



Committee: GO
Committee Review: Completed
Staff: Craig Howard, Deputy Director
Purpose: To make preliminary decisions – straw vote expected

AGENDA ITEM #11
 May 11, 2023
Worksession

SUBJECT

Office of Intergovernmental Relations FY24 Operating Budget

EXPECTED ATTENDEES

None

FY24 COUNTY EXECUTIVE RECOMMENDATION

Office of Intergovernmental Relations	FY23 Approved	FY24 CE Recommended	Change from FY23 Approved
General Fund	\$1,075,687	\$1,089,096	1.2%
Personnel Costs	\$958,786 5.3 FTEs	\$972,101 5.3 FTEs	1.4% --
Operating Costs	\$116,901	\$116,995	0.1%

COMMITTEE RECOMMENDATIONS

The Government Operations and Fiscal Policy Committee met on April 27 and unanimously made the following recommendations:

- Reduce the FY24 Office of Intergovernmental Relations budget by \$132,708 by lapsing a current vacant position for a full year.
- Approve all other items as recommended by the Executive.

This report contains:

Government Operation and Fiscal Policy Committee Staff Report
 Staff Report Attachments

Pages 1-2
 ©1-7

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MEMORANDUM

April 24, 2023

TO: Government Operations and Fiscal Policy Committee
FROM: Craig Howard, Deputy Director
SUBJECT: **Office of Intergovernmental Relations FY24 Operating Budget**
PURPOSE: Make Committee recommendations for Council Consideration

Expected Participants:

- Melanie Wenger, Director, Office of Intergovernmental Relations
- Katherine Bryant-Higgins, Office of Management and Budget

Summary of FY24 Recommended Budget

Office of Intergovernmental Relations	FY23 Approved	FY24 CE Recommended	Change from FY23 Approved
General Fund	\$1,075,687	\$1,089,096	1.2%
Personnel Costs	\$958,786 5.3 FTEs	\$972,101 5.3 FTEs	1.4% --
Operating Costs	\$116,901	\$116,995	0.1%

Summary of Staff Recommendations

- Approve the FY24 budget for the Office of Intergovernmental Relations (OIR) as proposed by the County Executive, subject to consideration of potential FY24 savings from reducing funding for a vacant position. Increases in the OIR budget are due to compensation adjustments and therefore do not need to be placed on the reconciliation list.

A. FY24 Recommended Changes

The mission of the Office of Intergovernmental Relations is to represent the County’s interests at the regional, State, and Federal levels and acts as the lead Executive Branch agency representing the County in the Maryland Association of Counties and the National Association of Counties.

In FY24, the County Executive is recommending a budget of \$1,089,096, an increase of \$13,409 or 1.2% compared to FY23. Personnel costs comprise 89% of OIR's budget. There is no change in FTEs recommended for FY24 (©1-4).

B. Vacancies

As part of the FY24 budget review, the Council has asked staff to review vacancy data for each department. As of March 3, OIR had one vacant Intergovernmental Relations Legislative Analyst position with an FY24 budgeted cost of \$132,708. This position has been vacant for 460 days. The Executive's budget does not assume any lapse in FY24 for OIR.

Council staff recommends that the Committee discuss with OIR the reason this position has remained vacant for over one year, the department's current plan for filling the position, and the potential impact of reducing or eliminating funding for the position in FY24.

C. Racial Equity and Social Justice Review

After reviewing the Office of Intergovernmental Relations' submission for the FY24 Operating Budget Equity Tool, the Office of Racial Equity and Social Justice (ORESJ) issued a rating of ★★★ (three stars) on a scale of zero to three stars, indicating that the-Department-level budget demonstrates a strong commitment to advancing racial equity and social justice in Montgomery County (©5).

ORESJ provided the following justification for its rating: "The department indicated commitments from each major area of the GARE framework. Specifically, the department committed to including racial equity in its vision statement and ensuring all department staff are trained by the end of FY24. It's less clear from the explanation provided, how the department's budget will enable commitments in the area of operationalizing."



Intergovernmental Relations

RECOMMENDED FY24 BUDGET

\$1,089,096

FULL TIME EQUIVALENTS

5.30

 MELANIE WENGER, DIRECTOR

MISSION STATEMENT








The mission of the Office of Intergovernmental Relations is to represent County interests at the regional, State, and Federal levels to: prepare the annual State Legislative Program; prepare the annual Federal priorities request; and to be the liaison with State Government, and State and Congressional delegations. The Office of Intergovernmental Relations is the lead Executive Branch agency representing the County in the Maryland Association of Counties and the National Association of Counties.

BUDGET OVERVIEW

The total recommended FY24 Operating Budget for the Office of Intergovernmental Relations is \$1,089,096, an increase of \$13,409 or 1.25 percent from the FY23 Approved Budget of \$1,075,687. Personnel Costs comprise 89.26 percent of the budget for five full-time position(s) and one part-time position(s), and a total of 5.30 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 10.74 percent of the FY24 budget.

COUNTY PRIORITY OUTCOMES

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

-  **Thriving Youth and Families**
-  **A Growing Economy**
-  **A Greener County**
-  **Easier Commutes**
-  **An Affordable, Welcoming County for a Lifetime**
-  **Safe Neighborhoods**
-  **Effective, Sustainable Government**

PROGRAM CONTACTS

Contact Wanda Wells of the Office of Intergovernmental Relations at 240.777.6550 or Katherine Bryant-Higgins of the Office of Management and Budget at 240.777.2764 for more information regarding this department's operating budget.

PROGRAM PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable). The FY23 estimates reflect funding based on the FY23 Approved Budget. The FY24 and FY25 figures are performance targets based on the FY24 Recommended Budget and funding for comparable service levels in FY25.

Measure	Actual FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Program Measures					
Number of bills for which a County fiscal estimate was requested by the State Department of Legislative Services ¹	555	476	526	526	526
Number of formal position statements prepared	146	207	176	176	176
Percent of State legislative package where Intergovernmental Relations position prevailed	100%	100%	100%	100%	100%
Percent of State priorities fully realized	100%	80%	100%	100%	100%
Total direct State aid (\$ millions) ²	\$901	\$931	\$985	\$985	\$985
Total State retirement payments (\$ millions)	\$171	\$175	\$166	\$166	\$166

¹ Projections are based on the mathematical average of the last three years' actual figures.

² Flat projections

PROGRAM DESCRIPTIONS

Intergovernmental Relations

The Office of Intergovernmental Relations (IGR) advocates on behalf of the County before the Maryland General Assembly, Governor, and State administrative agencies, task forces, and committees. It responds to legislation, regulations, or other policy issues involving nearby counties and states, municipalities within the County, regional agencies, the District of Columbia, and the Federal government. Staff analyzes and evaluates legislation before the Maryland General Assembly and prepares written comments and testimony. Staff also analyzes County department requests for legislation and participates in the drafting of legislation or amendments. IGR serves as the liaison to the County's Congressional delegation which is represented by three House members and two Senators serving on key authorization and appropriations committees. Staff works collaboratively with County departments and Council on developing policy priorities and project requests for federal discretionary funding that could be advanced as earmarks by the Congressional delegation in annual appropriations bills. IGR also advocates on federal policies and legislation of interest to the County and pursues opportunities for Congressional delegation support for federal grant funding sought by County departments.

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	718,835	783,390	698,407	790,951	1.0 %
Employee Benefits	155,898	175,396	118,507	181,150	3.3 %
County General Fund Personnel Costs	874,733	958,786	816,914	972,101	1.4 %

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Recommended FY24	%Chg Bud/Rec
Operating Expenses	44,711	116,901	56,556	116,995	0.1 %
County General Fund Expenditures	919,444	1,075,687	873,470	1,089,096	1.2 %
PERSONNEL					
Full-Time	5	5	5	5	—
Part-Time	0	1	1	1	—
FTEs	5.30	5.30	5.30	5.30	—
County General Fund Revenues	0	0	0	0	—

GRANT FUND - MCG

EXPENDITURES

Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Grant Fund - MCG Personnel Costs	0	0	0	0	—
Operating Expenses	3,833	0	0	0	-100.0 %
Grant Fund - MCG Expenditures	3,833	0	0	0	—

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—

REVENUES

State Grants	3,833	0	0	0	—
Grant Fund - MCG Revenues	3,833	0	0	0	—

DEPARTMENT TOTALS

Total Expenditures	923,277	1,075,687	873,470	1,089,096	1.2 %
Total Full-Time Positions	5	5	5	5	—
Total Part-Time Positions	0	1	1	1	—
Total FTEs	5.30	5.30	5.30	5.30	—
Total Revenues	3,833	0	0	0	—

FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY23 ORIGINAL APPROPRIATION	1,075,687	5.30
Other Adjustments (with no service impacts)		
Increase Cost: FY24 Compensation Adjustment	29,707	0.00
Increase Cost: Annualization of FY23 Compensation Increases	19,794	0.00
Increase Cost: Printing and Mail	94	0.00

FY24 RECOMMENDED CHANGES

	Expenditures	FTEs
Decrease Cost: Retirement Adjustment	(777)	0.00
Decrease Cost: Annualization of FY23 Personnel Costs	(35,409)	0.00
FY24 RECOMMENDED	1,089,096	5.30

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY24	FY25	FY26	FY27	FY28	FY29
COUNTY GENERAL FUND						
EXPENDITURES						
FY24 Recommended	1,089	1,089	1,089	1,089	1,089	1,089
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	19	19	19	19	19
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	1,089	1,108	1,108	1,108	1,108	1,108

Intergovernmental Relations

Department Level OBET Questions

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

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

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

The budget allocation for Intergovernmental Relations (IGR) provides funds used to advance State and federal priorities developed by the County Executive and County Council, which reflect the County's racial equity and social justice goals. IGR's primary Racial Equity Lead, the Department Director, and senior staff have participated in the County-sponsored training programs. IGR is developing a vision statement that aligns with promoting racial equity and social justice goals. IGR makes advocacy recommendations to the County Executive and County Council based on priorities developed by Executive departments and agencies that reflect the County's racial equity and social justice goals. IGR's advocacy implements those policy priorities agreed upon by the County Executive and County Council.

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

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

IGR makes advocacy recommendations to the County Executive and County Council based on priorities developed by Executive departments and agencies that reflect the County's racial equity and social justice goals. IGR's advocacy implements those policy priorities agreed upon by the County Executive and County. Working with our local, State and federal partners, IGR serves as Montgomery County's liaison to our State



and Congressional delegations to advance policy priorities of racial equity and social justice. IGR will ensure all employees complete racial equity and social justice training offered by ORESJ by the end of FY24.

Operationalize - Put theory into action by implementing new tools for decision-making, measurement, and accountability like a Racial Equity Tool and developing a Racial Equity Action Plan.

- ★ Using or creating department-specific racial equity tools or maps to support analysis (of policy, program, practice, procedure) or resource decisions.
- ★ We're doing something else and will use the text box to describe.

IGR makes advocacy recommendations to the County Executive and County Council based on priorities developed by Executive departments and agencies that reflect the County's racial equity and social justice goals. IGR's advocacy implements those policy priorities agreed upon by the County Executive and County. In addition to information available to the public and also obtained from stakeholders, the Maryland Department of Legislative Services has begun developing fiscal and policy notes for legislation that includes analysis of whether the legislation would have a disparate impact on communities of color and low-income communities. IGR coordinates the submission of relevant information from Montgomery County that is incorporated in those notes that serve as a valuable resource for IGR, members of the General Assembly, and the public. IGR uses the information provided in these documents when developing recommended policy positions for the County Executive and County Council and in the development of legislative strategy.

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

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

All IGR program-related documents from 2007 forward are on the County's website and are kept current. IGR complies with all translation and ADA requirements and will provide services as requested.

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

IGR works with our Executive departments/agencies and Council to advance racial equity and social justice policies, priorities, and programs which those entities have identified as important issues for consideration and attention at the State and federal levels. Misperceptions of the County as both wealthy and insular can challenge IGR's advocacy at the State and federal levels. Intense competition for limited State and federal resources is also a factor. A fragmented and polarized Congress impedes the Congressional budget process and can constrain the success of our federal program.



ORESJ Rating

3-Department-level budget demonstrates a strong commitment to advancing racial equity and social justice in Montgomery County

ORESJ Justification

The department indicated commitments from each major area of the GARE framework. Specifically, the department committed to including racial equity in its vision statement and ensuring all department staff are trained by the end of FY24. It's less clear from the explanation provided, how the department's budget will enable commitments in the area of operationalizing.

Labor Relations



Department Level OBET Questions

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

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

We have not made commitments in this area as we are still working to establish our office and its function within county govt.

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

We are requiring all staff to take the racial equity trainings referenced above.

Operationalize - Put theory into action by implementing new tools for decision-making, measurement, and accountability like a Racial Equity Tool and developing a Racial Equity Action Plan.

We have not yet made commitments in this area as we are working to establish our office.

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

