




THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

February 10, 2022

TO: Montgomery County Planning Board
FROM: John Kroll, Corporate Budget Director 
SUBJECT: FY23 Spending Affordability Guidelines for Montgomery County

As presented to the full Commission yesterday, the Montgomery County Council approved the Spending Affordability Guidelines (SAG) for the operating budget for FY23 on Tuesday, February 8, 2022.

These guidelines project a 3.33% reduction from the proposed budget, or approximately \$5.44M in Montgomery County (MC) funded departmental budgets, including the MC funded portion of the bi-county departments. By comparison, last year's SAG reduction was 7.12% (\$10.96M).

The amount of the required reduction may change with the release of the County Executive's budget on March 15th.

The Planning Board must respond by the end of this month to the Council to these guidelines. We, as well as other outside agencies, respond with a general letter stating that reductions necessary to meet the guidelines will result in substantive service reductions and are therefore not recommended. We do not provide detail at this time, as that is reserved to respond to the County Executive's proposed budget.

History suggests that the fiscal picture of Montgomery County may be shown to improve in the next month, however, it may be appropriate to begin the process of developing our options now.

A straight pro-ration of proposed budget across all departments would result in the following allocation. I took the liberty of excluding possible reductions to OPEB and the Compensation markers in the Non-Departmental portion of the Administration Fund by spreading those reductions to the various departments.

Fund	Department	FY23 Proposed	% of Total Budget	Share of SAG (\$)	Cuts as % of Budget
Admin		34,176,227	22.85%	1,243,965	3.64%
	Commissioners' Office	1,144,059	0.76%	41,642	3.64%
	Dept of Planning	23,239,084	15.54%	845,869	3.64%
	CAS - DHRM	2,789,940	1.87%	101,550	3.64%
	- Finance	2,465,034	1.65%	89,724	3.64%
	- Legal	1,648,250	1.10%	59,994	3.64%
	- Merit Board	83,888	0.06%	3,053	3.64%
	- Inspector General	463,981	0.31%	16,888	3.64%
	- Corporate IT	1,651,772	1.10%	60,122	3.64%
	- Support Svcs	690,219	0.46%	25,123	3.64%
	Non-Departmental		0.00%	-	
		34,176,227		1,243,965	
Park	Parks	115,399,884	77.15%	4,200,387	3.64%
	Total (excludes OPEB, comp marker, etc)	149,576,111		5,444,352	3.64%

To provide further comparisons of the proposed SAG reduction with our proposed budget, consider that total proposed funding is \$2.5M for new initiatives, and \$5.2M for the compensation markers (salary and reclassification).

The County Executive will release his budget on March 15th and we can expect a substantial reduction from our proposed budget. Between now and then, the departments should begin to formulate possible reduction scenarios for discussion with the Planning Board, keeping in mind that reductions to the bi-county departments will also have to be discussed with the Prince George's County Planning Board.