

MEMORANDUM

May 2, 2023

TO: Government Operations and Fiscal Policy Committee
FROM: Marlene Michaelson, Executive Director
SUBJECT: **FY24 Operating Budget: County Council**

Those expected for this worksession:

Sandra Marin, Administrative Services Manager, County Council
Grace Pederson, Office of Management and Budget

The Executive-recommended FY24 budget for the Council Office is on ©1-3. For FY24, the recommended total expenditures are \$17,098, 016, an increase of \$1,425,765 or 9.1 percent from the FY23 approved budget. Personnel costs are 90.5% of the total; operating expenses are 9.5%. FTEs decrease by 3.5, or 3.2%.

COUNCIL BUDGET (\$000'S)			
Expenditures			
County Council	FY23 Approved	FY24 CE Recommended	Change from FY23 Approved
Personnel Costs	\$ 14,151,923	\$ 15,470,685	9.3%
	110.05	106.55	-3.2%
Operating Costs	1,520,328	1,627,331	7.0%
Total	15,672,251	17,098,016	9.1%

This budget reflects the full year costs of new staff added in FY23 to accommodate two new Councilmembers, who started mid-year in FY23. In addition, personnel costs increase to reflect the annualization of FY23 compensation adjustments and proposed FY24 compensation increases

Operating costs are increased to reflect a shift in funding from the Cable Fund to the General Fund as funding available from Cable revenues continues to decrease (totaling \$152,611). It also includes a \$40,000 increase to the budgets of Councilmember offices to reflect inflationary increases. One-time

FY23 costs of \$400,00 associated with the transition between Councils (including leave payout for departing employees) are removed, resulting in a cost decrease.

ISSUES TO DISCUSS

Inflationary Increase

The Council requested and the Executive recommended a \$40,000 increase in operating expenses for the 11 Councilmember offices to cover inflationary increases in FY24. Consistent with the actions taken on other budgets, **staff recommends that this be placed on the reconciliation list as a high priority.**

Vacancies

The list of vacancies on the chart attached at © 4 was provided by Executive staff in its list of government-wide vacancies with notes from staff updating the status of each position. With 3 exceptions, all funded positions are either filled or in the hiring process. The three positions that have been held are a Manager II (the grade of our Senior Legislative Analysts) to provide the opportunity to add a more senior staff member to our central staff complement and two Administrative Specialists. We continue to assess how best to serve Council needs with the addition of two new Council offices and since the conversion to having all staff in Councilmember offices as non-merit. We are still considering whether we need an additional staff person to focus on the operational processes currently split among different staff members. **To assist with the Council’s efforts to reduce expenditures in the FY24 budget, it would be possible to freeze the Manager II position (\$156,136) and one of the Administrative Specialist positions (\$102,596).**

This packet contains:

Executive recommended FY24 budget
Vacancy Chart

Circle #

1
4



County Council

RECOMMENDED FY24 BUDGET

\$17,098,016

FULL TIME EQUIVALENTS

106.55

✳ **MARLENE MICHAELSON**, EXECUTIVE DIRECTOR

MISSION STATEMENT

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

BUDGET OVERVIEW

The total recommended FY24 Operating Budget for the County Council is \$17,098,016, an increase of \$1,425,765 or 9.10 percent from the FY23 Approved Budget of \$15,672,251. Personnel Costs comprise 90.48 percent of the budget for 124 full-time position(s) and one part-time position(s), and a total of 106.55 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 9.52 percent of the FY24 budget.

PROGRAM CONTACTS

Contact Sandra Marin of the County Council at 240.777.7923 or Grace Pedersen of the Office of Management and Budget at 240.773.1088 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

✳ Council Staff Operations

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

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

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

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

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

FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	6,589,983	44.55
Shift: Personnel Costs from Cable Fund to General Fund	110,270	1.00
Shift: Cable Fund Adjustment to the General Fund	42,341	0.00
Increase Cost: Advertising Expenditures	368	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	853,054	0.00
FY24 Recommended	7,596,016	45.55

☀ **Councilmember Offices**

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

FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	9,082,268	65.50
Increase Cost: Miscellaneous Operating Expenditures for Councilmember Offices	40,000	0.00
Decrease Cost: Remove 4.5 FTE that are Inactive due to Councilmember Office Transitions	(150,201)	(4.50)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	529,933	0.00
FY24 Recommended	9,502,000	61.00

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	8,628,225	11,200,486	11,250,107	12,248,411	9.4 %
Employee Benefits	2,302,206	2,951,437	2,951,437	3,222,274	9.2 %
County General Fund Personnel Costs	10,930,431	14,151,923	14,201,544	15,470,685	9.3 %
Operating Expenses	1,025,674	1,520,328	1,520,328	1,627,331	7.0 %
Capital Outlay	3,008	0	0	0	—
County General Fund Expenditures	11,959,113	15,672,251	15,721,872	17,098,016	9.1 %
PERSONNEL					
Full-Time	94	127	127	124	-2.4 %
Part-Time	9	2	2	1	-50.0 %
FTEs	87.83	110.05	110.05	106.55	-3.2 %
County General Fund Revenues	0	0	0	0	—

FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		

FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
FY23 ORIGINAL APPROPRIATION	15,672,251	110.05
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Annualization of FY23 Lapsed Positions	859,502	0.00
Increase Cost: Annualization of FY23 Compensation Increases	549,564	0.00
Increase Cost: FY24 Compensation Adjustment	356,551	0.00
Shift: Personnel Costs from Cable Fund to General Fund [Council Staff Operations]	110,270	1.00
Shift: Cable Fund Adjustment to the General Fund [Council Staff Operations]	42,341	0.00
Increase Cost: Miscellaneous Operating Expenditures for Councilmember Offices [Councilmember Offices]	40,000	0.00
Increase Cost: Printing and Mail	24,294	0.00
Increase Cost: Advertising Expenditures [Council Staff Operations]	368	0.00
Decrease Cost: Retirement Adjustment	(6,924)	0.00
Decrease Cost: Remove 4.5 FTE that are Inactive due to Councilmember Office Transitions [Councilmember Offices]	(150,201)	(4.50)
Decrease Cost: Elimination of One-Time Items Approved in FY23	(400,000)	0.00
FY24 RECOMMENDED	17,098,016	106.55

PROGRAM SUMMARY

Program Name	FY23 APPR Expenditures	FY23 APPR FTEs	FY24 REC Expenditures	FY24 REC FTEs
Council Staff Operations	6,589,983	44.55	7,596,016	45.55
Councilmember Offices	9,082,268	65.50	9,502,000	61.00
Total	15,672,251	110.05	17,098,016	106.55

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY23 Total\$	FY23 FTEs	FY24 Total\$	FY24 FTEs
COUNTY GENERAL FUND					
NDA - Legislative Branch Communications Outreach	General Fund	1,438,270	13.00	1,744,747	14.00
Cable Television Communications Plan	Cable TV	655,672	5.00	596,997	4.00
Total		2,093,942	18.00	2,341,744	18.00

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY24	FY25	FY26	FY27	FY28	FY29
COUNTY GENERAL FUND						
EXPENDITURES						
FY24 Recommended	17,098	17,098	17,098	17,098	17,098	17,098
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	361	361	361	361	361
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	17,098	17,459	17,459	17,459	17,459	17,459

COUNCIL CENTRAL STAFF				Notes
Council Central Staff	000180.Manager I.000110.FT.P.	2872	\$0	
Council Central Staff	013061.Senior Information Technology Specialist.000551.FT.P.1	1501	\$0	
Council Central Staff	015117.Manager II.000111.FT.P.1	739	\$0	
Council Central Staff	000117.Principal Administrative Aide.109274.PT.P.	497	\$0	
Council Central Staff	000118.Principal Administrative Aide.109274.PT.P.	162	\$0	
Council Central Staff	000122.Principal Administrative Aide.109274.FT.P.	436	\$0	
Council Central Staff	015738.Manager I.000110.FT.P.	315	\$0	

Council Central Staff	000169.Manager II.000111.FT.P.	315	\$156,136	This position remains funded to provided an option for a more experienced legislative analyst if it is needed.
Council Central Staff	019074.Legislative Analyst III.000715.FT.P.	235	\$132,718	This position has been filled.
Council Central Staff	019152.Public Policy Intern.000136.FT.R.	235	\$92,389	Currently interviewing for FY24 Post- Graduate Fellows Program
Council Central Staff	016776.Administrative Specialist III.000150.FT.P.	3387	\$110,271	This position remains funded to provided an option for additional administrative support.
Council Central Staff	019276.Information Technology Specialist III.000552.FT.P.	178	\$123,286	This position has been filled.
Council Central Staff	019277.Information Technology Specialist III.000552.FT.P.	178	\$123,286	This position has been filled.
Council Central Staff	014256.Legislative Analyst III.000715.FT.P.	82	\$169,129	We are recruiting for a transportation analyst
Council Central Staff	017867.Administrative Specialist II.000151.FT.P.	1258	\$102,596	This position remains funded to provided an option for additional administrative support.
Council Central Staff	018508.Audiovisual Production Specialist.004443.FT.P.	461	\$110,271	The candidate for this position is in the final stages of the hiring process
Council Central Staff	000121.Legislative Services Coordinator.000722.FT.P.	642	\$89,372	We are currently recruiting for a receptionist
Council Central Staff	000158.Legislative Analyst III.000715.FT.P.	13	\$119,093	We are recruiting for a fiscal/economic development analyst

COUNCILMEMBER OFFICE STAFF

Councilmembers' Staff	019060.Legislative Senior Aide III.000713.FT.N.	27	\$95,212	CM office is currently seeking someone to fill this position
Councilmembers' Staff	011618.Legislative Intern.000720.FT.R.2	1146	\$0	
Councilmembers' Staff	016582.Legislative Senior Aide III.000713.FT.N.2	412	\$0	
Councilmembers' Staff	017606.Legislative Senior Aide IV.000712.FT.N.	348	\$0	
Councilmembers' Staff	016418.Public Administration Associate.100130.FT.R.1	474	\$0	
Councilmembers' Staff	016497.Legislative Senior Aide III.000713.FT.N.2	82	\$0	
Councilmembers' Staff	016667.Legislative Senior Aide III.000713.FT.N.2	71	\$0	
Councilmembers' Staff	016498.Legislative Senior Aide III.000713.FT.N.2	69	\$0	
Councilmembers' Staff	015472.Legislative Senior Aide III.000713.FT.N.2	40	\$0	
Councilmembers' Staff	015734.Principal Administrative Aide.009274.FT.P.1	235	\$0	