability Guidelines (SAG), and the annual AOB resolution of approval.

For the upcoming budget year, **the Council approved FY23 Spending Affordability Guidelines for M-NCPPC of \$154.0 million**, up from \$150.2 million (excluding debt service and retiree health care pre-funding²) in the approved FY23 Aggregate Operating Budget. The Commission request is about \$165.0 million for SAG/AOB purposes, or about \$11 million more than the SAG target amount. The Executive's recommended AOB for the agency is about \$158.1 million. The Spending Affordability Guidelines that the Council adopts in February does not place a limit on the amount that the Council can approve in May, but rather creates procedural requirements for agencies that submit budgets exceeding the approved SAG amount.

M-NCPPC SUMMARY OF TAX SUPPORTED FUNDS COUNTED FOR SAG			
(\$ in millions)			
	FY23 Adopted	FY24 Request	CE Recommended
Admin Fund	36,847,696	42,028,487	39,438,402
Park Fund	123,596,478	133,416,824	129,105,839
Debt Service	(6,572,019)	(7,165,062)	(7,165,062)
OPEB Pre-funding -Admin	(799,026)	(724,075)	(724,075)
OPEB Pre-funding -Park	(2,885,182)	(2,603,716)	(2,603,716)
Total	\$150,187,947	\$164,952,458	\$158,051,388

MAJOR CHANGES IN FY24 BUDGET

Significant FY24 changes to the M-NCPPC budget are described in the Chair’s cover letter (©1-10). The largest personnel cost increase is for the FY24 “compensation marker”, followed by an increase in health insurance costs. **Personnel cost changes in the FY24 M-NCPPC proposed budget total approximately \$8.7 million.**

Non-personnel costs include debt service payments, costs associated with Parks-National Pollution Discharge Elimination System (NPDES) mandate, major known commitments, and operating budget impacts (OBI) of capital projects. **Non-personnel cost changes total approximately \$3.1 million.**

Funding for new initiatives to support “critical needs and program enhancements” represents a third category of budget cost changes. **Funding for new initiatives totals approximately \$3.2 million.**

² Also known as Other Post Employment Benefits or OPEB.

These changes represent an increase of about \$15 million (or 9.3%) over the adopted FY23 tax-supported budget. The table below summarizes these changes.³

Summary of FY24 Proposed Budget Major Changes	
	Budget Amount
FY23 Adopted Budget	\$160,576,724
Major Personnel Cost Changes	
Comp Annualization	\$1,450,892
Health insurance	\$1,516,261
Retirement	\$1,087,317
OPEB	-\$216,306
FY24 Compensation Marker	\$6,410,188
Minimum Wage Marker	-\$8,369
Salary Lapse	-\$1,542,649
Subtotal Personnel Cost Changes	\$8,697,334
Major Non-Personnel Cost Changes	
Transfer to Debt Service	\$593,043
FY23 One Time Consulting	-\$640,000
Parks NPDES	\$241,183
OBI (non-NPDES)	\$461,407
Major Known Commitments	\$2,449,846
ALARF Debt Service	-\$8,950
Subtotal Non-Personnel Cost Changes	\$3,096,529
Critical Needs and Program Enhancements	
Commissioners' Office	\$151,267
Planning	\$1,153,469
Parks	\$1,184,068
CAS- Dept HR and Management	\$300,961
CAS- Finance	\$188,389
CAS- Legal	\$75,642
CAS- IT	\$144,528
Subtotal Critical Needs/Enhancements	\$3,198,324
Total Change in Tax Supported Funding Request	\$14,992,187
TOTAL FY24 Proposed Budget	\$175,568,911

³ This table is similar to the table on page ©3 of the Chair’s letter; however, some of the figures have been updated to account for unintended errors in the submitted budget.

M-NCPPC PARK FUND

The Montgomery County Parks system includes more than 420 parks with over 37,100 acres of owned or managed land. M-NCPPC has requested **FY24 tax-supported funding of \$126,251,762**, excluding grants, debt service, and reserves. **This represents a \$9.2 million or 7.9 percent increase over the FY23 approved budget.** The Executive recommends a 4.2 percent increase over the FY23 M-NCPPC approved budget.

PARK FUND BUDGET HIGHLIGHTS (Millions)	
FY23 Approved Budget	\$117.0
FY24 Budget Request	\$126.2
FY24 Executive Recommendation	\$121.9
Difference between FY23 Approved and FY24 Request	\$9.2
Difference between FY24 Request and FY24 CE Recommendation	(\$4.3)

As noted above, the typical review of the Park Fund focuses on changes (reductions) necessary to meet the CE’s budget; however, following the CP’s requested approach to the budget, this analysis will concentrate on all proposed budget changes from FY23 to FY24.

PARK FUND CHANGES FROM FY23 TO FY24

The chart below summarizes the increases proposed in FY24 for the Park Fund. It is similar to a chart on page 217 of the M-NCPPC proposed budget.

Compensation Adjustments (salary, benefits)	\$5,588,067
Known Operating Commitments	\$1,927,869
OBI for CIP Projects	\$461,407
NPDES (Water Quality Protection Fund)	\$241,183
New Funding for Program Enhancements/Critical Needs	\$1,184,068
Debt Service on General Obligation Bonds	\$593,043
OPEB (Other Post-Employment Benefits) - PAYGO and Pre-funding	(\$175,291)
TOTAL INCREASES	\$9,820,346

Compensation Adjustments – 56.9% of the requested increase for FY24

Compensation adjustments include commitments that **must** be covered in FY24 such as increases in health benefits and pension costs, as well as savings due to anticipated salary lapse. These commitments total \$952,332, or 9.7 percent of the total increase requested for FY24. The remaining increase in compensation is for the FY24 “compensation marker” of \$4,635,735 which is 47.2 percent of the total FY24 increase.

The Council is including compensation in the budget rather than placing it on a reconciliation list. Agency-wide compensation will be discussed when the Council meets with the Prince George’s County Council.

Known Operating Commitments – 19.6% of the requested increase for FY24

Known Operating Commitments include costs for contractual obligations, software maintenance agreements, utility and telecommunications, and inflationary adjustments. For FY24, a portion of the requested increase includes \$710,100 in contractual obligations adjusted by the Consumer Price Index (CPI); \$327,674 for inflationary increases for supplies and materials; \$414,283 for an increase in debt service for the Capital Equipment Internal Service Fund and, \$475,812 for an increase in costs for Central Administrative Services (CAS) charges, chargebacks, and other obligations.

The Parks Department made the following recommendation for reductions/savings:

Known Operating Commitments	
Debt Service on Capital Equipment (ISF) - prepay portion of cost using FY23 funding	\$615,000
Risk Management – prepay a portion of the cost with FY23 funding	\$200,000
Contractual Increases – reduce increase using FY23 funding	\$200,000
Inflations increase for supplies – reduce increase using FY23 funding	\$220,000
Cable Fund – defer projects due to limited funding	\$50,000

Council Staff recommends placing increases in contractual obligations, software maintenance agreements, and utility and telecommunications on the reconciliation list as high priorities. Contractual obligations and software maintenance agreements are not discretionary items. Utility and telecommunications are not increases that the Department is contractually obligated to pay. The T&E Committee recommended placement on the high priority list for the Utilities NDA, so this would be consistent. Council Staff recommends all inflationary adjustments be placed on the reconciliation list as a priority.

Operating Budget Impacts (OBI) – 4.7% of the requested increase for FY24

OBI are costs associated with operating, maintaining, and policing new and expanded parks. This expense is recognized and approved as part of the Capital Improvements Program (CIP) when projects are submitted through the CIP budget process. In FY24, the Department of Parks is requesting \$461,407 in additional funding for OBI to implement completed CIP work programs. This includes three (3) new career positions (two full-time and one part-time) and 2.4 work years for seasonal staff.

The Parks Department recommended deferring hiring based on updated project completion dates, resulting in a savings of \$72,101. Council Staff recommends the total \$461,407 be placed on the reconciliation list as a priority, since it is an addition to the FY24 budget.

NPDES Mandate – 2.5% of the requested increase for FY24

For FY24, the Department of Parks is requesting an increase of \$241,183 to its funding for National Pollution Discharge Elimination System (NPDES), bringing the total funding to \$4,138,538 for NPDES activities. Parks’ funding request includes \$106,910 for additional funding of seasonal staffing and contractual services to support work program needs. In addition, OBI costs of \$55,111 and 0.8 seasonal work years are included for bioretention and other stormwater amenities at Germantown Square Urban Park, Hillandale Local Park, Longwood Local Park, Sligo Creek Stream Valley Park, South Germantown Park (TennisPlex), and Stewartown Local Park. The NPDES request also includes \$79,162 for the merit impact of compensation increases from FY23.

Council Staff does not recommend any reductions for this item or placement on the reconciliation list. The funding source for the NPDES work is funding from the Montgomery County Water Quality Protection Fund (WQPF). The \$241,183 is the requested increase for the WQPF support associated with the NPDES permit requirements for Montgomery Parks and is therefore not from general funds.

Debt Service on General Obligation Bonds - 6% of the requested increase for FY24

Debt Service will cost \$7,165,062 in FY24 as compared to \$6,572,019 in FY23, resulting in a net increase of \$593,043, for more detail see page 285 in the budget.

Council Staff recommends keeping Debt Service in the FY24 budget because the County is obligated to pay it.

Program Enhancements – 12.1% of the requested increase for FY24

The FY24 proposed budget includes **\$1,184,068** to address what the Department has identified as deficiencies in the work program, as well as emerging trends aimed at meeting the needs of the future. Most of the funding for program enhancement/future needs supports staffing new positions such as two new maintenance positions for the Park Activation Team, and four new positions dedicated to the Urban Park Maintenance Team. For more details on the nature of each position, see pages 218-219 in the budget.

The Parks Department recommends deferring hiring associated with program enhancements by 3 months, for a savings of \$200,474. The reduction/savings that would be realized by deferring the new positions under program enhancements are only a savings if program enhancements are funded in the first place. If only a portion of the program enhancements are funded, then the savings associated with deferment of hiring will need to be calculated. The remaining increases above FY23 associated with program enhancements are personnel costs associated with new positions. Total program enhancements of \$1,184,068 minus the \$200,747 savings from deferred hiring will add an additional reduction of \$983,594 for personnel costs associated with new positions. The Parks Department has listed at least 13 new positions, including:

- *3 additional staff for the Parks Activation Program -- \$174,212*
- *Additional performers and event funding for Park Activation -- \$119,000*
- *3 positions for the Natural Resources Care and Management Crew -- \$167,110*
- *1 Permit Specialist position -- \$78,284*
- *Summer and Trades Internships -- \$41,200*
- *4 Urban Park Maintenance Team and Supplies positions -- \$308,916*
- *1 Park Information and Customer Services (PICS) Assistant Manager position -- \$78,284*
- *1 Construction Inspector -- \$16,588*

If the Committee does not fund the above 13 positions, then the reductions/savings are \$2,366,058 and Program Enhancements of \$1,184,068 are removed from the list of increases for FY24. Council Staff recommends placing two tranches of \$200,000 each on the reconciliation list as a priority. This will allow the Parks Department to decide which positions to fund should the Council place this item back in the budget.

Staffing

In total, 23 new positions and 22.9 work years are included in the FY24 proposed budget. Seven (7) of these positions will, effectively, have a net zero impact on the budget. The Department is transitioning a portion of the contractual services currently being provided for maintenance support of Montgomery County Public School (MCPS) fields to Parks staff. Four (4) new positions and non-personnel costs are being proposed to handle these transitioned services. The staff costs associated with this change will be offset by contract cost savings. In addition, Parks will convert seasonal funding to year-round staff funding for three (3) full-time park maintenance positions for the Northern Parks Playground Crew.

As noted above, three (3) new positions are needed to fulfill the Operating Budget Impact of new and expanded park facilities. A complete table indicating how current and proposed positions will be deployed may be found in responses to staff questions (©23-26).

Council Staff recommends the zero-impact staffing changes be kept in the budget. Council Staff recommends the remaining three positions, which are an increase from FY23, be placed on the reconciliation list as priority.

Salary Lapse

The Department has increased its lapse rate from the FY23 level of 7.5 percent to 9.0 percent or 75.2 positions for FY24. According to the Department's quarterly vacancy reports, the lowest percentage of vacant positions since January 2019 was 9.7 percent. The highest vacancy rate was over 19 percent, reported in July 2022.

The Department provides a detail description of their current hiring efforts in response to staff questions (© 19-23). As of the end of March, the Department has filled 171 positions since the start of FY23, including 91 new hires (includes seasonal staff hired as career and re-hires), 63 positions filled internally as promotions, and 17 positions filled as reassignments.⁴

The FY24 proposed budget includes \$65,000 in budgeted lapse for the three (3) new positions for Northern Parks and \$113,827 in budgeted lapse for four (4) of the new positions requested for Southern Parks. According to the Department, filling vacant positions has been a priority for the Department with nearly all vacancies in some stage of active recruitment (e.g., advertised, interviewing candidates, etc.). However, despite these efforts, reducing the vacancy rate to pre-pandemic levels as been slower than hoped. Parks has acknowledged this by including increased lapse of \$821,704 as part of their reduction to meet the County Executive recommended FY24 budget. This effectively raises the budgeted lapse for FY24 to 10%.

The Parks Department recommends a reduction of \$821,704 for an increase in salary lapse to 10%; and a reduction of \$387,727 for the reclassification marker, an additional reduction for current and projected salary increases. Council Staff concurs with this recommendation.

⁴ There are an additional 11 positions with offers accepted with the start date pending finalization of the paperwork and background checks, as of March 29, 2023.

FEE INCREASES

There were no new fee increases implemented for FY24. However, some of the fee increases that were included in the Planning Board memo approved in December 2021 have been phased in over time to give users time to adjust their budgets, thus the full impact of the fee changes was not recognized in FY23. The revenue increase for Park Permits in the FY24 Proposed Budget reflects the increase attained from the annualization of the previously approved increases.

ADJUSTMENTS TO MEET FY23 FUNDING LEVEL

Following the CP’s approach to budget review, each increase to the adopted FY23 budget is categorized as either a necessary adjustment to the base for FY24, or a discretionary/non-mandatory increase. All non-mandatory increases are to be placed on the reconciliation list.

As stated earlier, the typical review of the M-NCPPC operating budget focuses on changes (reductions) necessary to meet the CE’s budget. The Department identified two tiers of non-recommended reductions, and savings for items that can be deferred or prepaid using FY23 funds in order to meet the CE recommended budget (see ©27-29). This information was used to evaluate and make recommendations regarding all proposed budget changes from FY23 to FY24.

Increases proposed in FY24 for the Park Fund total \$9,820,346. The table below shows all of Council Staff’s recommendations that were noted above:

Item	Amount of increase	One-time or ongoing	Staff recommendation
<u>Compensation Adjustments</u>			
Increase salary lapse to 10%	\$821,704	Ongoing	Reduction
Reclassification Marker – additional reduction for current and projected salary increases	\$387,727	Ongoing	Reduction
<u>Known Operating Commitments</u>			
Contractual obligations – contractual obligations adjusted by the Consumer Price Index (CPI)	\$710,100	Ongoing	Reconciliation list – high priority
Software maintenance agreements – an increase in debt service for the Capital Equipment Internal Service Fund	\$414,283	Ongoing	Reconciliation list – high priority

Utility and telecommunications – increase in costs for Central Administrative Services (CAS) charges, chargebacks, and other obligations	\$475,812	Ongoing	Reconciliation list – high priority
Inflationary adjustments – inflationary increases for supplies and materials	\$327,674	Ongoing	Reconciliation list – priority
Operating Budget Impacts (OBI) – 3 career positions and 2.4 works years for seasonal staff to implement completed CIP work programs	\$461,407	Ongoing	Reconciliation list – priority
Program Enhancements	\$1,184,068	Ongoing	Reconciliation list – priority (2 tranches of \$200,000 each)

FUNDS: PROPERTY MANAGEMENT, ENTERPRISE, AND ALARF

Council Staff does not have any recommendations for reductions or placement on the reconciliation list for this section due to the unique funding structure, such as revenues and revolving funds.

Property Management Fund

The Property Management Fund provides for the oversight, management, maintenance, administration, and leasing of parkland and facilities located on parkland (fiscal summary on page 58), discussion on pages 283-284). In FY24, revenue is proposed to decrease by \$180,200 due to the projected loss of rental revenue from several large buildings and a decrease in non-employee house rentals. Personnel costs are increased by \$24,743 for the compensation marker and higher benefit costs. And Other Services and Charges are expected to increase by \$3,443 due to miscellaneous service costs such as utility costs and building maintenance and repairs.

The funding request is as follows:

FY23 and FY24 PROPERTY MANAGEMENT FUND⁵			
FY23 Adopted Budgeted	FY24 Request	Change FY23 to FY24	% Change FY23 to FY24
\$1,737,800	\$1,757,600	\$19,800	1.1%
5.80 WY	5.80 WY	0.0 WY	0%

⁵ Workyears include chargebacks.

Advance Land Acquisition Revolving Fund (ALARF)

The Advance Land Acquisition Revolving Fund (ALARF) is used to acquire land needed for public purposes, including parks, roads, school sites, and other public uses (see pages 334-336). There is an ALARF project description form (PDF) in the CIP, but ALARF is also shown in the operating budget because it is a revolving fund, and repayments to the fund need to be held as an operating budget account.

The intent is for the agency or department that ultimately builds the project to repay ALARF; repayment has not consistently occurred in the past. Although the fund is revolving, there is frequently a lengthy lapse in time before it is refunded, and, in some cases, repayment does not occur. M-NCPPC held on to many millions of dollars in real estate for many years for the Inter-County Connector (ICC) and was ultimately repaid by the state. To provide the appropriation authority, the budget assumes that the entire fund balance will be spent in FY24. Council approval is still required for each ALARF purchase.

Whenever the fund balance drops inappropriately low, M-NCPPC issues new bonds to restore the balance. For FY24 they recommend total expenditures of \$2,211,100 in the debt service fund, an increase of \$13,337 or 0.6 percent, and recommend total expenditures in the Revolving Fund of \$5,818,382 compared to \$3,735,280 in total expenditures in FY23.

Enterprise Fund

The Enterprise Fund accounts for various park facilities and services that are entirely or predominantly supported by user fees (fiscal summary on page 64, discussion on pages 293-294). These facilities include ice rinks, indoor tennis facilities, several event centers, a synthetic turf pavilion, and other park facilities such as miniature trains, boat facilities, campgrounds, mini golf, a driving range, and a carousel.

Operating profits are reinvested in new and existing Enterprise facilities through the Capital Improvements Program. The FY24 Operating Budget projects overall Fund revenue over expenditures of more than \$1.7 million. Overall, the FY24 proposed budget assumes 2.1 percent increase in expenditures on all facilities.

In order to guard against the use of tax supported funds, it is the policy of the Enterprise Fund to retain 10 percent of its operating expenses plus one year of debt service in reserves. The minimum fund reserve required is \$1,088,321.⁶

The proposed expenditures for the Enterprise Fund for FY24 are as follows:

FY23 and FY24 ENTERPRISE FUND			
FY23 Adopted Budget	FY24 Request	Change FY23 to FY24	% Change FY23 to FY24
\$10,613,078	\$10,883,205	\$270,127	2.1%
121.1 WY	121.7 WY	0.6 WY	0.5%

⁶ 10% operating expenditures plus debt service of \$0

Revenues and Losses by Enterprise Activity

The following chart indicates whether each of the Enterprise Fund activities has generated or is expected to generate a positive return. The net revenues for ice rinks, event centers, indoor tennis and park facilities are calculated based on information on page 294. In FY24, all Enterprise Fund activities combined are expected to operate with an increase in expenses of 2.1 percent over FY23.

REVENUE IN EXCESS OF EXPENSES – excluding Golf Courses		
	Estimated FY23	Budgeted FY24
Ice Rinks	\$795,647	\$681,074
Indoor Tennis	\$230,119	\$279,471
Event Centers	(\$78,079)	(\$87,923)
Park Facilities	\$662,741	\$713,325
Total	\$1,610,428	\$1,585,947

Golf Courses (pages 295-296)

Golf courses are operated by the Montgomery County Revenue Authority (MCRA). Under the terms of the lease, the MRCA is required to make a percentage rent payment to M-NCPPC when rent revenues generated by the golf courses exceed the lease-stated threshold of \$5.1 million for the three courses (Little Bennett, Northwest, and Needwood). In FY23, the courses exceeded the minimum threshold for the tenth time in fourteen years. The Department estimates that the Revenue Authority will pay \$397,774 in rent in FY23.

Ice Rinks (pages 297-299)

In FY23, there is expected to be positive net revenue for the ice rinks of approximately \$795,647. Revenues in FY24 are expected to remain greater than expenditures, thus resulting in an expected revenue surplus of \$681,074.

Indoor Tennis (pages 300-302)

Similar to the Ice Rinks, revenues over expenditures for FY24 for Indoor Tennis are expected to result in a revenue surplus of \$279,471. The estimated FY23 revenue surplus of \$230,119 is \$166,480 less than the amount assumed in the FY23 adopted budget due to decreases in revenue and increases in all costs – personnel, supplies and materials, and other services and charges.

Event Centers (pages 303-305)

Revenues for the event centers are expected to increase in FY24 from \$515,195 to \$570,195; however, expenditures are expected to increase from \$593,274 to \$658,118. Net revenue is negative in FY23 (\$78,079) and that deficit is expected to increase in FY24 (\$87,923).

Park Facilities (pages 306-309)

Park facilities are anticipated to generate more than \$713,325 in net revenue (FY24), compared to \$662,741 (FY23 estimate). The increase is mainly due to increased services of tent camping at Little Bennett Campground, golf and archery group lessons at the South Germantown Driving Range, Garden of Lights admission fees at Brookside Gardens, and admissions for the Eye Spy Train special events.

Administration (pages 310-312)

The administration of Enterprise operations is funded via chargebacks to the other Enterprise activities. Personnel and other costs are expected to increase to \$1,965,536 in FY24 from \$1,854,934 estimated FY23. Of that increase, \$25,782 is the result of increased compensation of current staff. Increases in other services and charges are the result of expenses incurred from the new software RecTRAC hosting and maintenance fees.

ADMINISTRATION FUND

The Administration Fund of M-NCPPC includes the bi-county Central Administrative Services (CAS), the Commissioner’s Office, and the Planning Department. **M-NCPPC’s total tax supported budget request for the Administration Fund for FY24 is \$42,028,487, representing a \$5,180,791 increase of 14.1% over the FY23 adopted budget.** The Executive recommends \$39,438,402, which is \$2,590,085 below the Commission’s request and \$2,590,706 above the FY23 adopted budget.

Administration Fund			
	FY23 Approved	FY24 Request	Change
Commissioner’s Office	\$1,138,750	\$1,386,299	\$247,549
Planning Department	\$22,380,318	\$24,776,915	\$2,396,597
CAS	\$9,693,854	\$11,436,331	\$1,742,477
Non-Departmental	\$3,634,774	\$4,428,942	\$794,168
Total	\$36,847,696	\$42,028,487	\$5,180,791

COMMISSIONER’S OFFICE

The Montgomery County Commissioner’s Office includes the Chair’s Office and the technical writers’ unit. The description of this Office and the requested budget appear on pages 76-78 of the M-NCPPC Budget. For FY24, the Office would include 9.0 funded career positions and 7.0 funded work years. The requested budget for FY24 is \$1,386,299. This is a \$220,918 increase from the FY23 budget due primarily to an increase in personnel costs and other costs and services.

The proposed FY24 Operating Budget includes the following major categories:

- \$1,045,382 in Personnel Services, **an increase of \$188,553** or 22% for:
 - \$47,286 for increases in benefits, retirement, and annualization of prior year’s salary adjustments
 - \$134,267 to convert an unfunded part-time position to a full-time Principal Public Affairs Specialist position/workyear
 - \$7,000 for a summer seasonal intern to work with the Commissioners’ Office staff on a special project and to provide valuable work experience for the next generation of public servants
- \$25,800 in Supplies and Materials, **an increase of \$1,343**, for general inflation costs.

- \$51,900 for Other Services and Charges, **an increase of \$11,525**, for general inflation costs, a Planning Board retreat, and Board and staff trainings and conferences.
- \$263,217 in Chargebacks, **an increase of \$19,497**, to Legal for technical writing support.

Council Staff recommends the \$47,286 for increases in benefits, retirement, and annualization of prior year’s salary adjustments be included in the budget since the Council is including compensation in the budget, rather than on the reconciliation list. Council Staff recommends the chargebacks be placed on the reconciliation list as high priority, with the remaining increases placed on the reconciliation list as priorities:

Item	Amount of increase	One-time or ongoing	Staff recommendation
<u>Personnel Services</u>			
Principal Public Affairs Specialist	\$134,267	Ongoing	Reconciliation list – priority
Summer seasonal intern	\$7,000	Ongoing	Reconciliation list – priority
Supplies and Materials	\$1,343	Ongoing	Reconciliation list – priority
Other Services and Charges	\$11,525	Ongoing	Reconciliation list – priority
Chargebacks	\$19,497	Ongoing	Reconciliation list – high priority

PLANNING DEPARTMENT

OVERVIEW

The Planning Department is staffed and managed across eight divisions. A summary of the FY23 adopted and FY24 requested budgets for those divisions is below. (Note that this does not include compensation markers or OPEB).

Planning Department			
	FY23 Adopted	FY24 Request	% Change
Director’s Office	\$1,609,662	\$1,709,422	6.2%
Management Services	\$1,156,547	\$1,260,553	9.0%
Communications Division	\$1,664,049	\$1,879,465	12.9%
IT and Innovation	\$4,017,249	\$4,515,039	12.4%
Research/Strategic Projects	\$1,132,012	\$1,236,304	9.2%

Countywide Planning and Policy	\$3,136,696	\$3,921,013	25.0%
Downcounty Planning	\$1,632,168	\$1,806,441	10.7%
Mid-County Planning	\$2,192,994	\$2,384,801	8.7%
Upcounty Planning	\$2,171,837	\$2,356,690	8.5%
Intake and Applications Regulatory Coordination	\$1,086,582	\$1,113,768	2.5%
Support Services	\$2,580,522	\$2,593,419	0.5%
Grants	\$150,000	\$150,000	0.0%
Total	\$22,530,318	\$24,926,915	10.6%

CHANGES FROM FY23 TO FY24

Page 152 of the M-NCPPC proposed budget summarizes the increases proposed for FY24.

MONTGOMERY COUNTY PLANNING DEPARTMENT PRELIMINARY FY24 OPERATING BUDGET REQUEST			% Change
	FY23 Adopted Adjusted Budget	\$ 23,648,401	
FY23 BASE BUDGET CHANGES			
	Salaries and Benefits *	1,223,275	
	CPI Increase for Contracts and Supplies (2%)	47,500	
	Adjustment - Risk Management, Long - Term Disability, and Legal Chargeback	26,525	
	Major Known Commitments	128,300	
	Chargebacks to Development Review - Special Revenue Account	(163,580)	
	Adjustments in Departmental Chargebacks to CIO and Commission Wide IT	3,025	
	Subtotal - Base Budget Changes	1,265,045	5.35%
	Less: FY23 One Time consulting funding	(640,000)	-2.71%
New Initiatives/New Funding Request for FY24 (One Time)			
	Randolph Road Corridor Study	75,000	
	Germantown Employment Corridor Check In	50,000	
	Thrive Montgomery 2050 Implementation Metrics	100,000	
	Curbside Management Project	100,000	
	The Great Seneca Plan - Urban Design Guidelines and Streetscape Standards	25,000	
	Burial Sites Context Survey	65,000	
	Regional Travel Demand Model and Transportation Network Database Management Tools	75,000	
	Redlining Segregation Mapping Project	100,000	
	Subtotal - Proposed One Time Changes	590,000	2.49%
New Initiatives/New Funding Request for FY24 (On Going)			
	Americans with Disabilities Act (ADA) Compliance	40,000	
	Subtotal - Proposed - On Going Changes	40,000	0.17%
	New Position - Planner III - Adequate Public Facilities	132,927	
	New Position - Planner II - Forest Conservation	116,974	
	New Position - Planner II - Downcounty Planner	116,974	
	New Position - Planner I - Transportation Data Management	105,530	
	New Position - Visual Media & Imaging Specialist (Part-Time)	51,064	
	Subtotal - Proposed - On Going New Positions	523,469	2.21%
	Total New Initiatives/New Funding Request for FY24	1,153,469	4.88%
	Net Change from FY23 Adopted to FY24 Proposed Budget	1,778,514	7.52%
	*FY24 Proposed Budget	\$ 25,426,915	
Notes:			
* Salary and Benefits total does not include compensation and reclassification markers, OPEB PayGo, and OPEB prefunding. They are budgeted in the Administration Fund's non-departmental account.			

WORKYEARS (WYs) (Staffing, Salary Lapse)

For the Planning Department, M-NCPPC has proposed 155 positions and 154.35 work years (before lapse and chargebacks) for FY24. This represents an increase of 4 new positions and 4 work years plus 1 work year and funding for a currently unfunded position. After chargebacks of -22.0 WYs and lapse of -6.73, the grand total for the Planning Department is 125.62 WYs, almost 5 WYs greater than FY23 WYs of 120.87.

WORK PROGRAM

Staff’s analysis of the work program and associated budget issues is structured around the master plan schedule, new initiatives, and the professional services budget.

MASTER PLAN SCHEDULE

The Council was provided an overview of the Planning Department’s FY24 work program during the Semi-Annual Report on March 7th. The Council did not make any decisions at that time and agreed that the PHP Committee would continue the discussion as part of the FY24 Operating Budget review.

Below are the Planning Board’s FY24 proposed additions to the Planning Department’s work program. The delivery dates shown have been updated as part of the Semi-Annual Report, see © 55 for the updated work program chart.

New Work Program Items Proposed by the Board	Proposed Completion Date
Germantown Employment Corridor Check-In	June 2024
Thrive 2050 Plan Implementation Metrics	July 2024
Curbside Management Project	October 2024
Randolph Road Corridor Study	May 2025

The Board did not propose any new master plans to begin in FY24 due to the large number of ongoing plans, studies, and other major work program items (such as the Growth and Infrastructure Policy) that will be coming to Council over the next two years. Below is a list of master plans in the current work program scheduled to be delivered to the Council through FY25.

Master Plan and Major Work Program Delivery Schedule	Month
FY23	
Rustic Roads Functional Master Plan Update	Delivered (Feb)
Amendments to the Master Plan for Historic Preservation	Delivered (Feb)
Pedestrian Master Plan	May
FY24	
Fairland and Briggs Chaney Master Plan	July
Takoma Park Minor Master Plan Amendment	September

Great Seneca Plan: Connecting Life and Science	November
University Boulevard Corridor Plan	April
FY25	
Growth and Infrastructure Policy	July
Update Incentive Density Guidelines – CR & Employment Zones	September
Clarksburg Master Plan Amendment	November
Silver Spring Communities Master Plan	April

Several initiatives and studies will also be completed over the next two years. Below is a list of initiatives and studies to be delivered through FY25, including 4 new studies for which the Board is requesting professional service funding.

Planning Initiatives & Studies Proposed for Delivery to Council	Month
FY23	
Access Management Study	Completed (Jul)
Predictive Safety Analysis	Completed (Sept)
Redlining/Segregation Mapping Tool	Completed (Dec)
Wheaton Downtown Study	Completed (Mar)
Community Equity Index	May
FY24	
Innovative Housing Toolkit	August
Attainable Housing Strategies Initiative	September
Germantown Employment Corridor Check In (New Request)	June
FY25	
Thrive 2050 Plan Implementation Metrics (New Request)	July
Curbside Management Project (New Request)	October
Randolph Road Corridor Study (New Request)	May

INITIATIVES AND PROFESSIONAL SERVICES

The Planning Department has asked for several new initiatives described below. A more detailed justification for each initiative is presented on pages 146-151 of the budget book.

New Initiatives in FY24 – One-time

1. Randolph Road Corridor Study - (\$75,000⁷) – one-time

The comprehensive study will focus on the Glenmont area with special attention to the Randolph Road Corridor, to identify the infrastructure, services, amenities, and short-term actions that are necessary to support 15-minute living in Glenmont. This will also serve as a case study for other significant centers along growth corridors in Midcounty.

Consultant funding would be used to complete multimodal transportation network analysis and to develop initial recommendations to improve connectivity across Georgia Avenue and Randolph Road and/or market analysis to evaluate the challenges and opportunities to achieving

⁷ Request includes \$5,000 to Support Services for translation assistance

15-minute living in Glenmont. The funding would also support consultant assistance with public engagement and canvassing as well as renderings.

Council Staff recommends placing this study on the reconciliation list as a priority, consistent with the Planning Department's recommendation for a reduction. The proposed completion date is May 2025, so this study is a reasonable choice for deferral.

2. Germantown Employment Corridor Check In - (\$50,000⁸) – one-time

The Germantown Employment Area Sector Plan was approved and adopted in 2009. Since then, the market for office space has experienced significant changes, amplified by the pandemic, and the increasing trend in telework while the demand for bio-life science development has remained steady. Additionally, the alignment of the Corridor Cities Transitway (CCT) was altered via the recently approved Corridor Forward: I-270 Transit Plan. These changes collectively support a much-needed check-in of this important corridor plan. Consultant assistance is needed to analyze the post-pandemic office market and uses, realigned CCT, and corridor focused growth.

Council Staff recommends placing this on the reconciliation list as a priority, consistent with the Planning Department's recommendation for a reduction. This will likely result in a delay of the June 2024 proposed completion date.

3. Thrive Montgomery 2050 Implementation Metrics (\$100,000) – one-time

Thrive Montgomery 2050 proposes an ambitious set of approximately 80 metrics to be tracked in monitoring plan implementation. A significant effort is required to identify data and develop a platform to track all these metrics. In some cases, the Department will need to collect new data or process existing data in new ways to appropriately monitor progress. Consultant assistance is required to review the metrics, evaluate potential data sources, and develop strategies for collecting additional data if required.

Council Staff recommends partially funding this item, with the remainder being placed on the reconciliation list as a priority, consistent with the Planning Department's recommendation for a reduction. This would mean placing \$55,600 on the reconciliation list as a high priority, consistent with this year's policy of placing all increases on the reconciliation list. The remaining \$44,400 would be placed on the reconciliation list as priority.

4. Curbside Management Project - (\$100,000) – one-time

This effort, which would be jointly led with MCDOT, is needed to prioritize and manage the growing range of uses for this linear resource, including goods delivery, pick up and drop off (e.g. Uber and Lyft), on-street parking, transit stops and paratransit access, micromobility and bicycle facilities and parking, mobile food vending, and parklets. The project would address how effectively managing the curb can improve safety, promote economic development, increase access, and support our climate goals. The project would serve as a follow-up to the effort supported by \$10,000 in FY22 year-end funding to scope out the Curbside Management effort. The total cost of the project is estimated to be \$200,000 with half the funding coming from MCDOT.

Council Staff recommends placing this on the reconciliation list as a priority, consistent with the Planning Department’s recommendation for a reduction. This will likely result in a delay of the October 2024 proposed completion date.

Four additional initiatives are included in the FY24 Proposed Budget but are not represented on the Department’s work program chart as these efforts support other work program items.

5. The Great Seneca Plan – Urban Design Guidelines/Streetscape Standards - (\$25,000) – one-time
The Great Seneca Science Corridor Urban Design Guidelines, adopted in June 2010, are a companion to the 2010 Great Seneca Science Corridor Master Plan, and provide greater detail for context-sensitive development and public realm improvements to assist in the implementation of the Plan’s vision. The Great Seneca Plan: Connecting Life and Science, currently underway, is a comprehensive amendment to the 2010 Plan. These funds will support an update to the 2010 Great Seneca Science Corridor Urban Design Guidelines and Streetscape Standards.

Council Staff recommends placing this on the reconciliation list as a priority, consistent with the Planning Department’s recommendation for a reduction. This will likely result in a delay of the November 2024 proposed completion date.

6. Burial Sites Context Study – (\$65,000) – one-time
This is a consultant-supported project that will provide historical context study for the cemeteries and burial sites listed in the Burial Sites Inventory. The results of the study will classify burial sites by type, time period, cultural associations, geography, and other factors. Project goals will create periods of significance and identify important themes and trends to identify sites that are significant and warrant inclusion in the National Register and Master Plan for Historic Preservation.

Council Staff recommends placing this project on the reconciliation list as a high priority, since Councilmembers have expressed particular interest in its completion.

7. Regional Travel Demand Model/Transportation Network Database Management Tools - (\$75,000) – one-time
The Metropolitan Washington Council Of Government’s (MWCOC’s) Gen 3 regional travel demand model is anticipated to be released by the end of 2023. This funding would support the development of a Montgomery County-focused adaptation of this “state-of-the art,” activity based regional travel demand modeling tool to be used in countywide and subarea master plan planning applications. Doing this provides enhanced analytical capabilities, and consistency and compatibility with the regional model, which ensures continued faith in and acceptance of modeling outputs. The development of a Montgomery County-focused transportation network and traffic analysis zone detail requires modification of the MCNetwork geodatabase and the complementary MCTool program to be compliant with the more detailed transportation network files used for the new Gen 3 model.

Council Staff recommends placing this on the reconciliation list as a priority, consistent with the Planning Department’s recommendation for a reduction. This will likely result in a delay of developing the new County model.

8. Redlining/Segregation Mapping Project- (\$100,000) – one-time

This funding is to support Phase 2 of this project which will extend the deed and plat research to the entire county outside of the Capital Beltway. Work will include deed, plat, census, demographic, and other historical research and analysis to identify discriminatory land use and real estate practices and determine how this discrimination impacted the racial makeup and geographic distribution of households headed by racial minorities. Phase 1 funding of \$100,000 supported two term-contract employees and a consultant group to undertake the plat research for the Downcounty area. Project management and oversight were provided internally.

Council Staff recommends placing this project on the reconciliation list as a high priority, since Councilmembers have expressed particular interest in its completion. In addition, this project is already underway, so continued funding will prevent an interruption in the workplan.

In addition to the professional service funding for the one-time projects listed above, Planning is requesting **on-going** funding for one new initiative.

9. Americans with Disabilities (ADA) Act Compliance - (\$40,000), On-Going

This funding would support on-going accessibility efforts for the Department, Planning Board and Legal staff with a focus on online and in-person accommodations. This work includes collaborating with an expert consulting firm (Equal Entry, LLC) to provide training and resources to staff to make work products more accessible, equitable and transparent to the community. This work especially is needed due to legal requirements as part of the Americans with Disabilities Act.

Council Staff recommends placing this project on the reconciliation list as a high priority in order to meet legal requirements.

Planning is requesting **on-going** funding for five new career positions (4 full-time and 1 part-time).

Council Staff recommends the below positions all be placed on the reconciliation list as priority, consistent with the Planning Department's recommendations for reductions.

10. New Position: Adequate Public Facilities – Planner III – Grade 28 – Countywide Planning and Policy Division (\$132,927)/1.0 WY, On-Going

For nearly 7 years, the department has supported this effort via a term contract employee. This new position will lead the quadrennial schools-related update to the Growth and Infrastructure Policy (GIP), regularly update and analyze changes in student generation rates, conduct the annual school test, prepare the annual school utilization report, prepare the schools-related element of each area master plan, serve as a liaison to MCPS staff, oversee the application of the GIP to the review of residential development applications, update impact tax rates and utilization premium payment rates as needed, and annually review the schools Capital Improvements Program.

11. New Position: Forest Conservation – Planner II – Grade 24 - IRC - \$116,974/1.0 WY, On-Going

The department's Reforest Montgomery program is run by one career position in the Intake and Regulatory Coordination (IRC) Division. For the past several years, this position has been augmented by an intern and then by a term contract employee. The work program for Reforest Montgomery has grown over the years and will grow further with the upcoming No Net Loss legislation and Climate Action Plan. To keep up with the goals of the Reforest Montgomery program, there is an on-going need for a full-time career position.

12. New Position: Planner – Planner II – Grade 24 – Downcounty Planning - \$116,974/1.0 WY, On-Going

The Downcounty Planning Division has an on-going need for a generalist planner position to serve the efforts of the down county area as a whole. This Planner II position would have two primary functions: supporting the regulatory and master plan teams; and generating web and other content that showcases Downcounty Planning work.

13. New Position: Transportation Data Management – Planner I – Grade 20 – Countywide Planning and Policy Division (\$105,530)/1.0 WY, On-Going

This new, entry-level transportation planner would support the Travel Forecasting/Travel Monitoring Team by managing and analyzing state, regional, and local transportation data. This position would also assist with updating and maintaining the Department's highway and transit network geodatabase, in support of the Department's regional travel demand forecasting model, which is used to understand the potential impacts of master plan recommendations and other policy considerations. For the past several years, an unbudgeted term contract employee has performed these functions.

14. New Position: Visual Media & Imaging Specialist – Grade 18 – Communications Division - \$51,064/0.75 WY (part-time), On-Going

Due to recent bills approved by Maryland State elected officials, there is a mandate to live stream all public meetings from the Wheaton Headquarters (WHQ). This position would perform the critical task of running the broadcast at Commission-related meetings that would ensure continuity and consistency in broadcast service as well as provide audio-visual support for special event rental reservations of the WHQ auditorium. This position would also assist in furthering the department's commitment to equitable engagement including assisting with ADA considerations, producing video content, covering community storytelling and event coverage. Currently, support for these efforts is provided under a vendor contract. The new part-time position would replace the need for contractor assistance.

In addition to the professional services for new initiatives, there are also professional service efforts previously approved by the Council as on-going or periodic endeavors. This includes \$30,000 for Special Council Projects, \$20,000 for Historic Preservation Master Plan Updates, and \$40,000 for Master Plan Staging/Monitoring.

ADJUSTMENTS TO MEET FY23 FUNDING LEVEL

As stated earlier, the typical review of the M-NCPPC operating budget focuses on changes (reductions) necessary to meet the CE's budget. The Department has identified two tiers of non-recommended reductions, and savings for items that can be deferred or prepaid using FY23 funds in order to meet the

CE recommended budget. Following the CP’s approach to budget review, each increase to the adopted FY23 budget is categorized as either a necessary adjustment to the base for FY24, or a discretionary/non-mandatory increase. All non-mandatory increases are to be placed on the reconciliation list.

The below chart summarizes the Department and Council Staff’s recommended reductions, discussed in detail above:

Item	Amount of increase	One-time or ongoing	Planning recommended reduction	Staff recommendation
<u>Initiatives</u>				
Randolph Road Corridor Study	\$75,000	One-time	\$75,000	Reconciliation list – priority (\$75,000)
Germantown Employment Corridor Check-In	\$50,000	One-time	\$50,000	Reconciliation list – priority (\$50,000)
Thrive Montgomery 2050 Implementation Metrics	\$100,000	One-time	\$44,400	Reconciliation list – high priority (\$55,600) Reconciliation list – priority (\$44,400)
Curbside Management Project	\$100,000	One-time	\$100,000	Reconciliation list – priority (\$100,000)
The Great Seneca Plan – Urban Design Guidelines/Streetscape Standards	\$25,000	One-time	\$25,000	Reconciliation list – priority (\$25,000)
Security Information and Event Management	\$75,800	Ongoing	\$75,800	Reduction (-\$75,800)
Burial Sites Context Study	\$65,000	One-time	\$65,000	Reconciliation list – high priority (\$65,000)
Regional Travel Demand Model/Transportation Network Database Management Tools	\$75,000	One-time	\$75,000	Reconciliation list – priority (\$75,000)

Redlining/Segregation Mapping Project	\$100,000	One-time	\$100,000	Reconciliation list – high priority (\$100,000)
Americans with Disabilities (ADA) Act Compliance	\$40,000	Ongoing	--	Reconciliation list – high priority (\$40,000)
<u>Positions</u>				
Adequate Public Facilities – Planner III – Grade 28 – Countywide Planning and Policy Division	\$132,927/1.0 WY	Ongoing	Delay hiring	Reconciliation list – priority (\$132,927)
New Position: Forest Conservation – Planner II – Grade 24 - IRC	\$116,974/1.0 WY	Ongoing	Delay hiring	Reconciliation list – priority (\$116,974)
New Position: Planner – Planner II – Grade 24 – Downcounty Planning	\$116,974/1.0 WY	Ongoing	Delay hiring	Reconciliation list – priority (\$116,974)
New Position: Transportation Data Management – Planner I – Grade 20 – Countywide Planning and Policy Division	\$105,530/1.0 WY	Ongoing	Delay hiring	Reconciliation list – priority (\$105,530)
New Position: Visual Media & Imaging Specialist – Grade 18 – Communications Division	\$51,064/0.75 WY (part-time)	Ongoing	\$51,064	Reconciliation list – priority (\$51,064)
Increase Salary Lapse by 1% (from 4.5% to 5.5%)	--	Ongoing	\$207,313	Reduction (-\$207,313)

CENTRAL ADMINISTRATIVE SERVICES

Central Administrative Services (CAS) consists of several departments and units that provide corporate administrative governance and support to the agency as a whole, including the Department of Human Resources and Management, the Department of Finance, the Legal Department, the Office of the Inspector General, the Office of the Chief Information Officer, the Merit System Board, and Support Services. **The FY24 Montgomery County portion of the proposed CAS budget before chargebacks is \$11,436,331, an increase of \$1,742,477 or 18 percent over the FY23 adopted budget.**

Each year CAS recalculates the allocation of costs between the two counties based on cost drivers and labor distribution. For FY24, the allocation of costs between the two counties is approximately 44.6 percent Montgomery County and 55.4 percent Prince George’s County (except for the Merit System Board which is split evenly each year).

The total Montgomery County portion of CAS work years is proposed to be 68.65 work years (see page 130 in the Budget), an increase of 4.79 work years from FY23. Prince George’s County work years are proposed to increase by 8.63 work years.

The allocation of Montgomery County costs by Department within CAS after chargebacks is as follows:

Central Administrative Services Budget (after chargebacks)			
	FY23	FY24	Change
DHRM	\$2,781,205	\$3,519,690	\$738,485
Finance	\$2,451,664	\$2,866,765	\$415,101
Legal	\$1,648,250	\$1,720,898	\$72,648
Merit System Board	\$83,888	\$84,249	\$361
Inspector General	\$435,610	\$540,361	\$104,751
Corporate IT	\$1,627,109	\$1,975,369	\$348,260
Support Services	\$666,128	\$728,999	\$62,871
Total	\$9,693,854	\$11,436,331	\$1,742,477

The Montgomery County and Prince George’s County Councils must agree on any change to the CAS budget, or the Commission’s budget will stand as submitted. Typically, compensation is a significant part of the discussion, and it is not yet clear whether the counties will agree on the proposed funding for compensation adjustments. The bi-county meeting will occur on May 11, before the Council has completed its review of other departments and agency budgets; consequently, it is not possible to consider any reductions or additions to the CAS portion of the M-NCPPC budget after May 11.

Following the CP’s approach to budget review, each increase to the adopted FY23 budget is categorized as either a necessary adjustment to the base for FY24, or a discretionary/non-mandatory increase. As stated earlier, the typical review of the M-NCPPC operating budget focuses on changes (reductions) necessary to meet the CE’s budget. The Department has identified two tiers of non-recommended reductions, and savings for items that can be deferred or prepaid using FY23 funds in order to meet the CE recommended budget. This information will be used to evaluate and make recommendations regarding all proposed budget changes from FY23 to FY24.

CAS Departments' Non-Recommended Reductions				PGC	Total
Department	Tier 1 - Departmental Priority for Restoration		Funding		
DHRM	1-a	Delay in Hiring - Montgomery Recruiter position - 3 months	12,838	17,071	29,909
Legal	1-b	Delay in Hiring - Senior Counsel-Compliance position - 5 months	31,517	32,026	63,543
Finance	1-c	Delay in Hiring - 2 Corporate ERP Business Analyst positions - 5 months	50,573	62,829	113,402
Finance	1-d	Delay in Hiring - Deputy Chief Financial Officer position - 5 months	39,606	49,205	88,811
Corporate IT	1-e	Delay in Hiring - Cyber Security Specialist position - 1 month	6,580	5,464	12,044
Corporate IT	1-f	Delay in Hiring - Web Systems Specialist position - 1 month	6,580	5,464	12,044
DHRM & Support Svc	1-g	Succession Planning	22,022	28,537	50,559
DHRM	1-h	Classification and Compensation Study Support	32,193	42,807	75,000
Merit Board	1-i	Professional Services - outside counsel	3,449	3,449	6,898
				-	-
		SUB-TOTAL TIER 1 - Departmental Priority to be restored	\$205,358	246,852	452,210
	Tier 2 - Departmental Priority for Restoration		Funding		
DHRM	2-a	Professional Services	40,073	53,284	93,357
DHRM	2-b	Temporary Services	17,169	22,831	40,000
Corporate IT	2-c	Professional Services	29,539	24,524	54,063
				-	-
		SUB-TOTAL TIER 2 - Departmental Priority to be restored	\$86,781	100,639	187,420
	REDUCTIONS		Funding		
DHRM		Park Police Testing	15,023	19,977	35,000
DHRM		Delay in Hiring - Performance Metrics position - 2 months	10,108	13,441	23,549
DHRM		Delay in Hiring - Prince George's Recruiter position - 2 months	8,558	11,380	19,938
DHRM		Delay in Hiring - Montgomery Recruiter position - 2 months	8,558	11,380	19,938
DHRM		Delay in Hiring - Labor Relations position - 2 months	8,558	11,380	19,938
CAS Support Services		Phone System Maintenance	18,553	23,447	42,000
Corporate IT		Meeting Streaming Services	15,298	12,702	28,000
Corporate IT		Microsoft Premier Support	16,391	13,609	30,000
Corporate IT		Delay in Hiring - Web Systems Specialist position - 2 months	13,161	10,927	24,088
Corporate IT		Delay in Hiring - Cyber Security Specialist position - 2 months	13,161	10,927	24,088
Legal		Delay in Hiring - Senior Counsel-Compliance position - 2 months	12,607	12,810	25,417
Finance		Delay in Hiring - 2 Corporate ERP Business Analyst positions - 2 months	20,229	25,132	45,361
Finance		Delay in Hiring - Deputy Chief Financial Officer position - 2 months	15,843	19,682	35,525
				-	-
		SUB-TOTAL REDUCTIONS	\$176,048	196,794	372,842
		TOTAL Tier 1 + Tier 2 + Reductions	\$468,187	\$ 544,285	\$ 1,012,472

The FY24 Montgomery County portion of the proposed CAS budget before chargebacks is an increase of \$1,742,477 or 18 percent over the FY23 adopted budget. As noted above, CAS funding must be agreed to with Prince George's County before it can be put on the reconciliation list. Council Staff recommends the Council request this increase be reduced to \$500,000, not including compensation, which is just over 5 percent over the FY23 adopted budget.

SPECIAL REVENUE FUNDS

“Special Revenue Funds” are used to account for the proceeds from specific revenue sources that are legally restricted to expenditures for specific purposes (see pages 318-333 in the Budget). Programs that

appear in the Special Revenue Fund are funded in total or in part by non-tax sources, while Enterprise Fund activities have traditionally been funded entirely (with some limited exceptions) by non-tax sources (fees).

Some Special Revenue Funds use revenues only to the extent they are obtained – for example, the Park Police Federally Forfeited Property Fund does not expend funds in the absence of resources. Other Special Revenue Funds support programs or activities for which there is an ongoing need – for example, the Development Review Special Revenue Fund supports development review activities, and transfers from tax supported funds are sometimes necessary to support ongoing development review activities. The Development Review Special Revenue Fund represents more than half of both revenue and expenditure in the Special Revenue Funds.

The Special Revenue Fund in the FY24 Budget includes the following funds:

- **Traffic Mitigation Program:** This fund supports the regulatory process to ensure compliance with traffic mitigation agreements. Revenues are received from developers on an annual basis.
- **Historic Preservation– County Non-Departmental Account:** In recent years fund has been for grants received related to historic preservation and the sale of historic preservation publications. The proceeds from the sale of publications and the receipt of grants will be tracked through the operating budget without the need for this account. The remaining fund balance is being used to scan Historic Preservation files with no additional funding proposed in FY24.
- **Environmental/Forest Conservation Penalties:** Monies collected from fines imposed for violation of the County Forest Conservation Law may be spent on authorized forest-related projects and enforcement and administration of the Forest Conservation Program.
- **Development Review Special Review Fund:** Fees associated with the development review process are spent on staff who administer the application and review process. (This fund has been self-sufficient in some years, while requiring significant County subsidies from the Administration Fund in other years.)
- **Forest Conservation:** Fees paid by developers in lieu of planting forests are used by M-NCPPC for forest planting, protection, and maintenance.
- **Historic Renovations– Property Management:** Any excess revenues from property management of Commission rental properties are used for work associated with historic park properties.
- **Park Police – Drug Enforcement:** Revenues from the sale of property seized as a result of drug-related crime convictions may be used for the purchase of equipment and other resources to combat drug-related crimes in the parks (state law authorization).
- **Park Police – Federally Forfeited Property:** Revenues from the sale of property seized as a result of drug-related crime convictions may be used for the purchase of equipment and other resources to combat drug-related crimes in the parks (federal law authorization).
- **Interagency Agreements:** Revenues transferred from other agencies, used primarily to fund ballfield maintenance and seasonal policing and to assist with snow removal.
- **Park Cultural Resources:** Revenues and expenditures associated with historical and archeological programs and camps.
- **Special Events:** This fund provides for work done by the Commission on a reimbursement basis for special events in the parks sponsored by outside entities (e.g. the Avon Breast Cancer Walk).

- **Nature Programs and Facilities:** For nature and environmental education programs, projects, and camps at nature facilities.
- **Special Donations and Programs:** This account allows for the expenditure of donations and contributions for specific purposes or projects that are not part of the normal tax-supported programs in the Park Fund (e.g. funds donated to the Parks Foundation).

The total FY24 Special Revenue Fund expects revenues of \$6,811,263, an increase of \$613,700 (11.5%) over the FY23 adopted budget. Total FY24 proposed expenditures equal \$7,940,988, an increase of \$678,713 (8.3%) over FY24. Projected expenditures exceed revenues by \$1,129,725. This shortfall would result in a reduction to the fund balance, bringing it to \$3.5 million.

FY24 projected revenues, expenditures, and fund balances are shown below:

Special Revenue Funds						
	Projected Beginning Fund Balance	Proposed FY24 Revenue	Proposed FY24 Expenditures	Net FY24 Revenue	FY24 General Fund Transfer	Projected Year End Fund Balance
Traffic Mitigation	\$2,390	\$5,000	\$5,000	-	-	\$2,390
Environmental/Forest Conservation Penalties	\$57,698	\$100	\$25,000	(\$24,900)	-	\$32,798
Development Review	\$2,495,036	\$2,628,400	\$3,692,398	(\$1,063,998)	\$500,000	\$1,931,038
Forest Conservation	\$1,126,699	\$501,500	\$620,000	(\$118,500)	-	\$1,008,199
Historic Renovation - Property Management	\$71,111	\$5	\$71,100	(\$71,095)	-	\$16
Park Police – Drug Enforcement Fund	\$6	\$5	-	\$5	-	\$11
Park Police – Federally Forfeited Property	\$30	\$28	-	\$28	-	\$58
Interagency Agreements	\$437,238	\$2,418,563	\$2,626,536	(\$207,973)	-	\$229,265
Park Cultural Resources	\$69,474	\$155,840	\$188,485	(\$32,645)	-	\$36,829
Special Events	\$42,038	\$185,015	\$202,079	(\$17,064)	-	\$24,974
Nature Programs and Facilities	\$287,419	\$328,137	\$389,748	(\$61,611)	-	\$225,808
Special Donations and Programs	\$75,103	\$88,670	\$120,642	(\$31,972)	-	\$43,131

In FY24, M-NCPPC has asked for a **\$500,000 transfer** from the Administration Fund to support the Development Review Special Revenue Fund, which is showing a projected fund balance close to \$1.9 million. **The Executive supports this request.** This will affect the appropriation amount approved by the Council but does not impact the operating budget.

RACIAL EQUITY AND SOCIAL JUSTICE CONSIDERATIONS

For the FY24 operating budget development process, OMB, working with the Office of Racial Equity and Social Justice (ORESJ), developed and dedicated a section of the program proposal form to addressing racial equity. County Departments were asked to answer a list of specific questions regarding attention to racial equity and social justice considerations in the budget process. As the Commission is not a county agency, they were not asked to provide a response; however, they did provide comments on how their budgets/work programs promote racial equity and social justice.

Parks:

“The Parks and Planning Departments collaborated on the Equity Focus Area (EFA) project which developed a data driven, analytical tool to identify marginalized populations for analysis of racial equity and social justice issues for supporting ongoing and future planning efforts. The result is a screening tool based on simple analysis of core equity variables to define the highest concentrations of marginalized populations, Equity Focus Areas. The approach confines the scope to income, race, and ethnicity, and limited English language skills to define EFA. Our department continues to apply the Equity Focus Area tool for analysis of racial equity and social justice issues to support our programming, park activation, and planning efforts. This tool is also used to assist in our prioritization in allocating resources for our Capital Improvement projects and for major maintenance and other renovation projects throughout the department.

While we consistently consider racial equity and social justice in our business practices, several FY24 requests have a direct equity focus:

1. Operating Budget Impact (OBI) funding for Black Hill Regional Park Community Garden and Edgewood Neighborhood Park Community Garden – continued expansion of our community gardens allows residents to make positive environmental, economic, and aesthetic impacts on their daily lives. In addition to providing an area to help combat food insecurity, our community garden staff provide education support and work with gardeners to reduce food waste by donating extra produce to local food banks. The program offers reduced or waived plot fees for low-income families or organizations, by request. The program has also offered waived plot fees in exchange for translation services or other opportunities to bridge the gaps of cultural engagement. These new garden sites will also include raised beds, accessible gardening tables and other structural features thereby providing ADA accessibility for residents.
2. Additional Staff and Funding for Performers and Events for the Parks Activation Program - this program will expand event offerings that spark park activation and integrate use of our extensive park network. Programs and events are developed with racial equity in mind, and programs and events are created to appeal to diverse audiences. Most programs and events are free to the public eliminating the cost barrier for residents who cannot afford to pay for programs. Events are also held in various park locations throughout the County to reach a broader audience.
3. Athletic Field Team Personnel Expansion and Contract Reduction – this enhancement is to provide an improved level of service for maintenance and renovations of the Montgomery

County School (MCPS) athletic fields. This team has used the Equity Focus Area tool since it was developed to assist with determining prioritization of field renovations. This program enhancement enables an increase in maintenance and renovation services to improve our athletic field quality on all MCPS athletic fields and facilitates an opportunity to prioritize additional resources towards Title 1 schools in our scope.

4. Summer and Trades Internships - This request will add funding to the successful Summer and Trades Internship Program reinstated in FY22 with the goal of growing the diverse talent pipeline for various positions across the park system including "hard to fill" trades positions. These internships will also help support the goal of broadening the diversity of our workforce in all corners of our organization. Systems have been established that formalize Intern and community outreach efforts to effectively market our internship opportunities in the County, raise awareness of the depth and breadth of fields of study available, and the benefit to the Intern, the Parks Department, and the Communities we serve. Using current and evolving data analytics for the demographics of our workforce, we have targeted certain professions and fields of study for special attention while recruiting a diverse participant pool for the program.”

Planning:

“In terms of our budget preparation, we are guided by the Planning Department’s Equity Agenda for Planning [\[https://montgomeryplanning.org/planning/equity-agenda-for-planning/the-equity-focus-areas-analysis/\]](https://montgomeryplanning.org/planning/equity-agenda-for-planning/the-equity-focus-areas-analysis/) initiative, which includes a range of strategies and data tools, as well as Thrive Montgomery 2050 guidance to ensure we are addressing equity in our budget requests. We also look to ensure equitable coverage across the county for projects. We don’t apply one specific tool or metric, but one of the tools as part of our Equity Agenda for Planning that guides our work is our Equity Focus Area mapping. One of our proposed projects, the Randolph Road Corridor Study, would be in an EFA. Certain countywide proposed projects explicitly address equity issues in their specific focus, such as Mapping Segregation Phase 2 and the Burial Sites Context Study. Between our Equity Agenda for Planning initiative and the Board’s requirement in the Racial Equity law to consider equity in their review of master plans, all of our master plans, functional plans and studies have to apply an equity lens, including application of EFA mapping [\[https://montgomeryplanning.org/planning/equity-agenda-for-planning/the-equity-focus-areas-analysis/\]](https://montgomeryplanning.org/planning/equity-agenda-for-planning/the-equity-focus-areas-analysis/), in its analysis and development of recommendations, even if the project name or description may not explicitly call out equity.”

This report contains:

	<u>© Pages</u>
Planning Board Chair’s Transmittal Letter	1-10
Relevant pages CE’s Recommended FY24 Operating Budget	11-18
M-NCPPC responses to Council Staff questions on the budget	19-49
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How the M-NCPPC budget promotes racial equity and social justice	53-54
Planning Department proposed FY24 work program	55

January 15, 2023

The Honorable Marc Elrich
Montgomery County Executive
Executive Office Building
101 Monroe Street
Rockville, MD 20850

The Honorable Evan Glass
President, Montgomery County Council
Stella B. Werner Council Office Building
100 Maryland Avenue
Rockville, MD 20850

Dear Mr. Elrich and Mr. Glass:

The Montgomery County Planning Board is pleased to transmit the FY24 proposed budget for the operations of the Maryland-National Capital Park and Planning Commission in Montgomery County in compliance with §18-104 of the Land Use Article of the Annotated Code of Maryland. This comprehensive document is presented at the budget appropriate departmental and divisional levels, including lists of the programs and services provided by each division.

We fully understand the county's commitment to delivering quality services while focusing on fiscal responsibility. We have developed this budget with that same commitment in mind and have proposed increases only where necessary to ensure we can continue providing essential services.

On-going Service Provision

The Commission's primary mission remains unchanged: enhancing the quality of life of all individuals through our award-winning system of parks and maintaining great communities while also driving economic development through our comprehensive development review program, key master plans, and other critical planning programs. It is our goal to continue to enhance the lives of our customers and residents by providing excellent service. We are proud to have been recognized for the sixth time by the American Academy for Park and Recreation Administration and the National Recreation and Park Association with the National Gold Medal Award for excellence in Parks and Recreation Management. In addition, our Planning efforts were recognized in 2021 with awards from the American Planning Association County Planning Division/National Association of County Planners for our Growth and Infrastructure Policy, Maryland Sustainable Growth Award from the Maryland Office of Planning for the Complete Street Design Guide, and a NAIOP award for our Wheaton Headquarters. In 2022, the Planning Department received the American Planning Association, National Capital Area Chapter's Leadership in Planning Award for Community Outreach and Engagement for equitable engagement for the Thrive Montgomery 2050 plan.

The FY24 Proposed Budget includes increases for major known commitments, continues to invest in critical needs, and seeks to maintain service levels. The FY24 proposed budget includes increases related to personnel costs, necessary planning studies, critical equipment investments, programmatic, legislative, maintenance, and essential service needs.



The FY24 proposed tax-supported operating budget is \$179.2 million. This is \$15.0 million more than the FY23 adopted budget, a 9.1 percent change, reflecting both on-going and critical needs requests. The total proposed budget, including Enterprise operations, Property Management, Park Debt Service and Special Revenue funds, is \$207.1 million, an increase of \$16.5 million or 8.6 percent from the FY23 adopted budget.

**Summary of FY24 Proposed Operating Budget Expenditures
 (net reserves, ALARF, Internal Service Funds, and Capital Projects Fund)**

	FY23 Adjusted Adopted	FY24 Proposed	\$ Change	% Change
Montgomery Funds				
Administration (1)	\$ 37,497,076	\$ 42,678,487	\$ 5,181,411	13.8%
Park (2)	124,446,478	134,266,824	9,820,346	7.9%
ALA Debt	2,197,763	2,211,100	13,337	0.6%
Subtotal Tax Supported	164,141,317	179,156,411	15,015,094	9.1%
Enterprise	10,613,078	10,833,205	220,127	2.1%
Property Management	1,737,800	1,757,600	19,800	1.1%
Special Revenue	7,330,040	7,940,988	610,948	8.3%
Park Debt	6,862,019	7,455,062	593,043	8.6%
Total Montgomery	\$ 190,684,254	\$ 207,143,266	\$ 16,459,012	8.6%

(1) Includes transfer to Special Revenue Fund

(2) Includes transfer to Park Debt Service and Capital Projects

The FY24 proposed budget will require tax rate increases in the real and personal property tax rates for both the Administration Fund and the Park Fund in order to provide sufficient revenues.

Costs continue to grow at a higher rate than the tax base. National Pollutant Discharge Elimination System (NPDES), American with Disabilities Act (ADA) mandates and Operating Budget Impacts (OBI) from previously approved CIP projects impact the base budget. Maintenance needs are more expensive to address the longer they are deferred. With property tax revenue making up approximately 95 percent of operating revenues, growth, although modest, means the Commission must manage its resources carefully to sustain a stable financial position.

The following table begins with our FY23 adopted budget total and adds each of the elements that make up the proposed General Fund increase, totaling 9.3 percent.



**Summary of FY24 Proposed Budget Major Changes
Montgomery County General Fund Accounts
Administration and Park Funds (excludes property management and reserves)**

	<u>Budget Amount</u>	<u>% Change</u>
FY23 Adopted Budget	\$ 161,943,554	
<i>FY24 Major Changes- increase (decrease)</i>		
<u>Major Personnel Cost Changes</u>		
Compensation Annualization	478,552	
Health Insurance	2,215,612	
Retirement	1,087,317	
OPEB	(216,306)	
Employee Compensation Marker	6,859,816	
Reclassification Marker	-	
Minimum Wage Marker	(17,705)	
Salary Lapse	(1,542,649)	
Subtotal Major Personnel Changes	8,864,637	5.5%
<u>Major Non-Personnel Cost Changes</u>		
Transfer to Debt Service	593,043	
Transfer to Development Review	-	
One Time Reductions	(640,000)	
Park- NPDES	241,183	
OBI (non-NPDES)	461,407	
Operating Major Known Commitments	2,287,496	
Subtotal Major NonPersonnel Changes	2,943,129	1.8%
<u>Critical Needs and Program Enhancements</u>		
Commissioners' Office	151,267	
Planning	1,153,469	
Parks	1,184,068	
DHRM	300,961	
Finance	191,622	
Legal	68,076	
Inspector General	-	
Corporate IT	144,528	
Subtotal Critical Needs and Program Enhancements	3,193,991	2.0%
	15,001,757	9.3%
Total Changes	15,001,757	9.3%
TOTAL FY24 Proposed Budget	\$ 176,945,311	9.3%



OVERVIEW OF BUDGET DEVELOPMENT AND ASSUMPTIONS

The Commission’s proposed FY24 budget includes increases for major known commitments, investments in key operational areas, and seeks to maintain service levels.

The Proposed Budget includes the following major known commitments for personnel costs in FY24:

- Medical Insurance and Benefit Costs;
- Full funding of OPEB PayGo and Pre-Funding as determined by the current actuarial study;
- Full funding of pension contribution as determined by the current actuarial study; and
- A dollar marker to adjust employee compensation and possible reclassifications due to a multi-year classification study.

As shown in the following table, personnel expenses are proposed to increase by \$9.9 million, mostly due to the increased employee compensation marker, pension and health insurance costs.

**FY24 Proposed Budget
 Summary of Changes in Major Personnel Costs
 Montgomery County Administration Fund and Park Fund**

	FY23 Adjusted Adopted	FY24 Proposed	\$ Change	% Change
OPEB				
OPEB PayGo & Prefunding	\$ 8,573,900	\$ 8,357,594	\$ (216,306)	-2.5%
Pension (ERS)				
Pension (ERS)	10,260,955	11,348,272	1,087,317	10.6%
Health and Benefits(1)				
Employee Health Benefits	16,845,570	19,061,182	2,215,612	13.2%
Subtotal Personnel Costs	<u>\$ 35,680,425</u>	<u>\$ 38,767,048</u>	<u>\$ 3,086,623</u>	<u>8.7%</u>
Employee Compensation				
Marker for Changes to Employee Comp.		6,859,816	6,859,816	-
Marker for Possible Reclassifications	1,314,645	1,314,645	-	0.0%
Marker for Minimum Wage Increase	17,705	-	(17,705)	-100.0%
Total Major Personnel Costs			<u>\$ 9,928,734</u>	

(1) Health and Benefits includes medical insurances (health, dental, vision, prescription), long-term disability, accidental death and dismemberment, and life insurance.

The compensation marker represents the largest cost increase, followed by the increased cost for health insurance.



The net change for total OPEB costs is a \$216,000 decrease or 2.5 percent less than the FY23 adopted budget. Total OPEB funding is \$8.4 million. At this level of funding, we continue to be essentially at full funding of the annual required contribution.

Pension costs are increasing by 10.6 percent in FY24. This represents an increased cost of \$1.1 million over the FY23 adopted budget. Health insurance and benefit costs are projected to increase by 13.2 percent in FY24, or \$2.2 million over the FY23 adopted budget.

Employee compensation includes a compensation adjustment marker of \$6.9 million in the General Fund. The Commission will be in a wage and benefit re-opener with the Municipal and County Government Employees Organization (MCGEO) and full contract negotiations with the Fraternal Order of Police (FOP). Also included is a marker for possible reclassification adjustments based on the multi-year classification study that is nearing completion (\$1.3 million).

Investing to Meet Critical Equipment, Maintenance, and Essential Service Needs

Included in the funding levels of the Administration Fund and Park Fund is a funding request of approximately \$3.2 million to address critical maintenance, equipment, and essential service needs. Each department’s budget sections provide detailed information on how this increased investment is proposed to be used. The following is a summary of the requests by department.

Fund	Department	Critical Needs and Program Enhancements
Administration	Planning	\$ 1,153,469
Administration	Commissioners' Office	151,267
Administration	DHRM	300,961
Administration	Legal	68,076
Administration	Finance	191,622
Administration	Inspector General	-
Administration	Corporate IT	144,528
Park	Parks	1,184,068
Total		\$ 3,193,991



Summary of FY24 Proposed Budgets for General Fund

The following table provides a comparative summary of the FY24 proposed budget to the FY23 adopted budget for the General Fund. Specific changes in each of the departments are explained in full detail in the Department sections of the Budget Book.

M-NCPPC				
Summary of FY24 Proposed Budget General Fund Accounts				
By Fund by Department (excludes reserves)				
	FY23			
	Adjusted	FY24	\$	%
	Adopted	Proposed	Change	Change
Montgomery				
Administration Fund				
Commissioners' Office	\$ 1,165,381	\$ 1,386,299	\$ 220,918	19.0%
Planning Department Operating	22,998,401	24,776,915	1,778,514	7.7%
CAS Departments	9,982,355	11,436,331	1,453,976	14.6%
Transfer to Development Review	500,000	500,000	-	0.0%
Grants	150,000	150,000	-	0.0%
Non-Departmental (1)	2,700,939	4,428,942	1,728,003	64.0%
Subtotal Admin Fund	37,497,076	42,678,487	5,181,411	13.8%
Park Fund				
Park Department Operating	109,353,499	114,114,058	4,760,559	4.4%
Transfer to Debt Service	6,572,019	7,165,062	593,043	9.0%
Transfer to Capital Projects	450,000	450,000	-	0.0%
Grants	400,000	400,000	-	0.0%
Non-Departmental (1)	7,670,960	12,137,704	4,466,744	58.2%
Subtotal Park Operating	124,446,478	134,266,824	9,820,346	7.9%
Montgomery Operating Subtotal	161,943,554	176,945,311	15,001,757	9.3%
Property Management	1,737,800	1,757,600	19,800	1.1%
Montgomery General Fund Total	\$ 163,681,354	\$ 178,702,911	\$ 15,021,557	9.2%

(1) Non-Departmental for both years include OPEB prefunding and OPEB paygo, and budget markers for compensation adjustments.

PROGRAM HIGHLIGHTS

We are committed to an FY24 work program that helps achieve our goal of maintaining Montgomery County as one of the nation's best places to live. One of the primary objectives in the FY24 proposed budget is to meet core public service needs in the present and future. Below are some highlights of the program budget focus in each of the departments. A more detailed discussion of department budgets is provided in each Department's section of the Budget Book.



Parks Department

The Department of Parks will focus on delivering core services to properly operate, maintain and protect our park system.

The Commission continues to develop and maintain one of the largest and most diverse park systems in the nation with over 37,000 acres in 421 parks. Montgomery Parks has balanced the dual roles of providing developed parkland for active and passive recreational opportunities that promote healthy, active lifestyles, and serving as stewards and interpreters of Montgomery County's natural and cultural resources by conserving parkland. From playgrounds and sports fields to park benches and trails, parks offer opportunities for people of all ages to communicate, compete, interact, learn, and grow. Proximity to parks has been shown to increase property values.

Montgomery Parks seeks to provide quality recreational and educational opportunities through its operation, construction, development, and maintenance of a wide variety of facilities to meet the varied needs and interests of the County's residents. The Parks, Recreation and Open Space (PROS) Master Plan guides future development and management of the park system. This plan gets updated every five years, and the department recently completed the 2022 PROS update. This plan focuses on the key purposes of parks as encouraging physical activity, facilitating social interaction, and protecting the environment.

The Department's FY24 budget includes increases for:

- Unfunded Operating Budget Obligations, including Operating Budget Impacts from Capital Improvement Projects;
- National Pollutant Discharge Elimination System (NPDES) mandates;
- Known operating commitments; and
- Debt service on general obligation park bonds and capital equipment.

In addition, the FY24 budget includes funding to address identified deficiencies in our work program as well as emerging trends aimed at meeting the needs of the future such as:

- Improving the quality and playability of ballfields;
- Expanding Park activation;
- Improving customer service;
- Maintaining and improving existing equipment, facilities and services; and
- Improving Social equity.

Together, we have created a highly popular, valued, and nationally recognized park system. Our entire team remains committed to honoring our core vision to provide an enjoyable, accessible, safe, and green park system that promotes a strong sense of community through shared spaces and experiences and is treasured by the people it serves. We will continue to aggressively seek new funding opportunities and to improve work program efficiencies and remain committed to forming viable partnerships and maintaining strong relationships with our stakeholders and communities.



The FY24 budget request will enable us to continue to provide safe, clean parks, keep our programs and facilities accessible and affordable, and maintain the quality of life for which Montgomery County is renowned.

Planning Department

The Planning Department continues to deliver its core services to improve the quality of life in Montgomery County by conserving and enhancing both natural and man-made environments for current and future generations. Central to this role, the Department develops master plans, reviews development applications, and researches, analyzes and presents information to the community and public officials to aid in planning for Montgomery County's future.

In addition to the FY24 work plan that is detailed in the Department's budget section, the following critical needs are proposed:

One-Time funding requests:

- Randolph Road Corridor Study
- Germantown Employment Corridor Check In
- Thrive Montgomery 2050 Implementation Metrics
- Curbside Management Project
- The Great Seneca Plan – Urban Design Guidelines and Streetscape Standards
- Burial Sites Context Survey
- Regional Travel Demand Model and Transportation Network Database Management Tools
- Redlining Segregation Mapping Project

On-going funding requests:

- Americans with Disabilities Compliance
- Funding a previously frozen position and adding four new positions to enhance programs in Adequate Public Facilities, Forest Conservation, Downcounty Planning, Transportation Data Management, and Visual Media and Imaging.

Central Administrative Services (CAS)

For FY24, CAS Departments' work priorities will center on continuing to meet the needs of the operating departments. Critical needs are proposed as follows:

- For the Department of Human Resources and Management – seven new career positions are proposed:
 - In the Human Resources Division
 - Three recruiters
 - One HR specialist for the Labor and Employee Relations team
 - In the Corporate Policy and Management Division
 - One Supplier Diversity specialist
 - One Performance Management analyst
 - In the Risk Management Office (funded by the ISF)
 - One Occupational Safety and Health specialist



- For the Finance Department – in addition to unfreezing two existing positions, one new Corporate Applications analyst is proposed
- For the Legal Department:
 - One new Senior Compliance Counsel position
- For the Corporate IT Division of the Office of the CIO:
 - One Web Systems specialist position
 - One Cyber Security specialist position

Commissioners’ Office

The role of the Commissioners’ Office staff is to support the Chair and Planning Board Commissioners in the performance of their official duties, serve as the point of contact for meeting related issues, and coordinate prompt responses to issues and inquiries from agencies and the general public. This also includes preparing and web posting the Board’s meeting agenda; producing and preserving records of official Board proceedings; and managing correspondence between the Board and other agencies and the public.

In addition to known operating commitments, the FY24 Proposed Budget for the Commissioners’ Office includes:

- Increased funding for staff and Planning Board Commissioner training;
- A new Public Affairs Specialist position; and
- Funding for a summer seasonal intern.

Capital Budget

This transmittal also includes the Capital Budget (which, by definition, is the first year of the six-year Capital Improvements Program (CIP). Highlights of this budget can be found within the Department of Parks detail pages.

TAX RATES AND LONG-TERM FISCAL SUSTAINABILITY

Beyond meeting the immediate FY24 challenges, the Commission continues to strive for long-term fiscal sustainability. Property taxes comprise approximately 95 percent of operating revenue in the tax-supported funds. The Commission, in proposing this budget, is requesting a change in the property tax rates for both the Administration Fund and the Park Fund.

The FY24 Proposed Budget reflects a total tax rate for property tax supported funds of 8.92 cents real property and 22.31 cents personal property. The breakdown by fund is:

- Administration Fund: 2.19 cents real and 5.48 cents personal, an increase of 0.29 and 0.73, respectively;
- Park Fund: 6.63 cents real and 16.58 cents personal, an increase of 0.51 and 1.28, respectively; and
- Advanced Land Acquisition Fund: 0.10 cent real and 0.25 cent personal, unchanged.



At these tax rates, the Commission will have sufficient property tax revenues to meet the proposed expenditures and maintain the reserve requirements for the Administration Fund and the Park Fund.


MONTGOMERY COUNTY PROPERTY TAX RATES (Cents per \$100 of assessed value)

FUNDS	ACTUAL FY14	ACTUAL FY15	ACTUAL FY16	ACTUAL FY17	ACTUAL FY18	ADOPTED FY19	ADOPTED FY20	ADOPTED FY21	ADOPTED FY22	ADOPTED FY23	PROPOSED FY24
Administration Fund											
Real	1.80	1.70	1.80	1.70	1.72	1.56	1.70	1.76	1.74	1.90	2.19
Personal	4.50	4.25	4.50	4.25	4.30	3.90	4.25	4.40	4.35	4.75	5.48
Park Fund											
Real	5.30	5.60	5.52	5.48	5.54	5.30	5.60	6.00	5.56	6.12	6.63
Personal	13.25	14.00	13.80	13.70	13.85	13.25	14.00	15.00	13.90	16.58	16.58
Advance Land Acquisition Fund											
Real	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Personal	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Total Tax Rates (Cents)											
Real	7.20	7.40	7.42	7.28	7.36	6.96	7.40	7.86	7.40	8.12	8.92
Personal	18.00	18.50	18.55	18.20	18.40	17.40	18.50	19.65	18.50	21.58	22.31

CONCLUSION

The Proposed FY24 Budget is respectfully submitted for your consideration. In this document, we are proposing a budget that addresses critical needs and planning and parks initiatives. We continue to explore potential collaborative efforts across departments and counties in our effort to provide efficient, effective quality service, while maintaining our fiscal responsibility and commitment to the community we serve.

We continue to strive to find new ways to save taxpayer dollars while providing quality service and achieving progress in our many areas of focus. Working together, we will do everything in our power to ensure that taxpayer dollars are invested wisely in our collective future.

Sincerely,

 Jeff Zyontz
 Chair





Maryland-National Capital Park and Planning Commission

RECOMMENDED FY24 BUDGET

\$189,749,634

FULL TIME EQUIVALENTS

1,135.13

MISSION STATEMENT

The Maryland-National Capital Park and Planning Commission (M-NCPPC) in Montgomery County manages physical growth and plans communities; protects and stewards natural, cultural, and historical resources; and provides leisure and recreational experiences.

BUDGET OVERVIEW

The M-NCPPC was established by the General Assembly of Maryland in 1927. As a bi-county agency, the Commission is a corporate body of the State of Maryland. The Commission operates in each county through a Planning Board and, in Montgomery County, a Park Commission. Five board members, appointed by the County Council, serve as the Montgomery County members of the Commission. The Planning Board exercises policy oversight to the Commissioners' Office, the Department of Parks, the Planning Department, and Central Administrative Services.

On January 15 each year, M-NCPPC submits to the County Council and County Executive the M-NCPPC proposed budget for the upcoming fiscal year. That document is a statement of mission and goals, justification of resources requested, description of work items accomplished in the prior fiscal year, and a source of important statistical and historical data. The M-NCPPC proposed budget can be obtained by contacting the M-NCPPC budget office at 301-454-1740 or visiting the Commission's website at www.mncppc.org. Summary data only are included in this presentation.

Office and Department Overviews

Commissioners' Office

The Commissioners' Office supports the five Planning Board members and enhances communication among the Planning Board, County Council, County residents, other governmental agencies, and other Commission departments.

Planning Department

The Planning Department provides information, analysis, recommendations, and other staffing services to the Montgomery County Planning Board, the County Council, the County Executive, other governmental agencies, and the general public. The Department prepares master and sector plans for Planning Board review and approval by the County Council. The Department reviews development applications for conformance with existing laws, regulations, master plans, and policies, and presents its recommendations to the Planning Board for action. The Department gathers, analyzes, and reports various data (such as housing, employment, population growth, and other topics of interest) to the County Council, County government, other agencies, the business community, and the public.

Central Administrative Services (CAS)

The mission of CAS is to provide quality corporate services in the areas of corporate governance, human resources, finance and budget, legal counsel, information technology, and internal audit. CAS strives to deliver these services with integrity, innovation, responsiveness, and excellent customer service to the Commission, its employees, elected and appointed officials, and the communities served in the bi-county region. The level of services, and therefore funding allocation, by county, is tailored to the agency and individual department needs. Certain

functions are allocated based on labor distribution or a cost driver such as the number of employees paid. Some functions, such as the Merit System Board, are funded equally by both counties.

Department of Parks

The Department of Parks provides recommendations, information, analysis, and services to the Montgomery County Planning Board (which also serves as the Park Commission), the County Council, the County Executive, other government agencies, and the general public. The Department also oversees acquisition, development, and management of a nationally recognized, award-winning park system providing County residents with open space for recreational opportunities and natural resources stewardship. The Department oversees a comprehensive park system of over 37,000 acres in 420 parks of different sizes, types, and functions that feature Stream Valley and Conservation Parks, Regional and Special Parks, Recreational Parks, and Local and Community Parks. The Department serves County residents as the primary provider of open space for recreational opportunities and security and maintenance of the park system.

Fund Information

Tax Supported Funds

The M-NCPPC tax-supported operating budget consists of the Administration Fund, the Park Fund, and the Advance Land Acquisition (ALA) Debt Service Fund. The Administration Fund supports the Commissioners' Office, the Montgomery County-funded portion of the Central Administrative Services (CAS) offices, and the Planning Department. The Administration Fund is supported by the Regional District Tax, which includes Montgomery County, less the municipalities of Barnesville, Brookeville, Gaithersburg, Laytonsville, Poolesville, Rockville, and Washington Grove.

The Park Fund supports the activities of the Department of Parks and Park Debt Service. The Park Fund is supported by the Metropolitan District Tax, whose taxing area is identical to that of the Regional District.

The ALA Debt Service Fund supports the payment of debt service on bonds issued to purchase land for a variety of public purposes. The ALA Debt Service Fund has a countywide taxing area.

Non-Tax Supported Funds

There are three non-tax supported funds within the M-NCPPC that are financed and operated in a manner similar to private enterprise. These self-supporting operations are the Enterprise Fund, the Property Management Fund, and the Special Revenue Fund.

Grants are extracted from the tax-supported portion to the fund displays and are displayed in the Grant Fund. The Grant Fund, as displayed, consists of grants from the Park and Administration Funds.

Special Revenue Funds are used to account for the proceeds from specific revenue sources that are legally restricted to expenditures for specific purposes. The budgets are associated with Planning and Parks operations throughout the Commission.

Debt Service - Park Fund

Park Debt Service pays principal and interest in the Commission's acquisition and development bonds. The proceeds of these bonds are used to fund the Local Parks portion of the M-NCPPC Capital Improvements Program (CIP).

Debt Service - ALA Debt Service and Revolving Fund

The ALA Debt Service Fund pays principal and interest on the Commission's ALA bonds. The proceeds of the ALA bonds support the ALA Revolving Fund (ALARF). ALARF activities include acquisition of land needed for State highways, streets, roads, school sites, and other public uses. The Commission may only purchase land through the ALARF at the request of another government agency, with approval of the Montgomery County Council.

Enterprise Fund

The Enterprise Fund accounts for various park facilities and services which are entirely supported by user fees. Recreational activities include: ice rinks, indoor tennis, event centers, boating, camping, trains, carousel, mini-golf, driving range, and sports pavilion. Operating profits are reinvested in new or existing public revenue-producing facilities through the operating budget and CIP.

Property Management Fund

The Property Management Fund manages leased facilities located on parkland throughout the County, including single-family homes,

apartment units, businesses, farmland, and facilities that house County programs.

FY24 Budget Information

Spending Affordability Guidelines

In February 2023, the Council approved the FY24 Spending Affordability Guidelines (SAG) of \$154,000,000 for the tax-supported Administration and Park Funds of M-NCPPC, which represents a \$3,812,673, or 2.5 percent increase, from the FY23 Approved budget of \$150,187,327, excluding debt service and retiree health insurance prefunding (which are excluded from the SAG calculation). The Commission proposed a FY24 tax-supported budget of \$164,952,458, excluding debt service and retiree health insurance prefunding, \$10,952,458 above the FY24 SAG.

County Executive Recommendations

The County Executive recommends a FY24 tax-supported appropriation, excluding debt service, of \$161,379,179 for M-NCPPC. This represents an increase of \$7,507,024, or 4.9 percent, over the FY23 Approved.

Park Fund

The County Executive recommends funding of \$121,940,777, excluding debt service. This represents an increase of \$4,916,318, or 4.2 percent, over FY23. The Executive concurs with M-NCPPC's request for \$7,165,062 in the Park Fund Debt Service Budget, an increase of \$593,043, or 9.0 percent, from the FY23 Approved budget. Additionally, the Executive recommends a transfer of \$50,000 from the Cable Fund to support the Department of Parks Connected Parks initiative.

Administration Fund

The County Executive recommends funding of \$39,438,402. This represents an increase of \$2,590,706, or 7.0 percent, over FY23 Approved. The County Executive additionally concurs with M-NCPPC's transfer of \$500,000 from the Administration Fund to the Document Review Special Revenue Fund.

ALA Debt Service Fund

The County Executive concurs with the M-NCPPC request for funding of \$123,600. This represents a decrease of \$8,950, or 6.8 percent.

Enterprise Fund

The County Executive concurs with the M-NCPPC request for funding of \$10,833,205. This represents a \$220,127, or 2.1 percent, increase from the FY23 Approved budget.

Property Management Fund

The County Executive concurs with the M-NCPPC request for funding of \$1,757,600. This represents a \$19,800, or 1.1 percent, increase from the FY23 Approved budget.

Special Revenue Fund

The County Executive concurs with the M-NCPPC request for funding of \$7,940,988. This represents a \$610,948, or 8.3 percent, increase from the FY23 Approved budget.

The County Executive concurs with the M-NCPPC request to transfer \$1,963,465 from the General Fund to cover costs associated with the maintenance of Montgomery County Public Schools' ballfields. This represents an increase of \$160,165, or 8.9 percent, from the FY23 Approved budget.

The County Executive additionally concurs with the M-NCPPC request to transfer of \$500,000 from the Administration Fund to the Document Review Special Revenue Fund.

Grant Fund

The County Executive concurs with the M-NCPPC request for funding of \$550,000. This maintains the level of support in the FY23 Approved budget.

In addition, this agency's CIP requires Current Revenue funding.

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
- ◆ Easier Commutes
- ◆ An Affordable, Welcoming County for a Lifetime
- ◆ Safe Neighborhoods
- ◆ Effective, Sustainable Government

PROGRAM CONTACTS

Contact John Kroll of the Maryland-National Capital Park and Planning Commission at 301.454.1731 or Katherine Bryant-Higgins of the Office of Management and Budget at 240.777.2764 for more information regarding this agency's operating budget.

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
ADMINISTRATION FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	---
Employee Benefits	0	0	0	0	---
Administration Fund Personnel Costs	0	0	0	0	---
Operating Expenses	32,895,164	36,847,696	36,847,696	39,438,402	7.0 %
Administration Fund Expenditures	32,895,164	36,847,696	36,847,696	39,438,402	7.0 %
PERSONNEL					
Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	191.10	190.48	190.48	191.23	0.4 %
REVENUES					
Property Tax	31,698,307	36,126,506	35,711,427	39,374,658	9.0 %
User Fees	355,382	204,700	204,700	212,200	3.7 %
Intergovernmental	442,766	428,100	428,100	449,505	5.0 %
Investment Income	(78,593)	10,000	10,000	10,000	---
Miscellaneous	865	0	0	0	---
Administration Fund Revenues	32,418,727	36,769,306	36,354,227	40,046,363	8.9 %
PARK FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	---
Employee Benefits	0	0	0	0	---
Park Fund Personnel Costs	0	0	0	0	---
Operating Expenses	108,694,292	117,024,459	117,024,459	121,940,777	4.2 %
Debt Service Other	6,033,558	6,572,019	6,572,019	7,165,062	9.0 %
Park Fund Expenditures	114,727,850	123,596,478	123,596,478	129,105,839	4.5 %
PERSONNEL					
Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
FTEs	766.80	779.20	779.20	783.20	0.5 %
REVENUES					
Property Tax	101,285,886	115,985,098	114,652,474	123,528,339	6.5 %
Facility User Fees	3,454,686	3,163,663	3,163,663	3,549,101	12.2 %
Intergovernmental	3,808,475	3,897,355	3,897,355	4,138,538	6.2 %
Miscellaneous	53,259	55,500	55,500	55,500	---
Investment Income	(151,489)	5,000	5,000	10,000	100.0 %
Investment Income: CIP	802	10,000	10,000	10,000	---
Park Fund Revenues	108,451,619	123,116,616	121,783,992	131,291,478	6.6 %
ALA DEBT SERVICE FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	---
Employee Benefits	0	0	0	0	---
ALA Debt Service Fund Personnel Costs	0	0	0	0	---
Debt Service Other	133,550	132,550	132,550	123,600	-6.8 %
ALA Debt Service Fund Expenditures	133,550	132,550	132,550	123,600	-6.8 %
PERSONNEL					
Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	0.00	0.00	0.00	0.00	---
REVENUES					
Property Tax	2,109,635	2,197,763	2,174,927	2,233,122	1.6 %
ALA Debt Service Fund Revenues	2,109,635	2,197,763	2,174,927	2,233,122	1.6 %
GRANT FUND MNCPPC					
EXPENDITURES					
Salaries and Wages	0	0	0	0	---
Employee Benefits	0	0	0	0	---
Grant Fund MNCPPC Personnel Costs	0	0	0	0	---
Operating Expenses	121,823	550,000	550,000	550,000	---
Grant Fund MNCPPC Expenditures	121,823	550,000	550,000	550,000	---
PERSONNEL					
Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	0.00	0.00	0.00	0.00	---
REVENUES					
Administration Fund Grants	25,961	150,000	150,000	150,000	---
Park Fund Grants	95,862	400,000	400,000	400,000	---
Grant Fund MNCPPC Revenues	121,823	550,000	550,000	550,000	---
ENTERPRISE FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	---
Employee Benefits	0	0	0	0	---
Enterprise Fund Personnel Costs	0	0	0	0	---
Operating Expenses	8,739,209	10,613,078	10,268,688	10,833,205	2.1 %
Enterprise Fund Expenditures	8,739,209	10,613,078	10,268,688	10,833,205	2.1 %
PERSONNEL					
Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	121.30	121.10	121.10	117.10	-3.3 %
REVENUES					
Fees and Charges	7,196,344	7,165,394	6,920,492	7,154,258	-0.2 %
Merchandise Sales	589,719	870,750	759,300	776,150	-10.9 %

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
Rentals	4,069,040	3,692,046	3,742,802	3,784,128	2.5 %
Intergovernmental	842	0	0	0	---
Non-Operating Revenues/Interest	(173,850)	15,000	15,000	15,000	---
Miscellaneous	803,247	800,496	839,297	829,616	3.6 %
Enterprise Fund Revenues	12,485,342	12,543,686	12,276,891	12,559,152	0.1 %

PROP MGMT MNCPPC

EXPENDITURES

Salaries and Wages	0	0	0	0	---
Employee Benefits	0	0	0	0	---
Prop Mgmt MNCPPC Personnel Costs	0	0	0	0	---
Operating Expenses	1,648,804	1,737,800	1,737,800	1,757,600	1.1 %
Prop Mgmt MNCPPC Expenditures	1,648,804	1,737,800	1,737,800	1,757,600	1.1 %

PERSONNEL

Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	5.80	5.80	5.80	5.80	---

REVENUES

Miscellaneous	12,515	0	0	0	---
Rental Income	1,737,876	1,736,800	1,736,800	1,556,600	-10.4 %
Investment Income	(12,183)	1,000	1,000	1,000	---
Other Intergovernmental	911	0	0	0	---
Prop Mgmt MNCPPC Revenues	1,739,119	1,737,800	1,737,800	1,557,600	-10.4 %

SPECIAL REVENUE FUNDS

EXPENDITURES

Salaries and Wages	0	0	0	0	---
Employee Benefits	0	0	0	0	---
Special Revenue Funds Personnel Costs	0	0	0	0	---
Operating Expenses	6,106,316	7,330,040	7,262,273	7,940,988	8.3 %
Special Revenue Funds Expenditures	6,106,316	7,330,040	7,262,273	7,940,988	8.3 %

PERSONNEL

Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	38.25	37.80	37.80	37.80	---

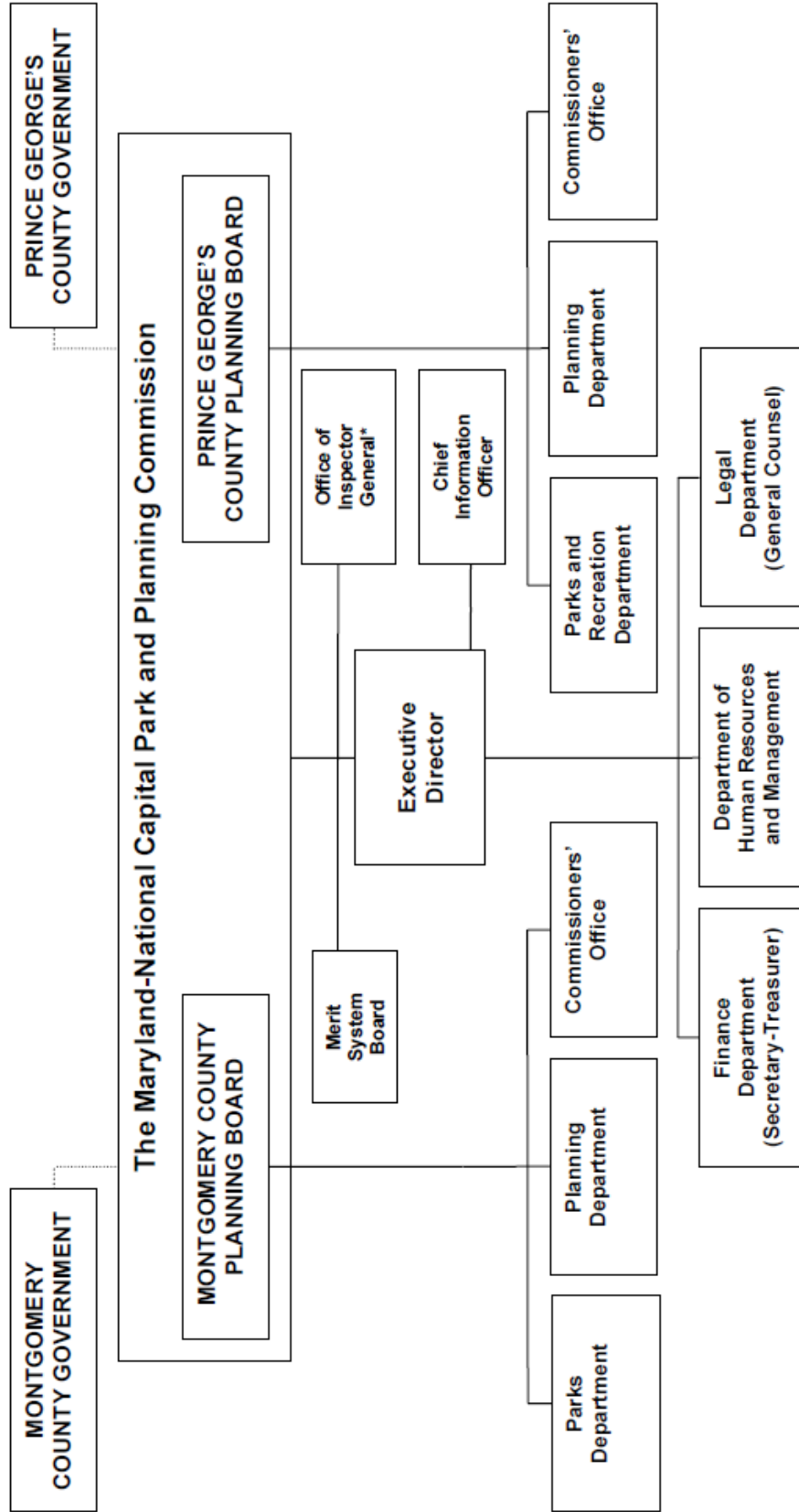
REVENUES

Service Charges	3,727,406	3,244,989	3,038,400	3,352,200	3.3 %
Intergovernmental	376,791	229,960	269,630	426,998	85.7 %
Miscellaneous	617,295	325,407	583,040	562,600	72.9 %
Investment Income	(60,196)	3,400	3,193	6,000	76.5 %
Special Revenue Funds Revenues	4,661,296	3,803,756	3,894,263	4,347,798	14.3 %

DEPARTMENT TOTALS

Total Expenditures	164,372,716	180,807,642	180,395,485	189,749,634	4.9 %
Total Full-Time Positions	0	0	0	0	---
Total Part-Time Positions	0	0	0	0	---
Total FTEs	1,123.25	1,134.38	1,134.38	1,135.13	0.1 %
Total Revenues	161,987,561	180,718,927	178,772,100	192,585,513	6.6 %

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION



*Office of Inspector General reports to the Audit Committee.

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M-NCPPC

The County Executive's recommended reductions to the Administration and Park Funds total \$6,901,070. We have chosen to allocate this total across all departments in the following manner. As you can see, I have included the full effect on the bi-county CAS departments in the chart below.

Fund	Department	MC Reduction	PGC Reduction	Total Bi-County Reduction
Administration Fund				
	Commissioners' Office	\$ 144,267		
	Planning	947,289		
	CAS			
	DHRM & CAS Support	193,653	255,535	449,188
	Finance	126,251	156,848	283,099
	Legal	44,124	44,836	88,960
	Corporate IT	100,710	83,617	184,327
	Inspector General	-	-	-
	Merit Board	3,449	3,449	6,898
	Total CAS	468,187	544,285	1,012,472
	Admin Fund Non-Dept	577,347		
		\$ 2,137,090		
Park Fund				
	Parks	\$ 4,376,253		
	Park Fund Non-Dept	387,727		
	Total	\$ 4,763,980		
MNCPPC Total		\$ 6,901,070		

Parks Department Questions

1. The Department states on page 219 of the FY24 Proposed Operating Budget:

“Based on recent trends, the Department is increasing the salary lapse from the FY23 level of 7.5% to 9.0% or 75.2 positions for FY24.”

According to the Department's quarterly vacancy reports, the lowest percentage of vacant positions since January 2019 was 9.7%. The highest vacancy rate is over 19%. And for the past year and a half (since July 2021) the vacancy rate has remained above 15%. Since 2019 there were never any frozen positions in the Parks Department.

- Is there any evidence that the attrition rate will revert to pre-2021 levels in the next year?
- Why are requested new positions needed when existing authorized positions go unfilled?
- Could some portion of vacant positions be frozen to accommodate new positions, minimizing the impact on the FY24 operating budget?

We continue to believe that the vacancy trend for the last couple of years is an anomaly that has been elevated by the pandemic and the competitive job market following the pandemic. During the initial stages of the pandemic, we deliberately deferred hiring some of our positions because of the County's mandated savings plan and other budget impacts from the pandemic including having to provide emergency pay to certain staff. In addition, because hiring managers had to shift focus to overhauling operations in response to the pandemic, there was less time to focus on hiring. Shifting to a completely virtual hiring process further delayed recruitment and exacerbated our vacancy rate. Although we did not officially freeze positions in the FY21 budget, we did implement a selective hiring freeze for the Department of Parks. We released the selective hiring freeze during the second half of FY21. As we moved to FY22, we experienced a spike in resignations and retirements as the impacts of the pandemic waned.

The competitive job market continues to be a challenge as we are getting fewer applicants for hard to fill positions and must move quickly and pay higher salaries to secure candidates. In addition, we have successfully filled many vacant positions with qualified internal candidates (about 47% this fiscal year) leading to improved continuity of operations. Of course, when we fill positions through an internal promotion, the vacancy rate does not decline since we still had to go through a competitive hiring process, and the promotion yields another position to be filled.

As of 3/29/23, our department had 144 vacancies down from a peak of 170 earlier in FY23. Here is data showing our progress in filling vacant positions this fiscal year (data is as of 3/29/23):

- *Our department has filled 171 positions in FY23. That total includes:*
 - *91 new hires (includes seasonal staff hired as career and re-hires)*
 - *63 positions filled internally as promotions*
 - *17 positions filled as reassignments*
- *There are an additional 11 positions with offers accepted with the start date pending finalization of the paperwork and background checks.*

However, like any other large department, we do continue to have employees leave or transfer within the organization which further impacts our vacancy rate.

- *In FY23, our department has had 47 employees leave the Commission including 18 retirees.*
- *Another 16 employees accepted positions (as transfers or promotions) to other departments within M-NCPPC.*

We have taken a multitude of steps to improve and speed up the recruitment process. These steps include:

- *Offering hiring incentives such as sign-on bonuses, relocation assistance, referral bonuses and more competitive salaries.*
- *Exponentially increasing our presence on social media including on Facebook and LinkedIn. This includes our award winning "Work for Montgomery Parks" recruitment campaign featuring Parks employee video testimonials and highlights that have been shared across social media platforms.*
- *Working with new organizations and participating in a wide array of job fairs focused on groups such as Veterans, Skilled Trades, Students, Afghan Refugees, as well as culturally and*

ethnically diverse county residents. We have also attended job fairs in neighboring counties such as Prince George's and Frederick County. Job fairs attended include Homes Not Borders, University of Maryland-Justice, and Government (Park Police), WorkSource Montgomery, Frederick News Post, Employ PG, DVNF, Frostburg State University, North American Trade Schools.

- Adding recruitment signage in and around our parks advertising career opportunities within the agency.*
- Utilizing our fleet of vehicles to increase our visibility by adding recruitment focused magnets with QR codes that lead interested candidates to our job openings.*
- Promoting and sharing career opportunities with county residents at Montgomery Parks festivals and events including Salsa in the Park, Summer Concert Series, Long Branch Festival, Burtonsville Day, Latino Conservation Week, National Night Out, MCPS Summer RISE Ceremony.*
- Increasing training for managers and human resource (HR) staff on writing effective job advertisements and on interview techniques.*
- Working with central recruitment staff to identify ways to expedite the recruitment process. (Ex. - Facilitating the training and certification for 14 new fingerprinting technicians to improve our time to fill new positions.)*
- Providing interpreter services if requested by the candidate throughout the interview process.*
- Providing training to upskill our employees to qualify for hard to fill positions i.e., CDL training, Trades Apprenticeship Program.*
- Targeting our advertising to diverse communities in close proximity to our parks through google ads and by sending over 3,000 direct mailers.*
- Sending regular e-mail blasts to our parks staff listing current job openings to share with their networks.*
- Starting on-site Open Houses, (e.g., with a focus on hard to fill positions like trades.)*
- Using online tools like LinkedIn Recruiter, Indeed, and Professional job boards.*
- Reengaging with our vast historical applicant pool to share new career opportunities.*
- Actively building a talent pipeline including launching an intern program that was funded in the FY22 budget with proposed funding included in the FY24 budget to fund an additional 15 interns.*

Filling our vacant positions is a priority for our department, and nearly all our vacancies are in some stage of active recruitment (e.g., advertised, interviewing candidates, etc.). We anticipate that our vacancy rate will continue to show a slow but steady decline over the next year. However, despite our best efforts, our progress in reducing the vacancy rate has been slower than hoped. We have acknowledged this status by including increased lapse of \$821,704 as part of our reduction to meet the County Executive recommended FY24 budget. This effectively raises the budgeted lapse for FY24 to be 10%.

Additional positions are needed to support the increased work associated with the new amenities or upgrades added through CIP and to continue to expand and improve our programming and services. Although we currently have many vacancies, those positions are necessary to support the maintenance and operations that already exist in our current base. We are constantly evaluating our work program and repurposing positions as needed, updating duties, and looking for efficiencies

to improve performance. The considerable number of vacancies have created many gaps in our service delivery. We are falling short in achieving many of our maintenance standards. Obviously, we have adjusted our work program to focus on critical duties and program priorities. Priorities for the maintenance areas include:

- Health and safety of visitors (restrooms, trash, emergency repairs)
- Revenue generating amenities/facilities (athletic fields, picnic shelters, park activity buildings, special events, partnership obligations and Enterprise facility support),
- Common area mowing and general landscaping.
- Non-emergency repairs and upkeep (some tasks may be deferred until winter)

However, the impacts from the large number of vacancies are many. A few examples include:

- Park Police dispatchers continue to be hard-to-fill positions to hire and to retain creating gaps in our coverage. Due to short staffing in the communications center, dispatchers are currently working 12-hour shifts. This schedule was changed from regular 10-hour shifts. The 12-hour shifts are not sustainable as they will lead to staff burnout and even more turnover. In addition, there has been a significant increase in overtime cost as park police officers frequently have to work additional hours to cover unstaffed shifts when current staff are out (sick, vacation).
- Shortages in park police patrol have resulted in not policing our jurisdiction to our full potential, resulting in fewer police/community relations and positive contacts.
- Vacancies in fleet services continue to impact our ability to complete Routine Preventative Maintenance tickets (RPMs) for non-DOT trailers and equipment. This lack of maintenance and inspection makes the equipment much more prone to break down. These break downs are usually catastrophic when they occur, requiring premature replacement of equipment or a larger expenditure to repair the damage. When repairs are completed, they are taking longer since staff is covering multiple areas.
- Park maintenance workers possessing Commercial Drivers Licenses are at an all-time low which impacts our ability to move large maintenance equipment (dump trucks, backhoes, etc.) to different sites to address routine maintenance and resident complaints.
- Trails become grown in, becoming harder to navigate.
- Takes longer to replace playground equipment resulting in an increase in equipment closures within playgrounds.
- Tennis and basketball court cleaning and weed removal from cracks is delayed.
- Some time-consuming alternative pesticide practices may be deferred resulting in weed overgrowth in some areas.
- There has been a general increase of overtime and comp time so maintenance staff can cover weekend shifts. Overtime is an inefficient and costly method for getting the job done and can lead to employee burnout which can further exacerbate the vacancy problem.
- Lack of staff to operate specialized equipment such as pesticide boom sprayers, large tractors with attachments and large area mowers is impacting our ability to complete specialized maintenance work.
- Not having enough construction inspectors has delayed infrastructure condition assessments which are crucial for maintaining assets across 420 parks and 37K acres. We must move forward with these assessments to help us equitably and effectively utilize funding and address safety issues. Without adequate staff, we must hire a consultant to perform the

assessments which costs more, and we lose the benefit of the institutional knowledge that our inspectors would otherwise gain during the process.

- The Athletic Field Team that focuses on large field renovation projects had to delay projects. There were several projects that we have not started because of vacancies to include Greenwood Local Park infield renovation, Nolte Local Park soccer renovation, and the completion of the Newport Mill Local Park renovation. A few of our CIP projects were slow to get started - these include Columbia Local Park, irrigation controller upgrades, several MCPS renovations, and Blair phase 2.
- The Cybersecurity Engineer vacancy increases our vulnerability to cyberattacks which are becoming more prevalent across all industries including government.
- Vacancies within teams that manage volunteers have impacted our ability to take on more volunteers needed to help maintain our parks and help with clean-up efforts.

2. Please provide a single table for all Divisions within the Parks Department:

- the number of approved FY23 positions;
- the number of FY24 requested positions, and
- the compensation (\$) required to fund any new positions.

The chart below provides the requested detail for the number of positions funded in FY23 and changes requested for FY24. Although the chargebacks and lapse adjustments do not impact the number of positions, that detail is included since it is relevant in determining the fiscal impact of budgeted changes to the budget.

Also, the FY24 proposed budget includes \$65,000 in budgeted lapse for the three (3) new positions for Northern Parks and \$113,827 in budgeted lapse for four (4) of the new positions requested for Southern Parks. In addition, in our department's reductions to meet the County Executive's recommended budget, we will be adding \$272,575 as cost savings for deferring hiring of other new positions requested in the FY24 budget.

MONTGOMERY COUNTY PARKS POSITIONS/WORKYEARS

	FY23 Adopted		FY24 Proposed		Change from FY23 to FY24		Total Compensation \$ of FY24 Proposed New Positions
	POS	WYS	POS	WYS	POS	WYS	
PARK FUND							
<u>DIRECTOR OF PARKS</u>							
Full-Time Career	5.00	5.00	5.00	5.00	-	-	
Part-Time Career	-	-	-	-	-	-	
Career Total	5.00	5.00	5.00	5.00	-	-	
Term Contract	5.00	4.80	5.00	4.80	-	-	
Seasonal/Intermittent		1.50		1.30	-	(0.20)	
Chargebacks		-		-	-	-	
Less Lapse		(0.10)		(0.10)	-	-	
Subtotal Director of Parks	10.00	11.20	10.00	11.00	-	(0.20)	-

	FY23 Adopted			FY24 Proposed		Change from FY23 to FY24		Total Compensation \$ of FY24 Proposed New Positions
	POS	WYS		POS	WYS	POS	WYS	
<u>PUBLIC AFFAIRS & COMMUNITY PARTNERSHIPS</u>								
Full-Time Career	21.00	21.00		23.00	23.00	2.00	2.00	195,490
Part-Time Career	-	-		-	-	-	-	
Career Total	21.00	21.00		23.00	23.00	2.00	2.00	
Term Contract	1.00	1.00		1.00	1.00	-	-	
Seasonal/Intermittent		2.50			3.00	-	0.50	
Chargebacks		(0.80)			(0.80)	-	-	
Less Lapse		(1.80)			(1.80)	-	-	
Subtotal PACP	22.00	21.90		24.00	24.40	2.00	2.50	195,490
<u>MANAGEMENT SERVICES</u>								
Full-Time Career	21.00	21.00		21.00	21.00	-	-	
Part-Time Career	-	-		-	-	-	-	
Career Total	21.00	21.00		21.00	21.00	-	-	
Term Contract	1.00	1.00		1.00	1.00	-	-	
Seasonal/Intermittent		1.60			1.80	-	0.20	
Chargebacks		-			-	-	-	
Less Lapse		(0.30)			(0.50)	-	(0.20)	
Subtotal MSD	22.00	23.30		22.00	23.30	-	-	-
<u>INFORMATION TECHNOLOGY & INNOVATION</u>								
Full-Time Career	16.00	16.00		16.00	16.00	-	-	
Part-Time Career	-	-		-	-	-	-	
Career Total	16.00	16.00		16.00	16.00	-	-	
Term Contract	-	-		-	-	-	-	
Seasonal/Intermittent		-			-	-	-	
Chargebacks		(0.60)			(0.60)	-	-	
Less Lapse		(0.20)			(0.50)	-	(0.30)	
Subtotal ITI	16.00	15.20		16.00	14.90	-	(0.30)	-
<u>PARK PLANNING AND STEWARDSHIP</u>								
Full-Time Career	54.00	54.00		57.00	57.00	3.00	3.00	256,247
Part-Time Career	-	-		-	-	-	-	
Career Total	54.00	54.00		57.00	57.00	3.00	3.00	
Term Contract	-	-		-	-	-	-	
Seasonal/Intermittent		10.70			11.00	-	0.30	
Chargebacks		(4.00)			(4.00)	-	-	
Less Lapse		(4.00)			(4.50)	-	(0.50)	
Subtotal PPSD	54.00	56.70		57.00	59.50	3.00	2.80	256,247

	FY23 Adopted		FY24 Proposed		Change from FY23 to FY24		Total Compensation \$ of FY24 Proposed New Positions
	POS	WYS	POS	WYS	POS	WYS	
<u>PARK DEVELOPMENT</u>							
Full-Time Career	50.00	50.00	52.00	52.00	2.00	2.00	103,948
Part-Time Career *	1.00	0.90	-	-	(1.00)	(0.90)	
Career Total	51.00	50.90	52.00	52.00	1.00	1.10	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent		-		-	-	-	
Chargebacks		(21.50)		(22.30)	-	(0.80)	(83,158)
Less Lapse		(3.90)		(4.90)	-	(1.00)	
Subtotal PDD	51.00	25.50	52.00	24.80	1.00	(0.70)	20,790
<u>PARK POLICE</u>							
Full-Time Career	126.00	126.00	126.00	126.00	-	-	
Part-Time Career	-	-	-	-	-	-	
Career Total	126.00	126.00	126.00	126.00	-	-	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent		2.60		2.10	-	(0.50)	
Chargebacks		(2.00)		(2.00)	-	-	
Less Lapse		(7.60)		(8.00)	-	(0.40)	
Subtotal Park Police	126.00	119.00	126.00	118.10	-	(0.90)	-
<u>HORTICULTURE, FORESTRY & ENVIR. ED</u>							
Full-Time Career	95.00	95.00	99.00	99.00	4.00	4.00	419,176
Part-Time Career *	1.00	0.50	2.00	1.30	1.00	0.80	
Career Total	96.00	95.50	101.00	100.30	5.00	4.80	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent		14.80		17.70	-	2.90	(20,000)
Chargebacks		(1.30)		(1.30)	-	-	
Less Lapse		(7.00)		(8.00)	-	(1.00)	
Subtotal HFEE	96.00	102.00	101.00	108.70	5.00	6.70	399,176
<u>FACILITIES MANAGEMENT</u>							
Full-Time Career	118.00	118.00	118.00	118.00	-	-	
Part-Time Career	-	-	-	-	-	-	
Career Total	118.00	118.00	118.00	118.00	-	-	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent		5.80		6.00	-	0.20	
Chargebacks		(10.00)		(10.00)	-	-	
Less Lapse		(10.20)		(13.60)	-	(3.40)	
Subtotal FM	118.00	103.60	118.00	100.40	-	(3.20)	-
<u>NORTHERN PARKS</u>							
Full-Time Career	122.00	122.00	125.00	125.00	3.00	3.00	214,095
Part-Time Career	-	-	-	-	-	-	
Career Total	122.00	122.00	125.00	125.00	3.00	3.00	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent		16.90		10.00	-	(6.90)	(214,095)
Chargebacks		(0.40)		(0.40)	-	-	
Less Lapse		(11.80)		(14.60)	-	(2.80)	(65,000)
Subtotal NP	122.00	126.70	125.00	120.00	3.00	(6.70)	(65,000)

	FY23 Adopted		FY24 Proposed		Change from FY23 to FY24		Total Compensation \$ of FY24 Proposed New Positions
	POS	WYS	POS	WYS	POS	WYS	
SOUTHERN PARKS							
Full-Time Career	167.00	167.00	176.00	176.00	9.00	9.00	740,383
Part-Time Career	-	-	-	-	-	-	
Career Total	167.00	167.00	176.00	176.00	9.00	9.00	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent		24.60		27.00	-	2.40	
Chargebacks		(4.50)		(8.30)	-	(3.80)	(222,101)
Less Lapse		(14.00)		(18.70)	-	(4.70)	(113,827)
Subtotal SP	167.00	173.10	176.00	176.00	9.00	2.90	404,455
SUPPORT SERVICES							
Full-Time Career	-	-	-	-	-	-	
Part-Time Career	-	-	-	-	-	-	
Career Total	-	-	-	-	-	-	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent		1.00		2.40	-	1.40	
Chargebacks		4.00		4.00	-	-	
Less Lapse		-		-	-	-	
Subtotal Support Services	-	5.00	-	6.40	-	1.40	
TOTAL PARK FUND POSITIONS/WORKYEARS							
Full-Time Career	795.00	795.00	818.00	818.00	23.00	23.00	1,929,339
Part-Time Career	2.00	1.40	2.00	1.30	-	(0.10)	-
Career Total	797.00	796.40	820.00	819.30	23.00	22.90	-
Term Contract	7.00	6.80	7.00	6.80	-	-	-
Seasonal/Intermittent		82.00		82.30	-	0.30	(234,095)
Chargebacks		(41.10)		(45.70)	-	(4.60)	(305,259)
Less Lapse		(60.90)		(75.20)	-	(14.30)	(178,827)
Grand Total Park Fund	804.00	783.20	827.00	787.50	23.00	4.30	1,624,080

Note 1: The PT position for PDD is converting to FT for FY24. This change was noted in the Planning Board memo and budgeted cost, but this change was inadvertently omitted in the position/workyear chart included in the budget book.

Note 2: The cost of the three (3) positions requested in the budget for the Northern Parks Division are being offset by a comparable reduction in seasonal cost making the request a net zero cost impact.

Note 3: The cost of the four (4) Athletic Field Team positions for the Southern Parks Division are being offset by a comparable offset in a chargeback reduction making the request a net zero cost impact to the Park Fund.

Position Changes by Category - FY23 to FY24

	HFEF	NP	PACP	PDD	PPSD	SP	Total
OBI	2.0					1.0	3.0
Program Enhancements	3.0	3.0	2.0	1.0	3.0	8.0	20.0
TOTAL	5.0	3.0	2.0	1.0	3.0	9.0	23.0

3. The County Executive recommends funding of \$121,940,777, excluding debt service. This represents an increase of \$4,916,318, or 4.2 percent, over FY23. That would be a reduction of approximately \$4.3 million from your proposed budget. How would you accomplish that reduction?

See opening note and chart on page one of this submission for the revised distribution of the reductions needed to meet the County Executive’s recommendation. The total reduction for the Park Fund is \$4,763,980. Detail on the non-recommended reductions is provided in the chart below.

TIER	Non-Recommended Reductions - TIER 1	Funding	# of Positions	# of Workyears
Tier 1-1	Contractual increases - meeting the Department's contractual obligations to sustain the current level of services at existing parks and facilities. Since many of the departmental contracts have escalation clauses linked to inflation, not funding this cost will effectively result in a reduction to our base budget.	516,400	0.0	0.0
Tier 1-2	Operating Budget Impacts for new and expanded parks including Black Hill Regional Park Community Garden and SEED Classroom, Broad Run Conservation Park, Edgewood Neighborhood Park Community Garden, Edith Throckmorton Neighborhood Park, Germantown Urban Square, Glen Hills Local Park, Hillandale Local Park, Sligo Dennis Avenue Local Park, Sligo Stream Valley Park, and South Germantown Recreational Park Bike Park and Tennis Bubble. Without OBI, new indoor facilities will not open and the condition of new and expanded parks and trails will quickly deteriorate.	389,306	3.0	4.4
Tier 1-3	Inflationary increases - sustaining the current level of service at existing parks and facilities. With the recent inflationary increases in the cost of supplies, if this cost is not funded, then essentially it will result in a reduction to our base budget.	107,674	0.0	0.0
SUB-TOTAL PRIORITY FOR RESTORATION BY PHP COMMITTEE - TIER 1		\$ 1,013,380	3.0	4.4

TIER	Non-Recommended Reductions - TIER 2	Funding	# of Positions	# of Workyears
Tier 2-1	Additional Staff for Parks Activation Program - This request is to add three positions to the Park Activation Team. The addition of park maintenance workers will create efficiencies with setting up and breaking down for events and reduces dependency on maintenance staff and overtime costs. This total includes a reduction of \$20k of seasonal funding.	174,212	3.0	2.4
Tier 2-2	Additional Performers and Event Funding for Park Activation - This request funds instructors and performers to support an increase in the number, size and variety of events offered to the public, including a signature event for 5,000 plus attendees.	119,000	0.0	0.0
Tier 2-3	Natural Resources Care and Management Crew - This request funds the first phase of a seven-year plan to greatly enhance the level of service for natural areas care and management and to better serve our patrons, enabling expansion of priority natural areas care and community focused conservation projects. It creates a two-person work crew dedicated to the care and maintenance of natural areas and non-native invasive plant management and habitat restoration, and supplements Weed Warrior Volunteer efforts. It also adds a Natural Resources Specialist to support inventory, planning, and community conservation efforts. This total includes a reduction in services of \$40,000 for currently contracted services that would now be handled by this staff.	167,110	3.0	3.0
Tier 2-4	Permit Specialist - This request will add a full-time Permit Specialist to handle the increased volume of special events and other permits. This position will partner with event sponsors; promote greater event quality and customer satisfaction; analyze customer needs in order to recommend appropriate park sites and staff complement for proposed events; promote events through approved channels; ensure required permits/licenses are obtained before events; and determine areas of success and opportunities for growth.	78,284	1.0	1.0
Tier 2-5	Summer and Trades Internships - This request will add funding to the successful Summer and Trades Internship Program reinstated in FY22 with the goal of growing the diverse talent pipeline for various positions across the park system including "hard to fill" trades positions. Providing an impactful and enriching learning experience for our interns will also help with our succession planning efforts. These internships will also help support the goal of broadening the diversity of our workforce in all corners of our organization.	41,200	0.0	1.4
Tier 2-6	Urban Park Maintenance Team and Supplies - This request will fund an Urban Park Maintenance Team consisting of a Team Leader, Park Maintenance Worker, a Horticulturist, and a Gardener. This is the continuation of a department-wide effort to provide a higher standard of maintenance at urban parks that receive the most visitors and are frequently utilized for park activation events. A recent SWOT analysis revealed the need for a higher standard of care and the desire for more esthetically pleasing parks.	308,916	4.0	4.0
Tier 2-7	PICS (Park Information and Customer Services) Assistant Manager - This request will fund a position to help expand customer service hours during peak hours including over weekends. Our staff typically handle 300-500 calls per week during the warmer months, with at least 200 written cases per week originating via email.	78,284	1.0	1.0
Tier 2-8	Construction Inspector - This request will help speed up CIP implementation, improve the quality of construction projects and support asset condition assessments. Eighty percent of the position's cost will be charged back to the CIP.	16,588	1.0	0.2
SUB-TOTAL PRIORITY FOR RESTORATION BY PHP COMMITTEE - TIER 2		\$ 983,594	13.0	13.0

Budget Reductions Submitted by Montgomery Parks to Meet the FY24 County Executive Recommendation			
Cable Fund - funding to continue to expand public Wi-Fi in Parks - defer project due to limited funding availability	50,000		
Debt Service on Capital Equipment Internal Service Fund (ISF) - prepay a portion of cost using FY23 funding	615,000		
Defer hiring new OBI positions based on updated project completion dates	72,101		
Defer hiring new positions associated with Program Enhancements (defer by 3 months)	200,474		
Increase salary lapse by an additional 1% (equates to 8 positions) - this will increase the Park Fund's budgeted lapse to 10%	821,704		
Reclassification marker - additional reduction of funding for current and projected salary increases based on the classification and compensation study	387,727		
Reduce funding for contractual increases that will be purchased using FY23 funding	200,000		
Reduce funding for inflationary increases for supplies that will be purchased using FY23 funding	220,000		
Risk Management - prepay a portion of the cost using FY23 funding	200,000		
SUB-TOTAL - Budget Reductions	2,767,006	0.0	0.0
GRAND TOTAL - Non-Recommended Reductions and Reductions	4,763,980	16.0	17.4

4. What are your priorities for restoration of funding (noting enhancements that one-time and on-going)?

The Parks Department has categorized its non-recommended reductions in the order that it wishes them to be restored. All of the program enhancement requests are on-going. Please see the lists provided in the answer to the previous question for that prioritization.

5. Does the proposed FY24 budget include any changes in fees/revenues? If so, please indicate which fees/revenues changed and the nature of the change?

There were no new fee increases implemented for FY24. However, some of the fee increases that were included in the Planning Board memo approved in December 2021 were phased in over time to give our customers time to adjust their budgets, so the full impact of the fee changes was not recognized in FY23. The revenue increase for Park Permits in the FY24 Proposed Budget reflects the slight increase attained from the annualization of the previously approved increases.

6. Parks is requesting \$1,184,068 in “Program Enhancements Addressing Deficiencies and Emerging Trends”. On pages 218-219 is an itemized list of elements proposed for this funding. Please provide the dollar amount of funding for each element and note any changes to the personnel work compliment and workyears.

Below is the complete list of the FY24 Program Enhancement requests. Note that except for the two net zero impact requests, the full list of program enhancements is incorporated in the department’s Tier 2 list of non-recommended reductions. The Tier 2 amounts listed in the response to question 3 include the revisions made to incorporate deferred start dates for the new position requests. This list reflects the program enhancement totals as submitted in the proposed budget.

MC Parks - Program Enhancements for FY24 Proposed Budget

Division	Expenditure Category	Item & Description	Amount	# of New Positions	Career Wkys	Seasonal Wkys
Park Activation						
HFEE	Personnel Services	Additional Staff for Parks Activation Program - This request is to add three positions to the Park Activation Team. The addition of park maintenance workers will create efficiencies with setting up and breaking down for events and reduces dependency on maintenance staff and overtime costs. This total includes a reduction of \$20k of seasonal funding.	\$ 219,051	3.0	3.0	(0.6)
HFEE	Supplies/Other Services and Charges	Additional Performers and Event Funding for Park Activation - This request funds instructors and performers to support an increase in the number, size and variety of events offered to the public, including a signature event for 5,000 plus attendees.	\$ 119,000			
PACP	Personnel Services	Permit Specialist - This request will add a full-time Permit Specialist to handle the increased volume of special events and other permits. This position will partner with event sponsors; promote greater event quality and customer satisfaction; analyze customer needs in order to recommend appropriate park sites and staff complement for proposed events; promote events through approved channels; ensure required permits/licenses are obtained before events; and determine areas of success and opportunities for growth.	\$ 97,745	1.0	1.0	
Improving Customer Service						
PACP	Personnel Services	PICS (Park Information and Customer Services) Assistant Manager - This request will fund a position to help expand customer service hours during peak hours including over weekends. Our staff typically handle 300-500 calls per week during the warmer months, with at least 200 written cases per week originating via email.	\$ 97,745	1.0	1.0	
Improving Quality and Playability of Ballfields						
SP	Personnel/ Chargebacks	Athletic Fields Team Personnel Expansion and Contract Reduction Montgomery Parks maintains 208 athletic fields on Montgomery County Public School property through outsourced services. Our department is reimbursed by the County for these maintenance and renovation costs. This program enhancement request is to transition contracted services funded in the Special Revenue Fund and in CIP to be handled by adding eight new positions to the Athletic Field Team. Services being transitioned include aeration, seeding, nutrient management, infield annual services as well as field renovations. This enhancement provides an improved level of service for our community and the ability to increase services towards social equity focus areas throughout the County without additional cost to our taxpayers. Funding needed to support the cost of the additional staff, supplies, and equipment will be paid and/or reimbursed to the Park Fund via chargebacks making the <u>net cost to the Park Fund zero.</u>	\$ -	4.0	0.0	

Division	Expenditure Category	Item & Description	Amount	# of New Positions	Career Wklys	Seasonal Wklys
Social Equity						
MSD	Personnel Services	Summer and Trades Internships - This request will add funding to the successful Summer and Trades Internship Program reinstated in FY22 with the goal of growing the diverse talent pipeline for various positions across the park system including "hard to fill" trades positions. Providing an impactful and enriching learning experience for our interns will also help with our succession planning efforts. These internships will also help support the goal of broadening the diversity of our workforce in all corners of our organization.	\$ 41,200			1.4
Maintaining and Improving What We Have						
PPSD	Personnel Services/Other Services & Charges	Natural Resources Care and Management Crew - This request funds the first phase of a seven-year plan to greatly enhance the level of service for natural areas care and management and to better serve our patrons, enabling expansion of priority natural areas care and community focused conservation projects. It creates a two-person work crew dedicated to the care and maintenance of natural areas and non-native invasive plant management and habitat restoration, and supplements Weed Warrior Volunteer efforts. It also adds a Natural Resources Specialist to support inventory, planning, and community conservation efforts. This total includes a reduction in services of \$40,000 for currently contracted services that would now be handled by this staff.	\$ 216,247	3.0	3.0	
NP	Personnel Services	Playground Surface Crew Addition of three PMWII staff for the Northern Parks Playground Surface Crew. The playground pesticide free wood carpet maintenance mandate and demand for playground repairs continues to increase with modernized playground replacements being added each year. Current staffing on our playground team is insufficient to complete the existing work related to playground inspections, repairs, and pesticide free wood carpet maintenance. The cost for these new positions will be offset by reductions in divisional seasonal funding making the cost to the Park fund a <u>net-zero impact</u> .	\$ -	3.0	3.0	(7.4)
PDD	Personnel Services	Construction Inspector - This request will help speed up CIP implementation, improve the quality of construction projects and support asset condition assessments. Eighty percent of the position's cost will be charged back to the CIP.	\$ 20,790	1.0	0.2	
SP	Personnel/Supplies	Urban Park Maintenance Team and Supplies - This request will fund an Urban Park Maintenance Team consisting of a Team Leader, Park Maintenance Worker, a Horticulturist, and a Gardener. This is the continuation of a department-wide effort to provide a higher standard of maintenance at urban parks that receive the most visitors and are frequently utilized for park activation events. A recent SWOT analysis revealed the need for a higher standard of care and the desire for more esthetically pleasing parks.	\$ 372,290	4.0	4.0	
TOTAL PROGRAM ENHANCEMENTS			\$1,184,068	20.0	15.2	(6.6)

Planning Department Questions

1. The County Executive recommends funding of \$39,438,402 for the Administration Fund. This represents an increase of \$2,590,706, or 7.0 percent, over FY23. It would also be a reduction of approximately \$2.6 million from your proposed budget. How would you accomplish that reduction?

See opening note and chart on page one of this submission for the revised distribution of the reductions needed to meet the County Executive's recommendation. The total reduction for the Planning Department is \$947,289. Summary, followed by detail on the non-recommended reductions is provided in the charts below.

Tier 1 – Departmental Top Priority (Non-Recommended Reductions)		Funding
1-1	Thrive Montgomery 2050 Implementation Metrics (one-time)	\$44,400
1-2	Randolph Road Corridor Study (one-time)	\$75,000
1-3	Curbside Management Project (one-time)	\$100,000
1-4	Germantown Employment Corridor Check In (one-time)	\$50,000
1-5	Security Information and Event Management (SIEM) (on-going)	\$75,800
SUB-TOTAL TIER 1 - Departmental Priority		\$345,200

Tier 2 - Departmental Priority (Non-Recommended Reductions)		Funding
2-1	Regional Travel Demand Model & Transportation Network Database Mgmt Tools (one-time)	\$75,000
2-2	Burial Sites Context Survey (one-time)	\$65,000
2-3	Redlining Segregation Mapping Project -Phase 2 (one-time)	\$100,000
SUB-TOTAL TIER 2 - Departmental Priority		\$240,000

Budget Reductions to Meet the FY23 County Executive Recommendation		Funding
	The Great Seneca Plan - Urban Design Guidelines & Streetscape Standards (one-time)	\$25,000
	Eliminate New Visual & Media Imagining Specialist Position (Part-Time)	\$51,064
	Delay Hiring New 4 Positions by Two Months (on-going)	\$78,712
	Increase Salary Lapse by 1% (from 4.5% to 5.5%)	\$207,313
SUB-TOTAL TIER 3 - Reductions		\$362,089

TOTAL OF ALL TIERS – PLANNING'S PORTION TO MEET CE RECOMMENDATION		\$947,289
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Tier 1 – Departmental Top Priority (Non-Recommended Reductions)		Funding
1-1	<p>Thrive Montgomery 2050 Implementation Metrics (one-time)</p> <p><u>Description</u></p> <p>Thrive Montgomery 2050 proposes an ambitious set of approximately 80 metrics to be tracked in monitoring plan implementation. A significant effort is required identify data and develop a platform to track all these metrics. In some cases, the Department will need to collect new data or process existing data in new ways to appropriately monitor. Consultant assistance is required to review the metrics, evaluate potential data sources, and develop strategies for collecting additional data if required. Without this assistance, it will be challenging for the Department to create a system to monitor plan implementation in a timely fashion.</p> <p>Many of these metrics need to be further defined and research needs to be undertaken to develop meaningful ways to measure them. For example, one of the metrics in the conclusion is “equitable life outcomes across race, income, age, gender, etc.” How do we want to define “equitable life outcomes”? Is that just based on income or does it also include health, education levels, or place of residence? Once we build agreement on the definition, we need to figure out how to collect and analyze data. This work will likely require combining data from different sources to develop a meaningful interpretation and baseline data point for where we are today. Further, we need to coordinate the development and tracking of metrics with other plans like the Economic Development Strategic Plans and Climate Action Plan to ensure we are consistent with the metrics in these plans.</p> <p>Note: This request does not include the cost of collecting new data.</p> <p><u>Impact</u></p> <p>The requested amount in the proposed budget is \$100,000. The Planning Department has placed \$44,400 of the \$100,000 as the top priority for funding on the non-recommended reduction list. Tracking these 80 metrics is a monumental task. We will be able to begin this project, but without the \$44,400 funding in FY24, we will lose a significant amount of the momentum generated by the passage of Thrive Montgomery 2050 in October 2022. It also means that we may not be able to track some metrics that require new data sources because we will not have funds to purchase or collect the data.</p>	\$44,400
1-2	<p>Randolph Road Corridor Study (one-time)</p> <p><u>Description</u></p> <p>To advance the goal of implementing the corridor focused growth and complete communities' recommendations of Thrive Montgomery 2050, the Midcounty Planning Division recommends including a comprehensive study of the Glenmont area, which sits at the intersection of two corridors -- Randolph Road and Georgia Avenue, to the FY24 work program. It is essential to meet the County's goals of racial equity and social justice, environmental resilience, and economic competitiveness, that a study is conducted to identify short term actions to advance the sector plan vision, and to support 15-minute living in along the corridors that intersect in Glenmont. Of the twelve Metrorail Stations in Montgomery County with adopted plans that allow for mixed-use development and growth, the Glenmont Metrorail Station area has been one of the slowest to transform into a community with 15-minute living. Despite its proximity to transit and other amenities, the area continues to experience low to moderate growth since the adoption of the 2013 Glenmont Sector Plan. The area requested for study is within a County Equity Focus Area, is along corridors that link two major high schools, and is at the intersection of two roadways on the Vision Zero High Injury Network. Walking, bicycling, rolling, and access to transit requires crossing long distances with infrequent and unsafe crossings. This study will identify safe, accessible, and comfortable connections between the Metrorail station area and amenities along the corridors, as well as short term</p>	\$75,000

	<p>actions to advance 15-minute living, which are important steps toward creating a strong foundation for growth.</p> <p>Consultant funding is needed to complete multimodal transportation network analysis and to develop initial recommendations to improve connectivity across Georgia Avenue and Randolph Road and/or market analysis to evaluate the challenges and opportunities to achieving 15-minute living in Glenmont. For example, what mixture of uses can be viable, sustainable, and successful in Glenmont? What infrastructure, services, amenities, and short-term actions are necessary to support 15-minute living? Additional consultant funding is requested for public engagement and canvassing as well as renderings.</p> <p><u>Impact</u></p> <p>If this is not funded in FY24, the pressing concerns of economic competitiveness and the urgent need for traffic safety improvements will be delayed. If this consultant funding is not funded, staff will begin preliminary analysis and existing conditions assessment in FY24 and will seek consultant funding in the FY25 budget.</p>	
1-3	<p>Curbside Management Project (one-time)</p> <p><u>Description</u></p> <p>Our built environment has experienced many changes in how space is used in the last decade or so – no space more so than our curbsides, with a confluence of multiple roadway users and the growth of ridesharing, micromobility and curbside pick-up. This effort, which would be jointly led with MCDOT, is needed to strategically prioritize and manage the growing range of uses for this linear resource, including goods delivery, pick up and drop off (e.g., Uber and Lyft), on-street parking, transit stops and paratransit access, micromobility and bicycle facilities and parking, mobile food vending, and parklets. The project would address how effectively managing the curb can improve safety, promote economic development, increase access, and support our climate goals. The project would serve as a follow-up to the effort supported by \$10,000 in FY22 year-end funding to scope out the Curbside Management effort. This project is an action in several plans: Thrive Montgomery 2050 (Action T-5), Vision Zero 2030 Action Plan (Action T-7) and the Bicycle Master Plan (Action Policy 2-22). The total cost of the project is estimated to be \$200,000 with half the funding coming from MCDOT. MCDOT plans to put it in their FY25 budget. The Planning Department will do the planning effort in FY24 and MCDOT would do the implementation effort in FY25.</p> <p><u>Impact</u></p> <p>If this is not funded, it will prevent the curbside management concepts and recommendations of the project from being integrated in important on-going master plans (including the Great Seneca Plan) and in the review of development applications (particularly in our more urban areas). It will also delay progress toward the county’s Vision Zero Action Plan and implementation of the Bicycle Master Plan and Thrive Montgomery 2050.</p>	\$100,000
1-4	<p>Germantown Employment Corridor Check In (one-time)</p> <p><u>Description</u></p> <p>Since the Germantown Employment Area Sector Plan was approved and adopted in 2009, the office market began to change, and the pandemic amplified this change by dramatically increasing teleworking trends. Additionally, demand in bio-life science development has continued, the alignment of the Corridor Cities Transitway (CCT) was altered via the recently approved Corridor Forward: I-270 Transit Plan, and the anticipated adoption of Thrive Montgomery 2050 collectively establish the need for a much-needed check in of this important corridor plan. Consultant assistance is needed to analyze post-pandemic office market and uses, realigned CCT, and corridor focused growth. Many approved development plans in Germantown along the I-270 Corridor, particularly on Century Boulevard, have not been able to be fully constructed, as the market has changed dramatically since approval of</p>	\$50,000

	<p>the Sector Plan. These developments are critical to support a thriving Town Center and to help realize the vision for a more complete community</p> <p><u>Impact</u> This will delay the analysis needed to provide guidance on next steps that can be taken to address the change in office market, telework trends, CCT alignment, and how to ultimately realize the vision for this area of Germantown as a compact and complete community in this important corridor.</p>	
1-5	<p>Security Information and Event Management (SIEM) (on-going)</p> <p><u>Description</u> This critical technology tool provides ITI Cybersecurity professionals a real-time view of all security activities moving inbound and outbound through our network. It supports and provides a clean dashboard giving us a live view of possible threat detection, compliance, and security incident management through data collection and analysis using embedded AI (artificial intelligence) of security events, and a wide variety of other event and contextual data sources. In addition, this solution provides Threat Intelligence, extensive Compliance reporting and Forensic capabilities. SIEM gives us real time visibility into activity within our network so ITI engineers can respond swiftly to potential cyberattacks and meet compliance requirements. This cost will be shared 50/50 with the Department of Parks.</p> <p><u>Impact</u> Without this funding, our risk increases substantially for possible cyberattacks.</p>	\$78,500
SUB-TOTAL TIER 1 - Departmental Priority		\$345,200

Tier 2 - Departmental Priority (Non-Recommended Reductions)		Funding
2-1	<p>Regional Travel Demand Model & Transportation Network Database Management Tools (one-time)</p> <p><u>Description</u> It is anticipated that Metropolitan Washington Council Of Government's (MWCOC's) Gen 3 regional travel demand model is on the verge of being released. The Planning Department's current travel demand model is an adaptation of COG's previous model, and we would be well-served to transition to a Montgomery County-focused adaptation of COG's new model. The state-of-the art, activity based regional travel demand modeling tool would be used to support countywide and subarea master plan planning applications. Doing this will provide enhanced analytical capabilities and consistency and compatibility with the regional model, which will ensure continued faith in and acceptance of our modeling outputs. However, to support Montgomery County-focused planning applications, the department will need to adapt the MWCOC tool to reflect greater Montgomery County-focused transportation network and traffic analysis zone detail. In addition, the MCNetwork geodatabase and the complementary MCTool program must be modified and updated to be compliant with the more detailed transportation network files used for the new Gen 3 model. Further updates to MCTool are needed as well, to improve its functionality and efficiency. Funding for this project will cover the cost of consultant assistance working with Countywide Planning and Policy staff.</p> <p><u>Impact</u> If this project is not funded, we can continue to use our current model, but we would not benefit from the added value of COG's new activity-based model, which is better aligned with current industry best practices.</p>	\$75,000
2-2	<p>Burial Sites Context Survey (one-time)</p> <p><u>Description</u></p>	\$65,000

	<p>This is a consultant-supported project that will result in a historic context study for the cemeteries and burial sites listed in the Burial Sites Inventory. The results of the study will classify burial sites by type, time period, cultural associations, geography, and other factors. Project goals will create periods of significance and identify important themes and trends to identify sites that are significant and warrant inclusion in the National Register and Master Plan for Historic Preservation.</p> <p><u>Impact</u> If this is not funded, it would delay or inhibit the identification of burial sites for potential historic designation and preservation.</p>	
2-3	<p>Redlining Segregation Mapping Project -Phase 2 (one-time)</p> <p><u>Description</u> Phase 2 of this project will build upon the deed and plat research conducted in Phase I inside the Capital Beltway. Phase 2 work would largely be guided by the interests of the Council following a briefing on the results of the Phase 1. It could include deed, plat, census, demographic, and other historical research and analysis to identify discriminatory land use and real estate practices and determine how this discrimination impacted the racial makeup and geographic distribution of households headed by racial minorities. The work could include an extension of the downcounty deed research throughout the rest of the county or could cast a broader net to better understand the history of segregation in its many forms across the county.</p> <p><u>Impact</u> Not funding this project will delay our efforts to complete for the rest of the county the major research accomplished inside the Beltway to identify the location and prevalence of racially restrictive covenants for housing in the county's history. The work completed for inside the Beltway has generated news coverage in the Washington Post and thousands of visits to Montgomery Planning's interactive map for this project, furthering community education on equity issues in the county.</p>	\$100,000
SUB-TOTAL TIER 2 - Departmental Priority		\$240,000

Budget Reductions to Meet the FY23 County Executive Recommendation		Funding
	The Great Seneca Plan - Urban Design Guidelines and Streetscape Standards <i>Funded using FY22 savings.</i>	\$25,000
	Eliminate New Visual & Media Imaging Specialist Position (Part-Time) <i>We will repurpose an existing part-time position for this function.</i>	\$51,064
	Delay Hiring New Positions by 2 Months	\$78,712
	Increase Salary Lapse by 1% (from 4.5% to 5.5%)	\$207,313
SUB-TOTAL - Reductions		\$362,089

TOTAL OF TIER 1, TIER 2 and REDUCTIONS		\$947,289
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2. What are your priorities for restoration of funding (noting enhancements that one-time and on-going)?

The Planning Department has categorized its non-recommended reductions in the order that it wishes them to be restored. Please see the lists provided in answer to the previous question which include a note about which initiatives are one-time and on-going.

3. Please provide a single table for all Divisions within the Planning Department:

- **the number of approved FY23 positions;**
- **the number of FY24 requested positions, and**
- **the compensation (\$) required to fund new positions.**

The number of approved FY23 positions = 151 (includes one frozen position)

The number of FY24 requested positions = 155 (includes unfreezing the frozen position)

The compensation (\$) required to fund new positions = \$523,469

The chart below provides the requested detail for the number of positions funded in FY23 and changes requested for FY24 and the compensation for the new positions. This revised chart shows only 3 new positions, a decrease from the 4 new positions originally requested. One part-time position in Management Services is now proposed to be repurposed and transferred to the Communications Division. In addition, the specific lapse workyear amounts for each division are estimated at this time and will be finalized before adoption.

MONTGOMERY COUNTY PLANNING POSITIONS/WORKYEARS

	FY 23 Adopted		FY 24 Proposed		Change from FY23 to FY24		Total Compensation \$ of FY24 Proposed New Positions
	POS	WYS	POS	WYS	POS	WYS	
<u>PLANNING DEPARTMENT</u>							
<u>DIRECTOR'S OFFICE</u>							
Full-Time Career	7.00	7.00	7.00	7.00	-	-	
Part-Time Career	-	-	-	-	-	-	
Career Total	7.00	7.00	7.00	7.00	-	-	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent	-	-	-	-	-	-	
Chargebacks	-	-	-	-	-	-	
Less Lapse	-	-	-	(0.30)	-	(0.30)	
Subtotal Director's Office	7.00	7.00	7.00	6.70	-	(0.30)	-
<u>MANAGEMENT SERVICES</u>							
Full-Time Career	9.00	9.00	9.00	9.00	-	-	
Part-Time Career	2.00	1.60	1.00	0.80	(1.00)	(0.80)	Moved to Communications
Career Total	11.00	10.60	10.00	9.80	(1.00)	(0.80)	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent	-	-	-	-	-	-	
Chargebacks	-	-	-	-	-	-	
Less Lapse	-	(2.41)	-	(1.10)	-	1.31	
Subtotal Management Services	11.00	8.19	10.00	8.70	(1.00)	0.51	-
<u>COMMUNICATIONS DIVISION</u>							
Full-Time Career	10.00	10.00	10.00	10.00	-	-	
Part-Time Career	-	-	1.00	0.80	1.00	0.80	Moved from Mgmt Services
Career Total	10.00	10.00	11.00	10.80	1.00	0.80	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent	-	-	-	-	-	-	
Chargebacks	-	-	-	-	-	-	
Less Lapse	-	(0.17)	-	(0.10)	-	0.07	
Subtotal Communications Division	10.00	9.83	11.00	10.70	1.00	0.87	-
<u>COUNTYWIDE PLANNING AND POLICY</u>							
Full-Time Career	21.00	21.00	23.00	23.00	2.00	2.00	238,457
Part-Time Career	-	-	-	-	-	-	
Career Total	21.00	21.00	23.00	23.00	2.00	2.00	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent	-	-	-	-	-	-	
Chargebacks	-	-	-	-	-	-	
Less Lapse	-	(0.43)	-	(1.23)	-	(0.80)	
Subtotal Countywide Planning and Policy	21.00	20.57	23.00	21.77	2.00	1.20	238,457.00
<u>DOWNCOUNTY PLANNING</u>							
Full-Time Career	16.00	16.00	17.00	17.00	1.00	1.00	116,974
Part-Time Career	-	-	-	-	-	-	
Career Total	16.00	16.00	17.00	17.00	1.00	1.00	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent	-	-	-	-	-	-	
Chargebacks	-	(4.30)	-	(4.00)	-	0.30	
Less Lapse	-	(0.55)	-	(1.10)	-	(0.55)	
Subtotal Downcounty Planning	16.00	11.15	17.00	11.90	1.00	0.75	116,974.00
<u>MID-COUNTY PLANNING</u>							
Full-Time Career	20.00	20.00	20.00	20.00	-	-	
Part-Time Career	-	-	-	-	-	-	
Career Total	20.00	20.00	20.00	20.00	-	-	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent	-	-	-	-	-	-	
Chargebacks	-	(4.92)	-	(4.00)	-	0.92	
Less Lapse	-	(0.83)	-	(1.10)	-	(0.27)	
Subtotal Mid-County Planning	20.00	14.25	20.00	14.90	-	0.65	-
<u>UPCOUNTY PLANNING</u>							
Full-Time Career	21.00	21.00	21.00	21.00	-	-	
Part-Time Career	-	-	-	-	-	-	
Career Total	21.00	21.00	21.00	21.00	-	-	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent	-	-	-	-	-	-	
Chargebacks	-	(4.70)	-	(4.50)	-	0.20	
Less Lapse	-	(0.85)	-	(1.10)	-	(0.25)	
Subtotal Upcounty Planning	21.00	15.45	21.00	15.40	-	(0.05)	-

MONTGOMERY COUNTY PLANNING POSITIONS/WORKYEARS (Continued)							
	FY 23 Adopted		FY 24 Proposed		Change from FY23 to FY24		Total Compensation \$ of FY24 Proposed New Positions
	POS	WYS	POS	WYS	POS	WYS	
<u>INFORMATION TECHNOLOGY AND INNOVATION</u>							
Full-Time Career	18.00	18.00	18.00	18.00	-	-	
Part-Time Career	-	-	-	-	-	-	
Career Total	18.00	18.00	18.00	18.00	-	-	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent	-	-	-	-	-	-	
Chargebacks	-	-	-	-	-	-	
Less Lapse	-	(0.72)	-	(1.10)	-	(0.38)	
Subtotal Information Technology & Innovation	18.00	17.28	18.00	16.90	-	(0.38)	-
<u>RESEARCH AND STRATEGIC PROJECTS</u>							
Full-Time Career	7.00	7.00	7.00	7.00	-	-	
Part-Time Career	-	-	-	-	-	-	
Career Total	7.00	7.00	7.00	7.00	-	-	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent	-	-	-	-	-	-	
Chargebacks	-	-	-	-	-	-	
Less Lapse	-	-	-	-	-	-	
Subtotal Research & Strategic Projects	7.00	7.00	7.00	7.00	-	-	-
<u>TOTAL PLANNING</u>							
Full-Time Career	148.00	148.00	152.00	152.00	4.00	4.00	472,405.00
Unfunded Career	1.00	-	-	-	(1.00)	-	
Part-Time Career	2.00	1.60	2.00	1.60	-	-	
Career Total	151.00	149.60	154.00	153.60	3.00	4.00	
Term Contract	-	-	-	-	-	-	
Seasonal/Intermittent	-	-	-	-	-	-	
Chargebacks	-	(22.00)	-	(22.00)	-	-	
Less Lapse	-	(6.73)	-	(8.23)	-	(1.50)	
Grand Total Planning Department	151.00	120.87	154.00	123.37	3.00	2.50	472,405.00

4. The Department states on page 153 of the FY24 Proposed Operating Budget:

“For FY24, the Department plans to maintain an approximate 4.5% lapse rate based on the FY23 adopted budgeted staffing level of 151 positions (149.6 workyears) which includes 142.87 funded workyears, 6.73 lapsed workyears and one unfunded position.”

Furthermore, the proposed Planning Department budget includes 1 new position to work on Adequate Public Facilities, 1 new position for a Forest Conservation Planner, 1 new position for a Downcounty Planner, 1 new position to work on Transportation Data Management (at .75 workyears), and 1 new position for a Media & Imaging Specialist.

This would add 5 new positions (4 net) to the Planning Department.

According to the Department’s quarterly vacancy reports, the lowest percentage of vacant positions since January 2019 was 6.6%. The highest vacancy rate is over 15%. And for the past year and a half (since July 2021) the vacancy rate has remained well above 8.5% (the average vacancy rate for this time period is over 12%).

- Is there any evidence that the attrition rate will revert to as low as 4.5% in the next year?
- Is there any evidence that the attrition rate will revert to pre-2021 levels in the next year?
- Why are requested new positions needed when the average vacancy rate of authorized positions has been more than double the lapse rate since July 2021?

Also, during this period (since July 2021), the number of temporarily filled positions has ranged from a low of 3 positions to a high of 13 positions, lowering the average vacancy rate from 12.1% to 7.6%. However, this “effective” attrition rate is still almost 70% greater than the assumed lapse.

- **Could some portion of vacant positions be frozen to accommodate new positions, minimizing the impact on the FY24 operating budget?**

The Planning Department has been taking steps to reduce our vacancy rate. In August 2019, the Planning Department repurposed a position and hired a recruitment specialist to improve our hiring practices, reduce the number of days to fill a position, and lower our vacancy rate. A total of 32 positions were filled in FY20 including 22 positions filled after the new recruiter was hired.

The 3 years since the recruiter was hired have been unusual with the advent of the global pandemic and the increasingly competitive job market. In early 2020, we had to nimbly create and implement a virtual hiring process which delayed some of our recruitment efforts. In addition, in July 2020, the County mandated a significant savings plan. The Planning Department deliberately deferred hiring many positions and only filled 7 positions in all of FY21 to achieve the savings. Recovering from this delayed hiring, coupled with an increase in retirements in FY22 as we returned from 100% telework as well as some resignations further increased our vacancy rate.

Since the advent of the pandemic, the job market has become increasingly competitive. We are receiving fewer applicants for hard to fill positions, particularly in transportation planning and information technology. We must offer higher salaries and, at times, signing bonuses to attract quality candidates.

Our Human Resources team has proactively taken the following steps to make the recruitment process more efficient and to fill our vacancies more quickly.

- *Created a library of sample job advertisement templates by job classification for our hiring managers to use when drafting job advertisements.*
- *Increased training for managers staff on writing effective job advertisements.*
- *Use Textio software to improve the quality of our advertisements by using more inclusive language.*
- *Actively promote the perks and benefits of working at Montgomery Planning in our job advertisements.*
- *Work with the Commission’s central recruitment staff to identify ways to expedite the recruitment process. (Ex. Posting positions on free websites to reduce the workload on the central recruitment staff.)*
- *Increased our presence on social media and online tools such as LinkedIn Recruiter, Indeed, Professional Job Boards and the Professional Diversity Network.*
- *Target our advertising to diverse communities by attending more Historically Black Colleges and Universities (HBCU) career fairs.*
- *Alert our staff about job vacancies through the Acting Director’s Monday Morning Messages. Remind staff of employee incentive programs.*
- *Work with new organizations and participated in a wide array of job fairs focused on groups such as Veterans and WorkSource Montgomery. Attend job fairs in Prince George’s County and Washington, D.C.*
- *Promote and share career opportunities with county residents at various community outreach/engagement functions hosted by the Planning Department.*
- *Provide staff with job opportunity flyers to take to conferences and to share with their classmates or professional networks.*

- *Actively building a talent pipeline using our well-established intern program.*
- *Providing an 18-month Leadership Institute for rising staff to provide the necessary skills for them to be prepared to advance to the next level.*
- *Training members of the Planning Department's Leadership Institute in Behavioral Interviewing to learn how unconscious bias, candidates' selection preparation and a well-structured interview can make major impacts on the Department. This type of training helps to increase retention.*
- *Offered hiring incentives such as sign-on bonuses, relocation assistance, referral bonuses and more competitive salaries.*
- *Trained administrative staff to use the Neo-Gov onboarding portal to improve the routing process of hiring documents.*
- *Trained staff on Adobe Sign to improve routing times of Recommendation to Hire packets.*
- *Certified a departmental fingerprinting technician to assist with reducing time to schedule fingerprinting.*
- *Utilize NeoGov Attract to engage the governmentjobs.com applicant pool.*

The Planning Department recently developed a Recruitment and Selection Guide for supervisors and administrative staff that provides step-by-step guidance on the Commission recruitment process and selecting the most qualified applicant. Training on the new guide is scheduled to begin in May 2023.

Also, the Commission's Department of Human Resources and Management has requested 3 new recruitment positions in FY24 which will improve and speed up the recruitment process for all departments.

Filling our vacant positions is a priority for our department, and nearly all our vacancies are in some stage of active recruitment (e.g., advertised, interviewing candidates, etc.). One position, the Planning Director, is on hold waiting for the remaining new Planning Board members to be installed in June.

We have been successful in bringing on seasonal or term employees to help fill some of work program needs to allow us time to determine if the need is short-term or on-going. These employees have contributed to bringing our effective lapse rate to 7.6%.

In the FY24 proposed budget, we asked for 5 positions (4 new positions and funding for 1 frozen position) for work that we have determined to be on-going. We are now proposing to eliminate the request for a new part-time position, and we will repurpose an existing part-time position to fill this job function. We have placed the \$51,064 requested for this position on the reduction list.

We anticipate that our vacancy rate will show a decline over the next year as we continue to implement measures to speed up the recruitment process and when the central office hires the new recruiters.

However, we acknowledge that a 4.5% lapse rate may be difficult to achieve in FY24 in the current climate. The Planning Department now proposes to increase lapse by 1% from 4.5% to 5.5% in the FY24 budget. We would offer this as a reduction in FY24 of \$207,300.

Commissioners' Office Questions

1. What is the impact of the County Executive's recommended reductions on the Commissioners' Office?

The chart below shows the non-recommended reductions for the Commissioners' Office, for a total of \$144,267. And restoration is requested in the order shown.

Commissioners' Office – Tier 1 Non-Recommended Reductions		Funding
Commissioners' Office	Delay Hiring New Public Affairs Specialist Position by 6 Months	\$67,134
	<u>Description:</u> This position would handle many facets of community relations, news media relations, and public relations activities, including: managing social media accounts; writing and producing news releases, developing and writing web-based and electronic communications products; managing arrangements and support for community meetings, public hearings, special events, and other community outreach activities; providing news media relations support for the Planning Board; handling public inquiries; and providing exemplary customer service.	
	<u>Impact:</u> Without this position, many of these duties would fall on the Planning Department's Communications Division and others to perform and many of these duties will not be performed at all. This could reduce the effectiveness of the independent functioning of the Planning Board and Planning Department.	
SUB-TOTAL TIER 1 - Departmental Priority		\$67,134
Tier 2 - Departmental Priority (Non-Recommended Reductions)		Funding
Commissioners' Office	Delay Hiring New Public Affairs Specialist Position by 4 Months	\$44,756
	<u>Impact:</u> See Tier 1 for statement	
SUB-TOTAL TIER 2 - Departmental Priority		\$44,756
Budget Reductions to Meet the FY23 County Executive Recommendation		Funding
Commissioners' Office	Cut Requested Increase for Staff Training and Conferences	\$10,000
	Delay Hiring New Public Affairs Specialist Position by 2 Months	\$22,377
SUB-TOTAL TIER 3 - Reductions		\$32,377
TOTAL OF ALL TIERS – COMMISSIONERS' OFFICE REDUCTIONS		\$144,267

CAS Departments Questions

1. What is the impact of the County Executive's recommended reductions on CAS departments?

The summary chart below shows the non-recommended reductions for the Commissioners' Office, for a total of \$468,187, plus \$544,285, for a total bi-county reduction of \$1,012,472. Detailed descriptions and impacts by department follow.

CAS Departments' Non-Recommended Reductions				PGC	Total
Department	Tier 1 - Departmental Priority for Restoration		Funding		
DHRM	1-a	Delay in Hiring - Montgomery Recruiter position - 3 months	12,838	17,071	29,909
Legal	1-b	Delay in Hiring - Senior Counsel-Compliance position - 5 months	31,517	32,026	63,543
Finance	1-c	Delay in Hiring - 2 Corporate ERP Business Analyst positions - 5 months	50,573	62,829	113,402
Finance	1-d	Delay in Hiring - Deputy Chief Financial Officer position - 5 months	39,606	49,205	88,811
Corporate IT	1-e	Delay in Hiring - Cyber Security Specialist position - 1 month	6,580	5,464	12,044
Corporate IT	1-f	Delay in Hiring - Web Systems Specialist position - 1 month	6,580	5,464	12,044
DHRM & Support Svc	1-g	Succession Planning	22,022	28,537	50,559
DHRM	1-h	Classification and Compensation Study Support	32,193	42,807	75,000
Merit Board	1-i	Professional Services - outside counsel	3,449	3,449	6,898
				-	-
		SUB-TOTAL TIER 1 - Departmental Priority to be restored	\$205,358	246,852	452,210
		Tier 2 - Departmental Priority for Restoration	Funding		
DHRM	2-a	Professional Services	40,073	53,284	93,357
DHRM	2-b	Temporary Services	17,169	22,831	40,000
Corporate IT	2-c	Professional Services	29,539	24,524	54,063
				-	-
		SUB-TOTAL TIER 2 - Departmental Priority to be restored	\$86,781	100,639	187,420
		REDUCTIONS	Funding		
DHRM		Park Police Testing	15,023	19,977	35,000
DHRM		Delay in Hiring - Performance Metrics position - 2 months	10,108	13,441	23,549
DHRM		Delay in Hiring - Prince George's Recruiter position - 2 months	8,558	11,380	19,938
DHRM		Delay in Hiring - Montgomery Recruiter position - 2 months	8,558	11,380	19,938
DHRM		Delay in Hiring - Labor Relations position - 2 months	8,558	11,380	19,938
CAS Support Services		Phone System Maintenance	18,553	23,447	42,000
Corporate IT		Meeting Streaming Services	15,298	12,702	28,000
Corporate IT		Microsoft Premier Support	16,391	13,609	30,000
Corporate IT		Delay in Hiring - Web Systems Specialist position - 2 months	13,161	10,927	24,088
Corporate IT		Delay in Hiring - Cyber Security Specialist position - 2 months	13,161	10,927	24,088
Legal		Delay in Hiring - Senior Counsel-Compliance position - 2 months	12,607	12,810	25,417
Finance		Delay in Hiring - 2 Corporate ERP Business Analyst positions - 2 months	20,229	25,132	45,361
Finance		Delay in Hiring - Deputy Chief Financial Officer position - 2 months	15,843	19,682	35,525
				-	-
		SUB-TOTAL REDUCTIONS	\$176,048	196,794	372,842
		TOTAL Tier 1 + Tier 2 + Reductions	\$468,187	\$ 544,285	\$ 1,012,472

Department of Human Resources and Management, Merit System Board, and CAS Support Services

Department	Tier 1 - Departmental Top Priority for Restoration (Non-Recommended Reductions)	MC	PGC	TOTAL
DHRM	Delay hiring of Montgomery Recruiter position for 3 months <i>Impact: This will cause the department to continue to struggle to meet increased service expectations as we will not be able to distribute our increasing workload, fill vacant positions faster or increase recruitment efforts of the Departments.</i>	\$ 12,838	\$ 17,071	\$ 29,909
DHRM & Support Services	Succession Planning <i>Impact: The next phase of implementation for succession planning across the Commission is underway. These cuts may reduce our ability to move to the next phase of the project and the development of a Commission-wide learning university.</i>	\$ 22,022	\$ 28,537	\$ 50,559
DHRM	Classification and Compensation Study Support <i>Impact: This multi-year process is expected to be completed in FY24, however, this reduction may extend this process out further.</i>	\$ 32,193	\$ 42,807	\$ 75,000
Merit Board	Professional Services <i>Impact: The Merit System Board is our separate civil service system required by law. The Board's budget is very small and primarily funds three public members, one part-time employee, legal counsel, and nominal supplies. We will continue to strategically utilize funding encumbered in prior fiscal years to ensure the Board is able to address steadily increasing and complex appeal matters in a timely manner using outside counsel when necessary.</i>	\$ 3,449	\$ 3,449	\$ 6,898
Subtotal Tier 1 - Departmental Priority for Restoration		\$ 70,502	\$ 91,864	\$ 162,366
Department	Tier 2 - Departmental Top Priority for Restoration (Non-Recommended Reductions)	MC	PGC	TOTAL
DHRM	Professional Services <i>Impact: This will impact our ability to further develop our Performance Measurement program, continue our document digitization efforts (to comply with state archives requirements), and respond to various issues outside of our control (new regulations, public health crises, legislative requests, etc.)</i>	\$ 40,073	\$ 53,284	\$ 93,357
DHRM	Temporary Services <i>Impact: This reduction will significantly diminish the department's resources allocated to addressing gaps created from market conditions, unanticipated attrition, extended leave circumstances, and future budget impacts.</i>	\$ 17,169	\$ 22,831	\$ 40,000
Subtotal Tier 2 - Departmental Priority for Restoration		\$ 57,242	\$ 76,115	\$ 133,357
Department	Tier 3 - Budget Reductions to Meet the FY23 County Executive Recommendation	MC	PGC	TOTAL
DHRM	Delay hiring of Performance Metrics position for 2 months <i>Impact: None in FY24. Need to budget for full 12 months in FY25.</i>	\$ 10,108	\$ 13,441	\$ 23,549
DHRM	Delay hiring of Prince George's Recruiter position for 2 months <i>Impact: None in FY24. Need to budget for full 12 months in FY25.</i>	\$ 8,558	\$ 11,380	\$ 19,938
DHRM	Delay hiring of Montgomery Recruiter position for 2 months <i>Impact: None in FY24. Need to budget for full 12 months in FY25.</i>	\$ 8,558	\$ 11,380	\$ 19,938
DHRM	Delay hiring of Labor Relations position for 2 months <i>Impact: None in FY24. Need to budget for full 12 months in FY25.</i>	\$ 8,558	\$ 11,380	\$ 19,938
DHRM	Park Police Testing <i>Impact: This important process cannot be delayed and will be funded using FY23 funds.</i>	\$ 15,023	\$ 19,977	\$ 35,000
Support Services	Phone System Maintenance <i>Impact: The Executive Office Building (EOB) phone system maintenance and improvements are a critical component of CAS operations. These expenses will be transferred to the EOB Internal Service fund in FY24 to ensure the system continues to effectively operate.</i>	\$ 18,553	\$ 23,447	\$ 42,000
Subtotal Tier 3 - Reductions		\$ 69,358	\$ 91,005	\$ 160,363
Total of all Tiers		\$ 197,102	\$ 258,984	\$ 456,086

Finance Department

Department	Tier 1 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
Finance	1-a	Delay in Hiring of two(2) Corporate ERP Business Analysts (5 months) <i>Impact: This will delay our ability to train staff on our Commission-wide financial system in advance of implementing a new ERP solution</i>	\$ 50,573	\$ 62,829	\$ 113,402
Finance	1-b	Delay hiring of Deputy Chief Financial Officer for 5 months <i>Impact: This will reduce the time available to cross-training with our Financial Services Director prior to retirement</i>	\$ 39,606	\$ 49,205	\$ 88,811
Subtotal Tier 1 - Departmental Priority for Restoration			\$ 90,179	\$ 112,034	\$ 202,213
Department	Tier 2 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
Finance	No Tier 2 Reductions				
Subtotal Tier 2 - Departmental Priority for Restoration			\$ -	\$ -	\$ -
Department	Tier 3 - Budget Reductions to Meet the FY24 County Executive Recommendation		MC	PGC	TOTAL
Finance		Delay in Hiring of two(2) Corporate ERP Business Analysts (2 months) <i>Impact: This will delay our ability to train staff on our Commission-wide financial system in advance of implementing a new ERP solution</i>	\$ 20,229	\$ 25,132	\$ 45,361
Finance		Delay hiring of Deputy Chief Financial Officer for 2 months <i>Impact: This will reduce the time available to cross-training with our Financial Services Director prior to retirement</i>	\$ 15,843	\$ 19,682	\$ 35,525
Subtotal Tier 3 - Reductions			\$ 36,072	\$ 44,814	\$ 80,886
Total of all Tiers			\$ 126,251	\$ 156,848	\$ 283,099

Legal Department

Department	Tier 1 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
Legal		Delay Hiring by 5 months - Senior Counsel - Compliance, bi-county <i>Impact: The Legal Department noted an increasing number of complex regulatory matters involving internal Commission functions which have required significant time and attention of OGC staff attorneys over the past two to three years. These regulatory matters include the Maryland Public Information Act (MPIA), Open Meetings Act (OMA), the Lobbying Disclosure and Registration regulations, in addition to the myriad of internal practices and procedures that Commission has adopted over many years. The measure of disruption recently caused by voluminous MPIA requests and expansive OMA complaints have prompted this request. This position will assist the Departments by providing a dedicated MPIA/OMA attorney reviewer, real-time advice during meetings and policy development, and ongoing agency-wide training in these regulatory and other employment law-related areas such as anti-harassment and anti-discrimination education. If this position is not funded, OGC staff attorneys will have to take time away from their workprograms to perform these functions and some functions, such as training, will continue to be deferred due to the lack of staff capacity.</i>	\$ 31,517	\$ 32,026	\$ 63,543
Subtotal Tier 1 - Departmental Priority for Restoration			\$ 31,517	\$ 32,026	\$ 63,543
Department	Tier 2 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
Legal	No Tier 2 Reductions		\$ -	\$ -	\$ -
Subtotal Tier 2 - Departmental Priority for Restoration			\$ -	\$ -	\$ -
Department	Tier 3 - Budget Reductions to Meet the FY23 County Executive Recommendation		MC	PGC	TOTAL
Legal		Delay Hiring by 2 months - Senior Counsel - Compliance, bi-county <i>Impact: None in FY24. Need to budget for full 12 months in FY25.</i>	\$ 12,607	\$ 12,810	\$ 25,417
Subtotal Tier 3 - Reductions			\$ 12,607	\$ 12,810	\$ 25,417
Total of all Tiers			\$ 44,124	\$ 44,836	\$ 88,960

Corporate IT

Department	Tier 1 - Departmental Top Priority for Restoration (Non-Recommended Reductions)	MC	PGC	TOTAL
Corporate IT	Delay hiring of Web System Specialist for 1 month <i>Impact: This delay will continue to strain our overextended IT staff as they ensure our soon-to-be launched redesigned main website stays relevant and that the agency continues to provide up-to-date information and resources.</i>	\$ 6,580	\$ 5,464	\$ 12,044
Corporate IT	Delay hiring of Cyber Security Specialist for 1 month <i>Impact: This delay will continue to strain our overextended IT staff as they juggle their own work programs while prioritizing the implementation of security measures to protect our networks and coordinate with cybersecurity specialists across the agency.</i>	\$ 6,580	\$ 5,464	\$ 12,044
Subtotal Tier 1 - Departmental Priority for Restoration		\$ 13,160	\$ 10,928	\$ 24,088
Department	Tier 2 - Departmental Top Priority for Restoration (Non-Recommended Reductions)	MC	PGC	TOTAL
Corporate IT	Professional Services <i>Impact: Continued enhancements are necessary to implement security measures that continue to protect our email system. This reduction will require us to delay certain recommended enhancements until FY25.</i>	\$ 29,539	\$ 24,524	\$ 54,063
Subtotal Tier 2 - Departmental Priority for Restoration		\$ 29,539	\$ 24,524	\$ 54,063
Department	Tier 3 - Budget Reductions to Meet the FY23 County Executive Recommendation	MC	PGC	TOTAL
Corporate IT	Delay hiring of Web System Specialist for 2 months <i>Impact: None in FY24. Need to budget for full 12 months in FY25.</i>	\$ 13,161	\$ 10,927	\$ 24,088
Corporate IT	Delay hiring of Cyber Security Specialist for 2 months <i>Impact: None in FY24. Need to budget for full 12 months in FY25.</i>	\$ 13,161	\$ 10,927	\$ 24,088
Corporate IT	MS Premier Support <i>Impact: This product has been phased out by the vendor and is no longer be available. Replacement options would be a Commission-wide license expense and therefore covered by the Chief Information Officer Internal Service Fund.</i>	\$ 16,391	\$ 13,609	\$ 30,000
Corporate IT	Meeting Streaming Services <i>Impact: Due to recent changes, Central Administrative Services no longer requires a separate license for online meeting streaming.</i>	\$ 15,298	\$ 12,702	\$ 28,000
Subtotal Tier 3 - Reductions		\$ 58,011	\$ 48,165	\$ 106,176
Total of all Tiers		\$ 100,710	\$ 83,617	\$ 184,327

2. What are your priorities for restoration of funding?

The CAS Departments have categorized their non-recommended reductions in the order that they wish them to be restored. Please see the lists provided in answer to the previous question.

3. CAS is requesting \$705,187 to meet “Critical Needs and Program Enhancements”. On page 40 is a proposed list, by department, of the increased funding requested for FY24. Please provide brief description of the elements proposed for funding, including the dollar amount of funding, and any changes to the personnel work compliment and workyears.

DEPARTMENT OF HUMAN RESOURCES & MANAGEMENT

Item & Description	MC Amount	PGC Amount	Personnel Change	MC Workyears	PGC Workyears
<p>Three Recruiters: The number of positions in Recruitment Office has not changed since 2016, yet they are responsible for processing all employment application reviews (over 36,000 in FY22), hiring (854 new hires in FY22 compared to 400 in 2021), running background checks, and managing Park Police promotional testing. Reducing the agency's time to fill vacant positions is a priority across the Commission and additional staffing is needed to distribute our workload, which has more than doubled in the past three years. We would like to add one recruiter for Montgomery operations, one for Prince George's County operations, and one specializing in police recruiting, which has become extremely difficult with the implementation of the state's new police reform law.</p>	\$ 146,072	\$ 212,827	3.00	1.22	1.78
<p>Human Resources Specialist for the Employee & Labor Relations Office: The small, four (4) person Employee & Labor Relations Team investigates complaints, grievances, and personnel disputes; provides consultation services; manages the handling of complex employment concerns; conducts training on an array of human resources topics; and manages other specialized programs such as vaccination tracking. The new Human Resources Specialist would provide necessary support to handle the rise of employee grievances and complaints, increased reviews of requests for reasonable accommodation, as well as assist with negotiations and collective bargaining agreements, and aid in the agency-wide training program.</p>	\$ 48,691	\$ 70,942	1.00	0.41	0.59
<p>Supplier Diversity Specialist: This position would be responsible for assisting the Supplier Diversity Program Manager in expanding the base of small, local, and minority vendors who are capable and available to participate in agency contracting opportunities. The position would support the Program Manager and would assist the manager in conducting outreach, maintaining a database to monitor the program, assisting in developing policies, consulting with MBE vendors, encouraging eligible business to obtain relevant certifications and ensuring maximum participation of MBE and SLBE businesses in agency competitive solicitations.</p>	\$ 48,691	\$ 70,942	1.00	0.41	0.59
<p>Corporate Management Analyst II for Supplier Diversity and Performance Management Program: This position would be responsible for collecting data, analyzing and creating the annual report for the new Supplier Diversity program. In addition, it will support agency leaders in making data-driven decisions through easily understandable visualizations, interpretation of trends, and regular performance reports.</p>	\$ 57,507	\$ 83,789	1.00	0.41	0.59

<p>Occupational Safety & Health Specialist (Risk Management ISF): This position would focus on Occupational Health and address workplace/patron public health exposures and concerns, monitor new or emerging and existing health threats, coordinate with public health officials during health-related epidemics/pandemics, oversee the agency's response to outbreaks involving patrons (childcare centers, camps, etc.), work closely with public health departments to develop and coordinate rapid response protocols, develop written policies and guidance to handle public health issues, and conduct awareness training to educate employees on related topics.</p>	\$ 71,188	\$ 71,188	1.00	0.50	0.50
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LEGAL DEPARTMENT					
Item & Description	MC Amount	PGC Amount	Personnel Change	MC Workyears	PGC Workyears
<p>Senior Compliance Counsel position: This position will address an increasing number of complex regulatory matters involving internal Commission functions which have required significant time and attention over the past two to three years. These regulatory matters include the requirements of the Maryland Public Information Act (MPIA), Maryland Open Meetings Act (OMA), the Lobbying Disclosure and Registration regulations, in addition to the myriad of internal practices and procedures that Commission has adopted over many years.</p>	\$ 75,795	\$ 76,710	1.00	0.50	0.50

FINANCE DEPARTMENT					
Item & Description	MC Amount	PGC Amount	Personnel Change	MC Workyears	PGC Workyears
<p>Deputy Chief Financial Officer: This position will be converted from a currently frozen position of an Accounting Tech 2. This position will be key to modernizing the department's services and support several current positions that are retirement-eligible through knowledge transfer and succession planning. This increase will be temporary and completely offset by the elimination of a division director position, which this position will replace when the incumbent retires in the next fiscal year.</p>	\$ 99,264	\$ 132,662	No Change	No Change	No Change
<p>Corporate Senior Applications Analyst: In anticipation of an RFP to replace the Commission's Financial and Human Resource Systems, resources are being requested to support this effort and the ERP work program. This position will also be converted from a frozen position.</p>	\$ 59,551	\$ 79,586	1.00	0.43	0.57
<p>Corporate Applications Analyst: This position, along with the Corporate Senior Applications Analyst position, will be critical to a successful implementation of the new ERP system. This additional staffing is important to have at the start of a new implementation and these two positions will work together to begin transforming and raising the service levels of the Department.</p>	\$ 52,130	\$ 69,671	1.00	0.43	0.57

CORPORATE IT

Item & Description	MC Amount	PGC Amount	Personnel Change	MC Workyears	PGC Workyears
Web System Specialist: With the public demand for improved accessibility to Commission information on the website, a Web System Specialist is needed to keep current and maintain the look and feel of the updated website. With hundreds of pages, a dedicated person is necessary to ensure the new site stays relevant and that the agency continues to provide up to date information and resources.	\$ 72,264	\$ 72,264	1.00	0.50	0.50
Cybersecurity Specialist: This position is needed to implement security measures to protect enterprise networks and coordinate with cybersecurity specialists in the Departments that secure departmental specific systems. The continually changing digital landscape presents new challenges regularly, and a dedicated person specializing in securing data networks, preventing security breaches, developing response procedures, and making changes to improve security is the best way to combat these threats. This person will also be involved in conducting security assessments and the implementation of corrective action resulting from recommendations produced by the assessments.	\$ 72,264	\$ 72,264	1.00	0.50	0.50

M-NCPPC Questions

Major Personnel Costs are proposed to increase by \$9.9 million over FY23. This includes a compensation adjustment marker of \$6.9 million. Recognizing that the Commission will be in a wage and benefit re-opener with MCGEO and in full contract negotiations with the FOP, what assumptions regarding salary increases were used to reach this compensation adjustment marker?

Although we have concluded negotiations with the FOP, negotiations with MCGEO have not been finalized at this time. Therefore, in order to preserve our bargaining position, we can only share the salary marker assumptions in confidence.



MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

EVAN GLASS
PRESIDENT

TRANSPORTATION & ENVIRONMENT COMMITTEE, CHAIR
ECONOMIC DEVELOPMENT COMMITTEE

M E M O R A N D U M

DATE: April 4, 2023
TO: Councilmembers
FROM: Council President Evan Glass
SUBJECT: Approach to FY 24 Operating Budget

Each year the Council President proposes an approach for reviewing the operating budget. This memorandum presents the process I believe will serve the Council and our residents well.

Determining the county's \$6.8 billion operating budget is an exercise in fiscal discipline and a reflection of the county's priorities. We must balance the needs of today with those of tomorrow, which include supporting our students, our teachers, our first responders, our healthcare professionals and other frontline workers. After all, budgets are moral documents.

The FY24 Operating Budget presents several challenges. From funding critical services and fairly compensating our employees to determining the impact of a potential tax increase, it is our responsibility to ensure that the budget meets the needs of our community and is fiscally sound.

My priority for this budget process is to ensure that schools are fully funded and that families can continue calling Montgomery County home. As such, these are the issues I believe we should consider:

- **The need to support MCPS.** The pandemic has significantly impacted our students, who lost valuable classroom time and suffered as a result. Our teachers have worked harder than ever and we must demonstrate our support for them. As part of this review, we also need to examine MCPS' current and proposed use of federal COVID relief funding.
- **The decrease in recordation tax revenue.** This has created significant gaps in the Capital Improvements Program (CIP). The Executive did not increase pay as you go (PAYGO) funding for the CIP by \$80 million, as requested by the Council, which would have decreased this gap. The Council will need to determine whether it supports the lower level of CIP funding proposed by the Executive.
- **The Executive has recommended a 10% property tax increase.** The Council will need to carefully evaluate whether we believe a tax increase is necessary and, if so, the appropriate size of the increase. Each 1-cent of the proposed tax increase is equivalent to \$22.3 million.
- **Use of reserves for ongoing expenditures.** The budget includes significant increases in the operating budget, in part by using unanticipated FY22 and FY23 income tax revenue.



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Our adopted fiscal policies require that these funds be used for one-time expenditures, not ongoing operating costs that cannot be sustained by future revenues; yet only \$16 million of net new tax supported expenditures are categorized as “one-time”. Council staff will provide additional information regarding sustainability at the April 11 overview of the budget.

- **Additional county positions and county vacancies.** The proposed budget includes 137 new tax supported full-time equivalent (FTE) positions in County Government and hundreds of new positions in other agencies. At the same time the Executive is adding new positions, the County Government has approximately 1,500 job vacancies. The Council will need to determine if funding new positions is sustainable, as relying on lapses from vacant positions is not a sound fiscal practice.
- **Funding OPEB.** The Government Operations & Fiscal Policy Committee has taken the first steps toward creating a policy that ensures the long-term viability of our retiree health insurance (known as Other Post Employee Benefits or OPEB), which includes having the trust fund pay annual costs. Such a policy would allow the County’s general revenues to be used for other purposes. The Executive’s budget does not provide funding identified in this preliminary policy.

To fully fund MCPS, fund the CIP, reach our OPEB goals, and reduce the size of or eliminate the need for a property tax increase, we will need to find reductions in the operating budget. This goal is always challenging.

To meet the diverse needs of our community, I believe that all of the Executive’s recommended tax-supported additions to the operating budget should be placed on a reconciliation list. Any additional Council recommended priorities should be added to the same list. Each spending priority should be considered as a potential addition to the Council adopted FY23 budget, rather than a potential reduction from the Executive’s proposed FY24 budget.

A recommended process and structure for implementing this approach for FY24 follows:

1. Each tax supported increase, addition, enhancement, replacement, or restoration recommended by the County Executive would be placed on the reconciliation list. Similarly, any tax supported increases recommended by a committee would also be placed on the reconciliation list.
2. All items placed on the reconciliation list by a committee should be categorized as either a “priority” or “high priority” to assist our future decisions. When appropriate, an item should be divided into more than one category. Budgetary items should also be classified as one-time or ongoing expenses.



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3. Committees should attempt to identify other reductions to departmental base budgets to free up ongoing resources for other priorities. While our current budget timeframe does not allow for a zero-based budgeting approach that would fully review each department's base expenditures, it is important to look for reductions as a first step.
4. Additional FY24 budget amendments received from the County Executive after March 15 would also be placed on the reconciliation list for Committee review.
5. Any cost shifts between departments (if budget neutral) and increases due to annualization of previously approved compensation/staffing costs do not need to be placed on the reconciliation list. We will ask staff to identify any increase due to a County or State law to determine if it must be funded or can be placed on the reconciliation list.
6. When creating the reconciliation list, staff should indicate whether the item was previously funded by federal funds, allowing us to carefully consider whether the County has the ability to maintain programs not previously supported by the County's general funds.
7. FY24 compensation and benefit enhancements will be reviewed separately by the Government Operations & Fiscal Policy Committee and the full Council.

This process is designed for the Council to fund the programs and policies that our residents need while also ensuring that taxpayer funds are used prudently.

Supporting our residents is our top priority. We must keep them in mind as we work collectively throughout this process.

Montgomery Parks FY24 Proposed Budget

How does the Montgomery Parks budget promote racial equity and social justice?

The Parks and Planning Departments collaborated on the Equity Focus Area (EFA) project which developed a data driven, analytical tool to identify marginalized populations for analysis of racial equity and social justice issues for supporting ongoing and future planning efforts. The result is a screening tool based on simple analysis of core equity variables to define the highest concentrations of marginalized populations, Equity Focus Areas. The approach confines the scope to income, race, and ethnicity, and limited English language skills to define EFA. Our department continues to apply the Equity Focus Area tool for analysis of racial equity and social justice issues to support our programming, park activation, and planning efforts. This tool is also used to assist in our prioritization in allocating resources for our Capital Improvement projects and for major maintenance and other renovation projects throughout the department.

While we consistently consider racial equity and social justice in our business practices, several FY24 requests have a direct equity focus:

1. Operating Budget Impact (OBI) funding for Black Hill Regional Park Community Garden and Edgewood Neighborhood Park Community Garden – continued expansion of our community gardens allows residents to make positive environmental, economic, and aesthetic impacts on their daily lives. In addition to providing an area to help combat food insecurity, our community garden staff provide education support and work with gardeners to reduce food waste by donating extra produce to local food banks. The program offers reduced or waived plot fees for low-income families or organizations, by request. The program has also offered waived plot fees in exchange for translation services or other opportunities to bridge the gaps of cultural engagement. These new garden sites will also include raised beds, accessible gardening tables and other structural features thereby providing ADA accessibility for residents.
2. Additional Staff and Funding for Performers and Events for the Parks Activation Program - this program will expand event offerings that spark park activation and integrate use of our extensive park network. Programs and events are developed with racial equity in mind, and programs and events are created to appeal to diverse audiences. Most programs and events are free to the public eliminating the cost barrier for residents who cannot afford to pay for programs. Events are also held in various park locations throughout the County to reach a broader audience.
3. Athletic Field Team Personnel Expansion and Contract Reduction – this enhancement is to provide an improved level of service for maintenance and renovations of the Montgomery County School (MCPS) athletic fields. This team has used the Equity Focus Area tool since it was developed to assist with determining prioritization of field renovations. This program enhancement enables an increase in maintenance and renovation services to improve our athletic field quality on all MCPS athletic fields and facilitates an opportunity to prioritize additional resources towards Title 1 schools in our scope.
4. Summer and Trades Internships - This request will add funding to the successful Summer and Trades Internship Program reinstated in FY22 with the goal of growing the diverse talent pipeline for various positions across the park system including "hard to fill" trades positions. These internships will also help support the goal of broadening the diversity of our workforce in

all corners of our organization. Systems have been established that formalize Intern and community outreach efforts to effectively market our internship opportunities in the County, raise awareness of the depth and breadth of fields of study available, and the benefit to the Intern, the Parks Department, and the Communities we serve. Using current and evolving data analytics for the demographics of our workforce, we have targeted certain professions and fields of study for special attention while recruiting a diverse participant pool for the program.

FY24 Proposed Master Plan and Major Projects Schedule
Updated March 2023

Master Plan & Major Projects	2023												2024												2025											
	FY23						FY24						FY24						FY25																	
	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J
Silver Spring Downtown and Adjacent Communities Sector Plan	■																																			
Thrive Montgomery 2050 General Plan Update	■	■	■	■	■	■																														
Rustic Roads Functional Master Plan Update																																				
Edward U. Taylor School and Wellers Historic Preservation Master Plan Amendment																																				
Pedestrian Master Plan																																				
Fairland and Briggs Chaney Master Plan																																				
Takoma Park Minor Master Plan Amendment																																				
Great Seneca Plan: Connecting Life and Science																																				
Friendship Heights Urban Design Study																																				
University Boulevard Corridor Plan																																				
Growth and Infrastructure Policy																																				
Update Incentive Density Implementation Guidelines - CR & Employment Zones																																				
Clarksburg Master Plan Amendment																																				
Silver Spring Communities Master Plan																																				
Access Management Study	■																																			
Predictive Safety Analysis	■	■	■																																	
Redlining/Segregation Mapping Project																																				
Attainable Housing Strategies Initiative																																				
Wheaton Downtown Study																																				
Community Equity Index																																				
Innovative Housing Tool Kit																																				
Countywide Transportation Data Asset Management Strategy																																				
Germantown Employment Corridor Check In																																				
Thrive 2050 Plan Implementation Metrics																																				
Curbside Management Project																																				
Randolph Road Corridor Study																																				

Staff
 Planning Board
 F Planning Board Draft
 CE Review & Council Noticing Period
 H Hearing
 Council Review
 Commission Adoption, SMA
 Montgomery County Elections