



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

To: Montgomery County Planning Board

From: John Kroll, Corporate Budget Director *JKK*

Date: March 24, 2022

Subject: Non-Recommended Reductions to Meet Montgomery County Executive's Recommended Budget

Background:

On March 15th, Montgomery County Executive Elrich released his recommended budget. That budget for the Montgomery County portion of the Commission included reductions from our proposed budget for both the Administration and Park Funds. A total reduction of \$2,233,390, or 1.49% was recommended.

After prorating to the various departments, the table below shows the amounts that needed to be reduced from each.

A	B	C	D	E	F	G	H	I	J	K
Fund	Department		FY23 Proposed	% of Total Budget	Share of Reduction (\$)	Cuts as % of Budget		FY23 Bi-County Proposed	Bi-County Reductions	PGC Share of Reductions
Admin			34,176,227	22.85%	510,301	1.49%				
	Commissioners' Office		1,144,059	0.76%	17,082	1.49%				
	Dept of Planning		23,239,084	15.54%	346,993	1.49%				
	CAS - DHRM		2,789,940	1.87%	41,658	1.49%	6,620,157	98,849	57,191	
	- Finance		2,465,034	1.65%	36,807	1.49%	5,503,176	82,171	45,364	
	- Legal		1,648,250	1.10%	24,611	1.49%	3,161,798	47,211	22,600	
	- Merit Board		83,888	0.06%	1,253	1.49%	167,776	2,506	1,253	
	- Inspector General		463,981	0.31%	6,928	1.49%	1,130,036	16,873	9,945	
	- Corporate IT		1,651,772	1.10%	24,663	1.49%	2,863,395	42,754	18,091	
	- Support Svcs		690,219	0.46%	10,306	1.49%	1,565,026	23,368	13,062	
	Non-Departmental			0.00%	-					
			34,176,227		510,301				313,732	167,506
Park	Parks		115,399,884	77.15%	1,723,089	1.49%				
Total (excludes OPEB, comp marker, etc)			149,576,111		2,233,390	1.49%				

For the Commissioners' Office, Department of Planning, Administration Fund Non-Departmental, and the Parks Department, the reduction targets are highlighted in Column F. For the bi-county CAS departments, those targets are highlighted in Column K.

Detailed lists and descriptions of the proposed non-recommended reductions, by department, are provided below. As you may note, additional reductions in the Planning Department are being used to cover a portion of the Commissioners' Office's pro-rated amount. Additional reductions in the Office of Inspector General are being used to help cover Department of Human Resources and Management (DHRM) and Finance's pro-rated amounts.

Commissioners' Office

Commissioner's Office	Total Reduction to Meet County Executive's Recommendation	\$ 17,082
	Pro-Rated Reduction to Commissioner's Office	\$ 5,309
	Pro-Rated Reduction to Planning Department	\$ 11,773
Commissioner's Office	Tier 1 - Department Top Priority for Restoration (Non-Recommended Reductions)	\$ -
Commissioner's Office	Tier 2 - Department Top Priority for Restoration (Non-Recommended Reductions)	\$ -
Commissioner's Office	Budget Reductions to Meet the Commissioner's Portion of the FY23 County Executive Recommendation	
	Cut - requested increase to Supplies & Materials for general inflation costs.	\$ 309
	Cut - requested increase for staff training and conferences.	\$ 5,000
	Subtotal - Reductions	\$ 5,309
	TOTAL ALL TIERS - Pro-Rated Reduction to Commissioner's Office	\$ 5,309

Department of Planning

MC Planning Department's FY23 Non-Recommended Reductions		
	FY22 Adjusted Adopted Budget	\$21,534,631
	FY23 Proposed Budget	\$22,739,084
	County Executive's Recommended Budget	\$22,392,091
	Reduction to Meet County Executive's (CE) Recommendation - Planning	\$346,993
	Reduction to Meet CE's Recommendation – Planning Portion of Commissioner's Office	\$11,773
	Total Reduction	\$358,766
	% Reduction from FY23 Proposed Budget	1.6%
Tier 1 – Departmental Top Priority (Non-Recommended Reductions)		Funding
1-1	CUT - Comprehensive Study of Redevelopment Tools <i>Impact – Will hinder Department plans to review and revise tools supporting redevelopment in the county. Could result in continuing delays on long stalled sites and in parts of the county with soft markets.</i>	\$125,000
1-2	CUT - Parking Lot Design Study <i>Impact – Will delay action toward the goals of the county's Vision Zero program. This effort to update parking lot design standards to ensure new or rebuilt lots prioritize safety and provide convenient, accessible parking for people with disabilities, bikes, and micromobility, is identified as Action T-9 in the County's FY2022-23 Vision Zero work plan. Link to FY22-23 Vision Zero Workplan</i>	\$60,000
SUB-TOTAL TIER 1 - Departmental Priority		\$185,000
Tier 2 - Departmental Priority (Non-Recommended Reductions)		Funding
2-1	REDUCE - Professional Development <i>Impact – Will reduce, defer, or eliminate management and work-related seminars and training which can result in lower job satisfaction and lower innovation in the workplace.</i>	\$34,523
2-2	REDUCE - 2% CPI Increase for Contracts and Supplies <i>Impact – Will have to absorb some contractual inflationary increases with current funding and will reduce ability to purchase supplies.</i>	\$4,727
SUB-TOTAL TIER 2 - Departmental Priority		\$39,250
Tier 3 - Budget Reductions to Meet the FY22 County Executive Recommendation		Funding
	Growth and Infrastructure Policy Update <i>Funded \$50,000 of \$125,000 requested using FY22 savings. \$75,000 remains in FY23 budget.</i>	\$50,000
	Major Known Commitment - Commission Wide IT Initiative - ERP Upgrade <i>Funded using FY22 savings.</i>	\$45,220
	Commuter Subsidy for Wheaton Headquarters Staff <i>Reduced based on savings from increased staff teleworking.</i>	\$39,296
SUB-TOTAL TIER 3 - Reductions		\$134,516
TOTAL OF ALL TIERS		\$358,766

Department of Human Resources and Management (DHRM), Merit Board and CAS Support Services

Department	Tier 1 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
DHRM	1-a	Temporary Services <i>Impact: This reduction will significantly diminish the department's resources allocated to addressing gaps created from unanticipated attrition, extended leave circumstances, and future budget impacts.</i>	\$ 10,903	\$ 14,879	\$ 25,782
Merit Board	1-b	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. Funding encumbered in prior fiscal years will be strategically utilized to ensure the Board is able to address steadily increasing and complex appeal matters in a timely manner using outside counsel when necessary.</i>	\$ 3,053	\$ 3,053	\$ 6,106
Subtotal Tier 1 - Departmental Priority for Restoration			\$ 13,956	\$ 17,932	\$ 31,888
Department	Tier 2 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
N/A	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
DHRM	3-a	Delay in Hiring for ERP Automation Position (2 months) <i>Impact: This will delay our ability to train staff on our Commission-wide human resource system and regulations so they can properly interface with the IT department on the ERP project.</i>	\$ 8,735	\$ 11,919	\$ 20,654
Support Services	3-b	Rental Expense <i>Impact: Due to space restrictions in the Executive Office Building, additional space has been leased at an offsite location for the past several years. Rental rates for this space have been renegotiated resulting in a reduction of the rent for FY23.</i>	\$ 6,873	\$ 9,379	\$ 16,252
Support Services	3-c	Payroll Postage <i>Impact: This process changed due to the pandemic, and pay stubs are no longer being mailed. Service will not be impacted.</i>	\$ 17,218	\$ 23,495	\$ 40,713
Subtotal Tier 3 - Reductions			\$ 32,826	\$ 44,793	\$ 77,619
Total of all Tiers			\$ 46,782	\$ 62,725	\$ 109,507

Finance Department

Department	Tier 1 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
Finance	1-a	Postpone Hiring of Accountant III for 3 months <i>This will impact support and service levels of the general and special revenue funds in both counties, mitigation of succession planning risk, and reduce the ability of the CIP Accountants to focus on CIP. We will also be less able to support required GASB implementations, GL account reconciliations, journal entries, year-end allocations and timely closing of fiscal year end and financial reporting.</i>	\$ 13,319	\$ 14,480	\$ 27,799
Subtotal Tier 1 - Departmental Priority for Restoration			\$ 13,319	\$ 14,480	\$ 27,799
Department	Tier 2 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
			\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -
Subtotal Tier 2 - Departmental Priority for Restoration			\$ -	\$ -	\$ -
Department	Tier 3 - Budget Reductions to Meet the FY23 County Executive Recommendation		MC	PGC	TOTAL
Finance	3-a	Delay Hiring of New Corp Payroll Accountant II for 3 months <i>This will increase the risk associated with not having a payroll tax accountant to back up the current lone position responsible for Commission payroll tax compliance. We will be unable to mitigate the succession planning risk for the lone payroll tax accountant on staff who is eligible for retirement. Failure to meet payroll regulatory requirements carries significant financial penalties that this position would mitigate.</i>	\$ 13,370	\$ 13,915	\$ 27,285
			\$ -	\$ -	\$ -
Subtotal Tier 3 - Reductions			\$ 13,370	\$ 13,915	\$ 27,285
Total of all Tiers			\$ 26,689	\$ 28,395	\$ 55,084

Legal Department

Department	Tier 1 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
Legal	1-a	Administrative Assistant - Legislative, bi-county (4.5 month hold)	\$ 19,721	\$ 17,571	\$ 37,292
		<i>This position became vacant due to prior admin passing the bar and beginning her career practicing law. Delaying hiring for this position will leave the department with no administrative support for the legislative team and could severely impact this team's effectiveness in the face of increasingly complex legislative issues facing the Commission. The reduction numbers represent a 4.5 month delay in hiring for this position.</i>			
Subtotal Tier 1 - Departmental Priority for Restoration			\$ 19,721	\$ 17,571	\$ 37,292
Department	Tier 2 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
Subtotal Tier 2 - Departmental Priority for Restoration			\$ -	\$ -	\$ -
Department	Tier 3 - Budget Reductions to Meet the FY23 County Executive Recommendation		MC	PGC	TOTAL
Subtotal Tier 3 - Reductions			\$ -	\$ -	\$ -
Total of all Tiers			\$ 19,721	\$ 17,571	\$ 37,292

Corporate IT

Department	Tier 1 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
Subtotal Tier 1 - Departmental Priority for Restoration			\$ -	\$ -	\$ -
Department	Tier 2 - Departmental Top Priority for Restoration (Non-Recommended Reductions)		MC	PGC	TOTAL
Subtotal Tier 2 - Departmental Priority for Restoration			\$ -	\$ -	\$ -
Department	Tier 3 - Budget Reductions to Meet the FY23 County Executive Recommendation		MC	PGC	TOTAL
Corporate IT	3-a	Office 365 Enhancements	\$ 24,663	\$ 18,091	\$ 42,754
		<i>Impact: These enhancements will be prefunded through one-time savings realized after another initiative was completed under budget and ahead of schedule.</i>			
Subtotal Tier 3 - Reductions			\$ 24,663	\$ 18,091	\$ 42,754
Total of all Tiers			\$ 24,663	\$ 18,091	\$ 42,754

Office of Inspector General

Department	Tier 1 - Departmental Top Priority for Restoration (Non-Recommended Reductions)	MC	PGC	TOTAL
		\$ -	\$ -	\$ -
Subtotal Tier 1 - Departmental Priority for Restoration		\$ -	\$ -	\$ -
	Tier 2 - Departmental Top Priority for Restoration (Non-Recommended Reductions)			
Subtotal Tier 2 - Departmental Priorities for Restoration		\$ -	\$ -	\$ -
Department	Tier 3 - Departmental Top Priority for Restoration (Non-Recommended Reductions)			
OIG	3-a Delay Hiring Inspector III New Postion (3 months)	\$ 12,007	\$ 17,235	\$ 29,242
	<i>Impact - Delayed hiring of Inspector III postion until October 1, 2022. The current staffing level prohibits the OIG from completing audits of areas and processes identified as high risk by Commission management. This includes information technology security audits and fraud, waste, and abuse investigations. A deley in hiring may result in non-completion of critical reviews and investigations.</i>			
OIG	3-b Delay Hiring Deputy Inspector General New Position (3 months)	\$ 16,364	\$ 23,489	\$ 39,853
	<i>Impact - Delay hiring of Deputy Inspector General an additional 3 months until January 1, 2023. The current workforce does not provide opportunity for leadership development and succession planning. Approval of the Deputy Inspector General position will help ensure the OIG benefits from strong and continuous leadership. A deley in hiring may result in the non-completion of critical reviews and investigations.</i>			
Subtotal - Reductions		\$ 28,371	\$ 40,724	\$ 69,095
Total of all Tiers		\$ 28,371	\$ 40,724	\$ 69,095

Department of Parks

NON-RECOMMENDED REDUCTIONS TO MEET COUNTY EXECUTIVE'S BUDGET

M-NCPPC

Montgomery County FY 23 Park Fund Budget

	\$\$	% Change
FY22 Adopted Budget (excluding grants, CIP debt service transfer, and CIP transfer)	109,698,997	
Compensation Adjustments (salary, retirement, benefits, merit/COLA marker, reclassification marker, OPEB)	5,464,192	5.0%
Known Operating Commitments Excl Compensation	1,418,206	1.3%
WQPF Mandate	231,941	0.2%
Program Enhancements	1,204,223	1.1%
FY 23 Requested Budget (excluding grants, CIP debt service transfer, and CIP transfer)	118,017,559	7.6%
County Executive's Recommended Budget	116,829,432	
Increase from Adopted FY 22 and Recommended FY 23	7,130,435	6.5%
Pro rata adjustments County-wide M-NCPPC	534,962	
Difference between Requested FY 23 and Recommended FY 23	1,723,089	6.0%

TIER	Non-Recommended Reductions - TIER 1	Funding	# of Positions	# of Workyears
Tier 1-1	Athletic Fields Nutrient Management - funding to improve the quality of athletic fields through increased aerification, seeding, and fertilization. Using soil sample technology, staff will apply nutrients to improve sustainability, accessibility, and safety resulting in fewer field closures and improved pest management. This funding will cover the most nutrient deficient fields with the goal of at least two applications (two applications out of the needed four applications) per year on approximately half (about 150 out of the 314) of the park athletic fields throughout the County.	100,000	0.0	0.0
Tier 1-2	Infrastructure - funding for maintenance of existing park amenities and infrastructure. Increased funding will expand efforts for proactive maintenance and reduce reactive and costly emergency repairs resulting in the long-term sustainability of park amenities and facilities. Projects will be prioritized based on facility condition and equity focus areas. The current major maintenance backlog of unfunded projects includes six water line replacements and four sewer line replacements along with a backlog of 47 courts in immediate need of renovations to extend court life.	100,000	0.0	0.0
Tier 1-3	Hard Surface Trails - funding will be used to purchase signs, mile markers, and non-slip paint for coating and coloring of bridge surfaces. Initial priority will be to add the non-slip coating in different colors on bridges to improve trail orientation and coordination with first responders. The non-slip coating for bridges also improves safety by improving surface condition to reduce tripping.	50,000	0.0	0.0
SUB-TOTAL PRIORITY FOR RESTORATION BY PHED COMMITTEE - TIER 1		\$ 250,000	0.0	0.0
Budget Reductions Submitted by Parks to Meet the FY23 County Executive Recommendation				
Add salary lapse for three months for new positions approved in the FY23 recommended budget		\$158,309		
Debt Service for CIP - reduction based on deferring the timing of bond sale		\$600,000		
Debt Service on Capital Equipment Internal Service Fund (ISF) - prepay a portion of cost using FY22		\$685,300		
Reduce funding for inflationary increases for supplies that were purchased using FY22 funding		\$29,480		
SUB-TOTAL - Budget Reductions		1,473,089	0.0	0.0
GRAND TOTAL - Non-Recommended Reductions and Reductions		1,723,089	0.0	0.0