



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

November 17, 2022

MEMORANDUM

TO: Montgomery County Planning Board

FROM: John Kroll, Corporate Budget Director *JKK*

DATE: November 14, 2022

SUBJECT: FY 2024 CAS Budget Requests

Please find attached FY24 budget requests from the Department of Human Resources and Management (DHRM), the Merit System Board, the Finance Department, the Legal Department, the Office of Inspector General, and the Office of the CIO, as well as the proposed budgets for CAS Support Services, and the Internal Service Funds – Risk Management, Group Insurance, Executive Office Building, Capital Equipment, and Wheaton Headquarters.

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THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

November 10, 2022

To: Montgomery County Planning Board
Prince George's County Planning Board

From: Asuntha Chiang-Smith, Executive Director *AC-S*
Katie Knaue, Deputy Corporate Budget Director *KK*

Subject: FY24 Proposed Budget – Administration Fund

- Department of Human Resources and Management
- Central Administrative Services Support Services
- Merit System Board

Requested Action

We are requesting approval of the FY24 proposed Department of Human Resources and Management (DHRM), Central Administrative Services (CAS) Support Services and Merit System Board Administration Fund budgets.

I. DEPARTMENT OF HUMAN RESOURCES AND MANAGEMENT

Base Budget Request

The DHRM Proposed Base Budget request is \$7,546,000, which is an increase of 11.1%.

New Initiatives Request

The Department is requesting six new positions totaling \$739,461. At the behest of the Montgomery Planning Board Chair, one position already presented to the Prince George's Planning Board October – an Americans with Disabilities Act Coordinator for the entire agency – has been cut.

- **Three Recruiters (\$119,633 each):** 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.
- **Human Resources Specialist for the Employee & Labor Relations Office (\$119,633):** This position is needed to address the rise in employee grievances/complaints, requests for internal and external reasonable accommodations (which have increased by 33% in the past year) and extended collective bargaining negotiations. The Employee Relations Specialist would be part of our

succession planning efforts to relieve the significant strain put on the small four-person Labor and Employee Relations team.

- **Supplier Diversity Specialist (\$119,633):** 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. This past year the Commission's Supplier Diversity program work doubled by the addition of a new Small, Local Business program. The Supplier Diversity Specialist is needed to conduct outreach and ensure maximum participation of minority, female, and disabled-owned business enterprises (MBEs) and small-local-owned business enterprises (SLBEs) businesses in agency competitive solicitations.
- **Corporate Management Analyst II for Performance Management Program (\$141,296):** The Performance Management Analyst is crucial in order to bring in-house the analysis of procurement data to create the Commission Supplier Diversity report – currently that work conducted by a consultant whose scope and contract is limited. The position also would be responsible for standing up the Commission's new supplier diversity program metrics to roll into the establishment of the agency's Performance Measurement and Management program that will evaluate bi-county operations such as reducing time to hire, leave usage and retroactive payments.

Total Budget Request

The total proposed budget request is \$8,285,461, which is an increase of 22.0%. The funding allocation for FY24 is 40.7% Montgomery and 59.3% Prince George's, which is a shift of 0.6% from Prince George's to Montgomery.

DEPARTMENT OF HUMAN RESOURCES & MANAGEMENT PRELIMINARY FY24 OPERATING BUDGET REQUEST

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change	Positions
FY23 Adopted Budget	\$ 2,859,249	\$ 3,934,881	\$ 6,794,130		

FY24 BASE BUDGET INCREASE

Salaries	135,888	120,314	256,202		
Benefits	93,049	111,167	204,216		
Other Operating Changes	125,058	171,580	296,638		
Chargebacks	6,013	(11,199)	(5,186)		
FY23 One-time Expenses	-	-	-		
Subtotal Increase - Base Budget Request	\$ 360,008	\$ 391,862	\$ 751,870	11.1%	

PROPOSED CHANGES

Recruiter	48,691	70,942	119,633	1.0	
Recruiter	48,691	70,942	119,633	1.0	
Recruiter	48,691	70,942	119,633	1.0	
HR Specialist	48,691	70,942	119,633	1.0	
Performance Management Analyst	57,507	83,789	141,296	1.0	
Supplier Diversity Specialist	48,691	70,942	119,633	1.0	
Subtotal Proposed Changes	\$ 300,961	\$ 438,500	\$ 739,461	10.9%	6.0

Total Increase FY24 Proposed Budget Request	\$ 3,520,217	\$ 4,765,244	\$ 8,285,461	22.0%	
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II. CENTRAL ADMINISTRATIVE SERVICES (CAS) SUPPORT SERVICES

The FY24 proposed budget is \$1,650,271 which is a 9.4% increase.

The FY24 funding allocation is 44.0% to Montgomery and 56.0% to Prince George's, which is unchanged from FY23.

Proposed New Initiatives

There are no new requests for FY24.

CAS SUPPORT SERVICES PRELIMINARY FY24 OPERATING BUDGET REQUEST

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change
FY23 Adopted Budget	\$ 666,128	\$ 841,933	\$ 1,508,061	

FY24 BASE BUDGET INCREASES

Salaries	-	-	-	
Benefits	3,960	5,040	9,000	
Other Operating Changes	58,911	74,299	133,210	
Chargebacks	-	-	-	
FY23 One-time Expenses	-	-	-	
Subtotal Increase - Base Budget Request	\$ 62,871	\$ 79,339	\$ 142,210	9.4%

PROPOSED CHANGES

No Proposed Changes	\$ -	\$ -	\$ -	0.0%
Total Increase FY24 Proposed Budget Request	\$ 728,999	\$ 921,272	\$ 1,650,271	9.4%

III. MERIT SYSTEM BOARD

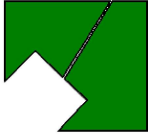
The FY24 proposed budget is \$168,498, which is a 0.4% increase. Both counties fund the Merit System Board's budget equally. The total expense to each county is \$84,249.

Proposed New Initiatives

There are no new requests for FY24.

MERIT SYSTEM BOARD PRELIMINARY FY24 OPERATING BUDGET REQUEST

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change
FY23 Adopted Budget	\$ 83,928	\$ 83,928	\$ 167,856	
FY24 BASE BUDGET INCREASES				
Salaries	(2,274)	(2,274)	(4,548)	
Benefits	1,000	1,000	2,000	
Other Operating Changes	1,595	1,595	3,190	
Chargebacks			-	
FY23 One-time Expenses				
Subtotal Increase - Base Budget Request	\$ 321	\$ 321	\$ 642	0.4%
PROPOSED CHANGES				
No Proposed Changes	\$ -	\$ -	\$ -	0.0%
Total Increase FY24 Proposed Budget Request	\$ 84,249	\$ 84,249	\$ 168,498	0.4%



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION


Officer of the Secretary-Treasurer

6611 Kenilworth Avenue, Suite 204 • Riverdale, Maryland 20737

MEMORANDUM

DATE: November 7, 2022

TO: Montgomery County Planning Board
Prince George's County Planning Board

FROM: Gavin Cohen, Secretary-Treasurer 
GC

SUBJECT: Finance Department FY2024 proposed budget submission

In developing the FY 2024 proposed budget request, the Finance Department is requesting approval of an increase of \$709,287 or 12.5% for the FY 2024 proposed budget. This total includes \$277,623 or 4.9% for baseline increases which include the annualization of prior year merit, COLA and reclassification increases as well as increased salary and benefit costs of \$431,664 or 7.6% for new position funding.

Finance is requesting a few position changes to support succession planning, to obtain skill sets currently unavailable, and to start a rebuilding effort to raise the level of efficiency and effectiveness of the support Finance provides throughout the organization. The Department needs to modernize and transform its products, offerings, and services.

The most critical request is for a Deputy Chief Financial Officer (CFO) position. This position, a grade 40, will cost \$231,926 fully loaded and will be from a converted currently frozen position of an Accounting Tech 2. This hire will be the key to modernizing the department's services and be ready to support several current positions that are retirement-eligible through knowledge transfer and succession planning. This increase will be temporary and offset by the elimination of a division director position, which this position will replace when the incumbent retires in the next fiscal year. It will be ensconced within the Finance Department Corporate Business Services and Finance Administration Division and will work to begin transforming and raising the service levels of the Department.

Finally, in anticipation of the Senior Leadership recommending an RFP be published to see the viability of vendors to replace the Commission's Financial and Human Resource Systems, resources are being requested to support this effort.

Finance Department FY2024 budget submission

The two positions being requested will be critical to a successful implementation, whether that is with a new vendor or upgrading with the current vendor. This additional staffing is important to have at the start of a new implementation or major upgrade.

Within the Finance Corporate Business Services section, the unit that supports the Commission's financial systems, we are requesting the following:

We would like to unfreeze and convert a current part-time accounting tech position to a full-time Senior Corporate Applications Analyst, grade 28, with a salary and benefit costs anticipated at \$139,137 in addition to a Corporate Applications Analyst, grade 24 with a salary and benefit costs anticipated at \$121,801. These two positions will work together to begin transforming and raising the service levels of the Department. These positions are subject to a <\$61,200> credit to the Admin Funds via chargebacks to MC Parks <\$19,323>, PGC Parks <\$25,391>, and PGC Rec <\$16,486>.

The information described in this memo is documented on the following page.

Thank you for your consideration and review of this preliminary request. We look forward to discussing our proposal with you.

FINANCE
PRELIMINARY FY24 OPERATING BUDGET REQUEST

FY24 BASE BUDGET INCREASES

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change	Positions
FY23 Adopted Budget	\$ 2,538,075	\$ 3,140,178	\$ 5,678,253		47.0
Salaries	45,305	45,347	90,652		
Benefits	52,787	66,652	119,439		
Other Operating Changes	3,731	6,901	10,632		
Chargebacks	17,800	39,100	56,900		
Subtotal Increase - Base Budget Request	\$ 119,623	\$ 158,000	\$ 277,623	4.9%	

Change to Base Between Counties from Labor Cost Allocation Change

PROPOSED CHANGES

Deputy CFO (conversion from currently frozen position)	99,264	132,662	231,926		0.0
Senior Corporate Applications Analyst-ERP (conversion from currently frozen position)	59,551	79,586	139,137		0.0
Corporate Applications Analyst-ERP (new position)	52,130	69,671	121,801		1.0
Chargeback portion of the two ERP positions	(19,323)	(41,877)	(61,200)		
Subtotal Proposed Changes	\$ 191,622	\$ 240,042	\$ 431,664	7.6%	
Total Increase FY24 Proposed Budget Request	\$ 2,849,320	\$ 3,538,220	\$ 6,387,540	12.5%	48.0

Signature: 
Gavin Cohen (Nov 9, 2022 16:20 EST)

Email: gavin.cohen@mncppc.org



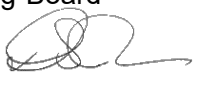
Office of the General Counsel
Maryland-National Capital Park and Planning Commission

Reply To

Debra Borden
General Counsel
6611 Kenilworth Avenue, Ste 200/201
Riverdale, Maryland 20737
(301) 454-1670 • (301) 454-1674 fax

MEMORANDUM

TO: Montgomery County Planning Board
Prince George's County Planning Board

FROM: Debra Borden, General Counsel 

DATE: October 31, 2022 (updated 10/6/22 Memo)

SUBJECT: **Legal Department Preliminary Budget Estimate – FY2024**

This memorandum presents a preliminary estimate to guide development of a FY24 budget proposal for the Office of General Counsel (“OGC” or “Legal Department”). We submit the following budget framework for discussion:

LEGAL DEPARTMENT							
PRELIMINARY FY24 OPERATING BUDGET REQUEST							
		MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change	Positions	
	FY23 Adopted Budget	\$ 1,718,594	\$ 1,578,361	\$ 3,296,955			
FY24 BASE BUDGET INCREASES							
	Salaries	(131,327)	39,078	(92,249)			
	Benefits	27,217	57,534	84,751			
	Other Operating Changes	31,209	31,696	62,905			
	Chargebacks	(74,335)	(71,423)	(145,758)			
	Ongoing Expenses (C/WIT ERP System)	3,876	3,876	7,752			
	Ongoing Expenses (C/O Allocation)	6,273	6,273	12,546			
	Subtotal Increase - Base Budget Request	\$ (137,087)	\$ 67,034	\$ (70,053)	-2.1%		
	Change to Base Between Counties from Labor Cost Allocation Change	\$ 1,581,507	\$ 1,645,395	\$ 3,226,902			
PROPOSED CHANGES							
	New Position Request	68,076	69,173	137,249			
	Specific Request						
	Specific Request						
	Specific Request						
	Subtotal Proposed Changes	\$ 68,076	\$ 69,173	\$ 137,249	4.2%		
	Total Increase FY24 Proposed Budget Request	\$ 1,649,583	\$ 1,714,568	\$ 3,364,151	2.0%		

Base Budget Overview

Salary reductions reflect the impact of various departures followed by new hires and/or promotions filled at lower salaries, combined with a shift resulting from this year's CAS allocation from Montgomery to Prince George's. We propose to use these salary reallocation savings to fund a new position, a Senior Counsel for Compliance, the first new OGC position requested in 6 years. After providing for the combined fiscal impact of approved merit and make-up merit increases, including expected increases in fringe benefit costs, along with salary savings from turnover, the fiscal impact of our personnel budget is a net decrease of \$70,053 resulting in personnel services allocated to the respective administrative funds as follows:

- Montgomery County Administration Fund: \$1,649,583 (-4.0% decrease)
- Prince George's County Administration Fund: \$1,714,568 (7.9% increase)

These figures reflect the updated labor allocation formula between Montgomery and Prince George's Counties respectively, 50.4% to 49.6%, as well as any changes in non-departmental charges passed through for capital equipment, the CIO allocation, CWIT charges, etc. Please refer to those non-departmental CAS budget estimates for specific details and amounts.

Request for New Position – Senior Compliance Counsel

Background

The Legal Department noted 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. The MPIA and OMA have undergone regular annual revisions in recent years such that every General Assembly session features significant amendments that must be incorporated into Commission Practices and Procedures, which must also be communicated to Commission personnel. No single department or division of the Commission has taken the lead to update, assist and train Commission personnel on increasingly complex MPIA and OMA regulations. In addition, in the past few years, both the MPIA and OMA have been amended to include two compliance boards, a public access ombudsman, and enhanced judicial review of denials, which adds significantly to both the administrative burden and reputational risks associated with these regulatory mandates.

The measure of disruption recently caused by a voluminous MPIA requests and expansive OMA complaints have prompted this request. In some cases, MPIA requests have required OGC attorneys to review thousands of documents, to determine whether they are privileged, confidential or otherwise exempt from disclosure. A single OMA complaint in early 2022 required a Principal Counsel to spend more than 50 hours gathering and reviewing meeting minutes, agendas and closing statements, in order to prepare a written response to the complaint. This level of multi-tasking is not sustainable for our practice teams in the long run.

Recommendation

I am recommending, and requesting Commission approval, to reallocate and apply the savings in OGC's FY24 Base Budget (Personnel Services) and an additional \$60,000 to OGC base budget to fund a new Senior Compliance Counsel position in the Legal Department.

Additionally, we propose to use the net salary decrease, plus a requested modest increase of \$60,000 to our base budget, to help fund a new Senior Counsel position, fully described in Attachment A. The timing of this requested increase in our base budget is particularly appropriate since we have a unique opportunity to fund two-thirds of the cost of the new position with reallocated salaries resulting from natural attrition and turnover. A revised OGC organization chart, with the proposed new position is attached for your convenience.

Conclusion

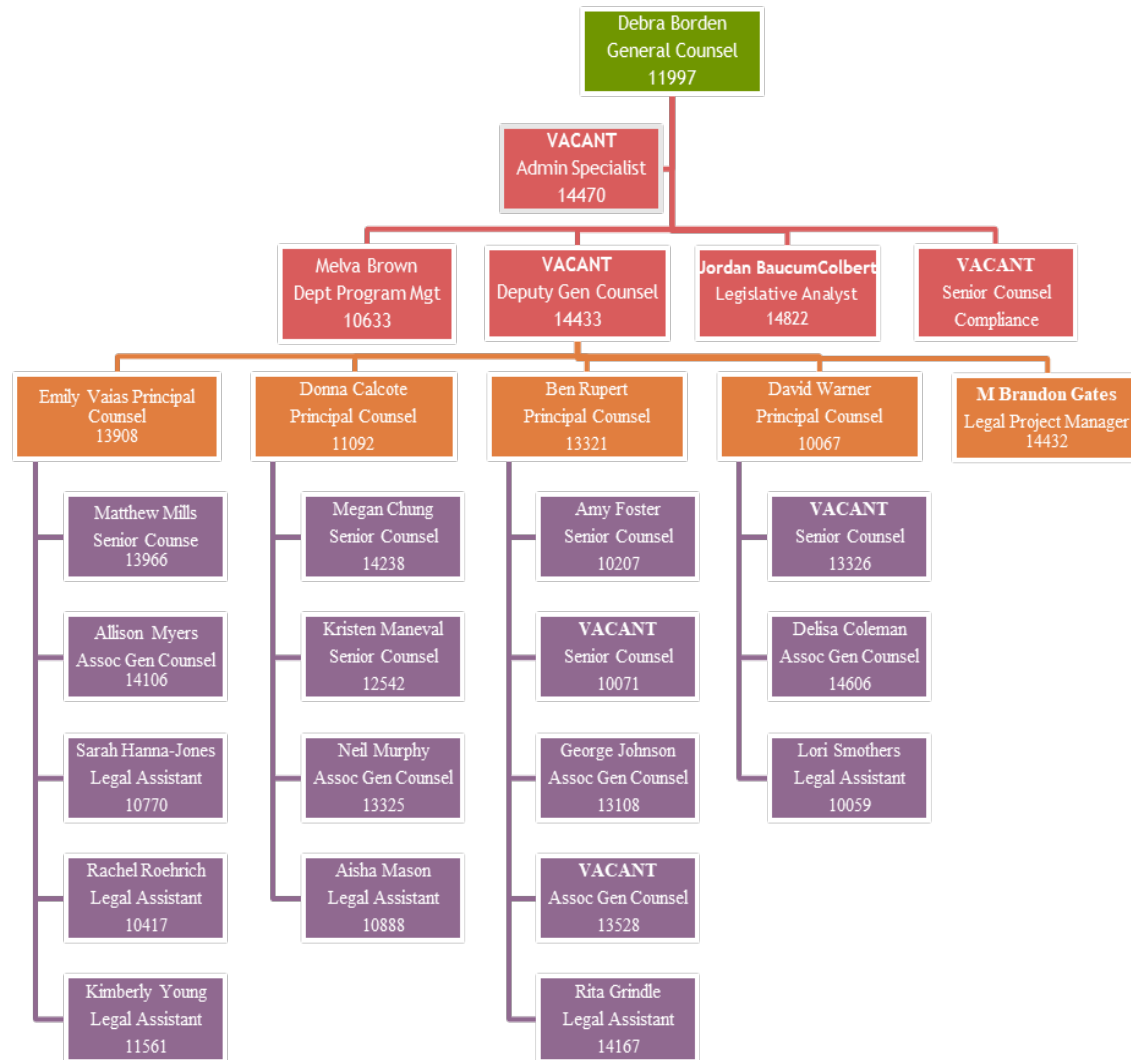
We hope the approach discussed above reflects an appropriate level of prudence and we look forward to additional discussion of our budget priorities.

* * *

cc: Melva Brown, Legal Department Program Manager

ATTACHMENT

The revised organization chart for the Legal Department, with the new Senior Compliance Counsel position reporting directly to the General Counsel, is as follows:





THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Office of the Inspector General • 6611 Kenilworth Avenue, Suite 106 • Riverdale, Maryland 20737
(301) 454-1446

November 17, 2022

To: Montgomery County Planning Board

Prince George's County Planning Board

From: Renee Kenney, CIG, CPA, CIA, CISA
Inspector General

Renee M Kenney

Re: FY24 Budget Request

The Office of the Inspector General (OIG) submits the following FY24 budget proposal for your consideration and approval.

Office of the Inspector General						
PRELIMINARY FY24 OPERATING BUDGET REQUEST						
			MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change
		FY23 Adopted Budget	\$ 447,986	\$ 647,533	\$ 1,095,519	
FY24 BASE BUDGET INCREASES						
		Salaries	60,183	45,589	105,772	
		Benefits	27,146	28,117	55,263	
		Known Commitments	389	81	470	
		OCI/CWIT	4,657	4,633	9,290	
		Chargebacks		(5,993)	(5,993)	
		FY23 One-time Expenses				
		Subtotal Increase - Base Budget Request	\$ 92,375	\$ 72,427	\$ 164,802	15.0%
PROPOSED CHANGES						
		None	\$ -	-	-	
		Subtotal Proposed Changes	\$ -	\$ -	\$ -	0.0%
		Total FY24 Proposed Budget Request	\$ 540,361	\$ 719,960	\$ 1,260,321	15.0%
			42.9%	57.1%		

The OIG's FY24 proposed budget does not include any proposed changes. The OIG total proposed budget of \$1.26M includes \$164,802 (15.0%) in increased funding requests when compared to FY23. The OIG's FY24 budget is split between Montgomery County and Prince George's County 42.9%/57.1% respectively.

Most of OIG's base budget increase can be attributed to approved salary and benefit costs. Although no new positions are being requested in FY24, two (2) positions approved in FY23 were budgeted at 75% (e.g., delayed hire date). FY24 salaries and benefit projections include full year funding for all OIG positions (7.5). Prince George's County Department of Park and Recreation funds one OIG position, which resulted in a (\$5,993) increase in chargebacks.

Known commitments of \$470 include increased licensing costs for the Commission's hotline service and the OIG's workpaper software.

Increases in OCIO/CWIT costs can primarily be attributed to licenses and subscription costs and Commission-Wide IT projects.

Thank you for your consideration.



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

November 10, 2022

TO: Montgomery County Planning Board
Prince George's County Planning Board

FROM: Mazen Chilet, Chief Information Officer *Chilet*
Katie Knaue, Deputy Corporate Budget Director *KUK*

SUBJECT: FY24 Proposed Office of the Chief Information Officer (CIO) Budgets

We are requesting approval of the FY24 Proposed Office of the Chief Information Officer (CIO) operating and project budgets including Corporate Information Technology (CIT), Office of the CIO and Commission-Wide IT Initiatives (CWIT).

CORPORATE INFORMATION TECHNOLOGY (CIT)

Base Budget Request

The CIT Proposed Base Budget request is \$3,188,330, which is an increase of 10.0%.

New Initiatives Request

The Department is requesting two new positions totaling \$289,056. At the behest of the Montgomery Planning Board Chair, one position that was presented to the Prince George's Planning Board in October – a Business Technology Coordinator needed to maintain the service level of our systems – has been cut.

- **Web System Specialist (\$144,528)** – Our outdated website is in the process of being completely redesigned. Our hundreds of web pages are one of the first places members of our community go to access our resources, learn about important announcements and register for our services. Once the new website is launched, it will need continual ongoing maintenance to remain relevant. There is currently no full-time staff member dedicated to this function. A Web System Specialist is essential to protecting the investment of the complete redesign through updating and maintaining our website.
- **Cyber Security Specialist (\$144,528)** – The threat of cyber-attacks continues to increase, and the agency needs to be adequately positioned to handle the varied, creative and incessant attacks lodged against our systems and data. A new Cybersecurity Specialist is necessary to implement important security measures to combat these ongoing threats. Currently CIT does not have a dedicated IT staff member to carry out this critical function.

Total Budget Request

The total Proposed Budget Request for FY24 is \$3,477,386, an increase of 20.0%. The FY24 Corporate IT allocation is 50% to Montgomery and 50% to Prince George's, which is unchanged from FY23.

This split is applicable to most of the budget; however, certain expenses are calculated at a different allocation percentage and chargebacks to Prince George's are higher than Montgomery because of allocations to the Recreation Fund. This results in different total amounts for each county.

**CORPORATE INFORMATION TECHNOLOGY
PRELIMINARY FY24 OPERATING BUDGET REQUEST**

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change	Positions
FY23 Adopted Budget	\$ 1,666,049	\$ 1,232,472	\$ 2,898,521		

FY24 BASE BUDGET INCREASES

Salaries	16,027	16,027	32,054		
Benefits	23,577	23,577	47,154		
Other Operating Changes	153,882	146,846	300,728		
Chargebacks	(28,251)	(61,876)	(90,127)		
FY23 One-time Expenses					
Subtotal Increase - Base Budget Request	\$ 165,235	\$ 124,574	\$ 289,809	10.0%	

PROPOSED CHANGES

Web System Specialist	72,264	72,264	144,528	1.0	
Cyber Security Specialist	72,264	72,264	144,528	1.0	
Subtotal Proposed Changes	\$ 144,528	\$ 144,528	\$ 289,056	10.0%	2.0

Total Increase FY24 Proposed Budget Request **\$ 1,975,812** **\$ 1,501,574** **\$ 3,477,386** **20.0%**

OFFICE OF THE CHIEF INFORMATION OFFICER (CIO) INTERNAL SERVICE FUND

Base Operating Budget Request

The CIO Proposed Base Budget request is \$1,873,525, an increase of 12.8%.

New Initiatives Request

No new initiatives are proposed for FY24.

The FY24 CIO budget allocation is 44.2% to Montgomery and 55.8% to Prince George's, which unchanged from FY23.

OFFICE OF THE CHIEF INFORMATION OFFICER PRELIMINARY FY24 OPERATING BUDGET REQUEST

	MC Admin Fund	PGC Admin Fund	DEPARTMENT TOTAL	% Change
FY23 Adopted Budget	\$ 734,040	\$ 926,858	\$ 1,660,898	
FY24 BASE BUDGET INCREASES				
Salaries	55,937	70,633	126,570	
Benefits	9,945	12,558	22,503	
Other Operating Changes	28,088	35,466	63,554	
Chargebacks	-	-	-	
FY23 One-time Expenses	-	-	-	
Subtotal Increase - Base Budget Request	\$ 93,970	\$ 118,657	\$ 212,627	12.8%
PROPOSED CHANGES				
No Proposed Changes	\$ -	\$ -	\$ -	0.0%
Total Increase FY24 Proposed Budget Request	\$ 828,010	\$ 1,045,515	\$ 1,873,525	12.8%

Commission-wide Licenses and Subscriptions

Ongoing licenses and subscriptions total \$4,663,000 and are projected to increase by 10.2%, which is driven by the need to budget for two ERP licenses in the event we decide to migrate to a different system instead of upgrading the current system.

COMMISSION-WIDE IT (CWIT) INTERNAL SERVICE FUND

The FY24 request to fund ongoing, financed, and one new project is \$1,453,804, an 8.8% decrease from FY23 Adopted levels. This decrease is due to three projects, the Learning Management System (LMS), Continuity of Operations (COOP) and Alliance replacement (which has been fully funded) from FY23 that are not included in the FY24 request. Existing projects including the External Website Upgrade and Security Remediation require additional funding and one new project to develop content for the new LMS has been added.

Base Continuing Project Budget Requests

The continuing projects proposed have been reviewed and supported to move forward by the IT Council. They total \$660,000 and include:

- **ERP Enhancements (\$200,000, no change)** – The agency is required to comply with various regulations (PII, HIPPA, COBRA, etc.), which are always evolving. These funds will address any changing mandates, critical operational needs, and other updates needed to meet requirements identified by our Departments.
- **Kronos Management (\$60,000, no change)** – Our timekeeping (Timecard) system is the first step in the process of compensating agency employees for their work. System patching and enhancements are critical to meet evolving business needs and regulatory compliance.
- **Security Remediation (\$150,000, change of \$50,000)** – Annual assessments of the agency's security profile by external security experts are essential in ensuring adequate processes are in place to protect our assets. The additional funding will be used to expand the assessments and implement any corrective action recommended by the findings.
- **External Website (\$250,000)** – The agency's main webpage is undergoing a complete redesign to meet modern standards of web design and communicate our programs and services in a clean and simple format. The website is scheduled to be launched in May and this additional funding will be used to ensure the website is operating in the manner we intended and allow for any technical refinements necessary to address issues that usually present themselves after the site's launch.

Financed Continuing Project Budget Requests

The only financed project is the **ERP Upgrade**. The amount requested in FY24 is \$693,804 and represents the third year of six for financing a total projected cost of \$4M. Montgomery Planning and the Department of Human Resources and Management prepaid their contributions for years three through six in FY22.

New Project Budget Requests

The only new project proposed is the development of **Learning Management System (LMS) Training Modules** for \$100,000. The LMS is an agency-wide system that was approved for funding and will be implemented in FY23 with minimal, introductory training modules. This funding is needed to develop compliance focused training modules for multiple disciplines across the agency (for example: safety, ethics, business applications, finance, etc.) that are relevant to employees in all job classifications.

The proposed budgetary impact of this new request for each department is:

FY24 CWIT New Projects Funding Needs - Montgomery					
	Planning	Parks	CAS	Total	
LMS Content	6,060	32,000	3,150	41,240	

FY24 CWIT New Projects Funding Needs - Prince George's					
	Planning	Parks	Recreation	CAS	Total
LMS Content	8,280	32,420	14,940	3,150	58,790



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

November 17, 2022

To: Montgomery County Planning Board
Prince George's County Planning Board

From: Asuntha Chiang-Smith, Executive Director
Tracey Harvin, Corporate Policy and Management Operations Director
Brian Coburn, Corporate Administrative Services and Performance Management Chief

Subject: FY24 Proposed Budget – Internal Service Funds - Executive Office Building

REQUESTED ACTION

We request approval of the FY24 proposed budget for the Executive Office Building (EOB).

EXECUTIVE OFFICE BUILDING FUND

The EOB Internal Service Fund accounts for expenses related to housing the bi-county operations of the Commission. These operations, collectively known as Central Administrative Services (CAS), include the departments of Finance, Legal, and Human Resources and Management; the Office of the Inspector General; the Office of the Chief Information Officer; and the Merit System Board. The offices of the Commission's Employees' Retirement System are also located at the EOB.

Two CAS divisions are located offsite: (1) Recruitment and Selection Services is located at an offsite leased space in Greenbelt due to space shortages within the EOB building, and (2) the Commission-wide Archives program is located within the Saddlebrook facility in Wheaton.

FY24 Priorities

COVID-19 Response: Continue to respond to any emergence of new variants or other pandemics by procuring personal protective equipment and cleaning supplies and assessing building systems (including HVAC systems) and conducting necessary updates to those systems.

Maintain Operations: Continue to ensure the facility is clean and fully functioning through maintenance and repair of systems and equipment, implementing necessary improvements, and addressing any concerns of employees, tenants and visitors.

Address Building Infrastructure Issues: Make upgrades to building infrastructure to ensure adequate building operations and employee safety. This would include:

- Replace bathroom fixtures that are past their useful life.
- Repair or replace flooring in areas that show signs of extensive wear, may contain asbestos, or create trip hazards.
- Make incremental and needed upgrades to HVAC systems to provide improved airflow and heating/cooling.

Proposed Budget Overview

The FY24 proposed EOB budget is \$1,614,123 which includes a 3.4% increase of \$53,864. This increase is due to the following factors:

Revenue: EOB operations are funded through rent charges to tenants, interest income, and the use of fund balance. A 4.0% increase in occupancy charges is proposed for FY24. Additionally, with Prince George's Parks and Recreation ITC vacating their space at EOB, there was shifting between tenants and the rent in the chart below for each tenant reflects these changes. This would include a portion of the ITC space being converted into common area space in which this square footage is spread across all EOB tenants. Each of these moves have a net zero impact on revenue.

Personnel Services: Compensation to support two full-time career positions necessary to manage the daily operations of the building is proposed to have an increase of 3.3%.

Supplies and Materials: The cost of supplies and materials required to operate the facility which despite the rising cost of materials due to inflation, we will make efforts to find savings. Thus, the proposed increase is only 3.9%.

Other Services and Charges: Operational costs including utilities, janitorial services, maintenance, and repairs are paid out of this category, which is proposed to increase by 3.5%.

Capital Projects: Budgeted expenses for structural building improvements, machinery, and equipment that are proposed to remain flat.

Chargebacks: Salary allocations of DHRM staff time that can be directly attributed to the management of the facility are charged back to this budget, which includes a 5.3% increase.

Proposed New Initiatives

No new initiatives or staffing changes are proposed.

EXECUTIVE OFFICE BUILDING INTERNAL SERVICE FUND

	ADOPTED FY22	ADOPTED FY23	PROPOSED FY24	% CHANGE
REVENUES				
Rental Income - Office Space				
PGC Parks and Recreation	131,225	0	0	0.0%
Retirement System	113,027	117,548	123,917	5.4%
Chief Information Office	62,030	64,511	37,143	-42.4%
Risk Management	57,000	59,280	65,717	10.9%
Group Insurance	67,952	70,670	80,428	13.8%
CAS Departments	974,846	1,150,314	1,213,611	5.5%
Interest Income (Non-operating)	50,000	4,000	4,000	0.0%
Total Revenues	1,456,080	1,466,323	1,524,816	4.0%
EXPENDITURES				
Personnel Services	256,135	258,176	266,683	3.3%
Supplies and Materials	61,000	64,000	66,500	3.9%
Other Services and Charges	988,644	1,044,300	1,071,120	2.6%
Capital Outlay	85,000	90,000	90,000	0.0%
Chargebacks	110,426	113,783	119,820	5.3%
Total Expenditures	1,501,205	1,570,259	1,614,123	2.8%
Operating Income (Loss) to be covered by fund balance	(45,125)	(103,936)	(89,307)	



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue • Riverdale, Maryland 20737

November 10, 2022

To: Montgomery County Planning Board
Prince George's County Planning Board

From: Asuntha Chiang-Smith, Executive Director
Katie Knaupe, Deputy Corporate Budget Director

AC-S
KUK

Subject: FY24 Proposed Budget – Internal Service Funds
- Risk Management
- Group Health Insurance

Requested Action

We request approval of the FY24 proposed budgets for the Risk Management and agency-wide Group Health Insurance Internal Service Funds (ISF).

I. RISK MANAGEMENT FUND

The Risk Management and Workplace Safety Office develops and implements programs that protect employees and patrons, protect and secure the agency's assets, and mitigate losses. The Office:

- Conducts training on workplace safety, regulatory compliance, and accident prevention
- Develops and administers safety and loss control programs
- Ensures compliance with federal and state safety regulations
- Manages the workers' compensation claims program and the liability program
- Performs risk analysis, inspections, and accident investigations
- Manages agency-wide Insurance portfolio (self-insurance and commercial policies)

FY24 Program Priorities

- **COVID-19 Response and Other Public Health Concerns:** Continue to monitor and actively manage emerging and ongoing public health issues, including implementation of federal, state, and local guidance, and developing agency-wide safety protocols and Continuity of Operations Plans (COOP).
- **Continuity of Operations Plans (COOP):** Oversee the development and implementation of an agency-wide web-based COOP template, coordinate COOP activities with county COOP functions and conduct regular desktop training exercises. Monitor annual reviews for necessary updates.
- **Training:** Conduct specialized training to ensure compliance with workplace safety regulations and prevent accidents and injuries.
- **Risk and Safety Policies:** Conduct comprehensive review of the Risk Management and Safety Manual to ensure related policies are current and updated as necessary to maintain compliance with federal, state, and local laws.

- **Compliance Reviews:** Continue comprehensive facility inspections to provide safe spaces for employees and patrons. Conduct regular audits of losses and accidents to identify areas of focus, coordinated return to work strategies, and proper case reserves.
- **Emergency Preparedness:** Perform regular review of site-specific emergency action protocols for agency facilities.
- **Loss Monitoring:** Conduct regular assessments of workers' compensation and liability claims, property losses, and recommend strategies for containing costs, improving safety, and reducing liability to the agency.

Budget Overview

The Risk Management budget is made up of three components:

- **Insurance Claims:** Workers' compensation claims are compensable under state law and include medical and wage reimbursements for employees with work related injuries and illnesses. Fluctuations in the overall budget are largely driven by the quantity, severity and complexity of these claims. Proposed budget figures are based on actual payments and projected expenses for open claims and an actuarial estimate for claims incurred but not yet reported. The remaining projected claim expenses are liability claims related to property damage, general liability, and auto claims. While the Risk and Safety Office manages the program, these expenses are funded directly by the Department that incurs the expense.
- **Risk and Safety Office Program Expenses:** These expenses include personnel services, insurance policies, staff training resources, accident prevention costs, and chargebacks to fund the Risk and Safety Office programs that protect employees and patrons, secure the agency's assets, and mitigate losses.
- **Administrative Expenses:** The agency participates in the Montgomery County Self Insurance Program (MCSIP), which enables the agency to be self-insured. MCSIP provides claims adjudication services, group coverage for commercial insurance, and actuarial services which are utilized to develop the workers' compensation and liability claims budget.

Proposed Budget Request

The total FY24 Proposed Budget is \$6,281,800, which is a 9.3% decrease from FY23 due to a decrease in workers' compensation claims. To offset the total expense to each county, unrestricted fund balance has been applied against the expenses resulting in expenses remaining nearly flat for Montgomery and a 16.2% decrease for Prince George's. The total expense to each county is:

	FY24 Proposed	FY23 Adopted	Variance	% Change
Montgomery	2,954,600	2,951,400	3,200	0.1%
Prince George's	3,327,200	3,971,500	(644,300)	-16.2%

Critical Needs

Only three safety specialists are responsible for ensuring the safety for the entire agency. The pandemic and other health threats to our employees and patrons created new responsibilities for this program without the accompanying resources.

At the behest of the Montgomery Planning Board Chair, one position presented to the Prince George's Planning Board in October – a Safety Specialist intended to embed safety staff into the department – has been cut.

The Department is requesting an **Occupational Safety & Health Specialist position (\$142,375)** to bridge this gap between responsibilities and resources. This position is needed to 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.

Costs related to this request are included in the Proposed Budget request described on the previous page and in the schedules on the next 2 pages.

MONTGOMERY RISK MANAGEMENT INTERNAL SERVICE FUND

	FY23 ADOPTED	FY24 PROPOSED	% CHANGE
REVENUES			
Charges for Services			
Planning	15,700	34,600	120.4%
Parks	2,919,200	2,895,800	-0.8%
Enterprise	3,100	-	-100.0%
CAS	13,400	24,200	80.6%
Interest Income	8,000	8,000	0.0%
TOTAL REVENUES	2,959,400	2,962,600	0.1%
EXPENDITURES			
Personnel Services	566,324	702,433	24.0%
Supplies and Materials	35,250	36,000	2.1%
Insurance Claims			
Planning	28,400	28,900	1.8%
Parks	1,711,800	1,671,800	-2.3%
Enterprise	1,600	300	-81.3%
CAS	8,400	11,500	36.9%
Administrative Expenses	584,900	620,000	6.0%
Other Services & Charges	119,040	122,984	3.3%
Chargebacks	378,252	374,503	-1.0%
TOTAL EXPENDITURES	3,433,966	3,639,607	6.0%
Application of Fund Balance	(474,566)	(605,820)	
TOTAL FUNDING NEEDS	2,951,400	2,954,600	0.1%

PRINCE GEORGE'S RISK MANAGEMENT INTERNAL SERVICE FUND

	FY23 ADOPTED	FY24 PROPOSED	% CHANGE
REVENUES			
Charges for Services			
Planning	38,600	-	-100.0%
Parks	3,063,100	2,795,600	-8.7%
Recreation	588,900	444,100	-24.6%
Enterprise	267,500	63,300	-76.3%
CAS	13,400	24,200	80.6%
Interest Income	20,000	20,000	0.0%
TOTAL REVENUES	3,991,500	3,347,200	-16.1%
EXPENDITURES			
Personnel Services	566,324	702,433	24.0%
Supplies and Materials	35,250	36,000	2.1%
Insurance Claims			
Planning	23,500	27,800	18.3%
Parks	2,287,500	2,042,000	-10.7%
Recreation	535,700	419,800	-21.6%
Enterprise	193,500	100,100	-48.3%
CAS	12,200	11,500	-5.7%
Administrative Expenses	877,500	930,200	6.0%
Other Services & Charges	119,040	122,984	3.3%
Chargebacks	378,253	374,503	-1.0%
TOTAL EXPENDITURES	5,028,767	4,838,507	-3.8%
Application of Fund Balance	(1,037,267)	(1,420,120)	
TOTAL FUNDING NEEDS	3,971,500	3,327,200	-16.2%

II. Commission-Wide Group Insurance Internal Service Fund

The Commission-wide Group Insurance Fund accounts for the costs associated with providing health insurance benefits to active and retired employees. The fund covers all employees with health and other insurance coverage and retirees eligible for health benefits.

Highlights and Major Changes in the FY23 Proposed Budget

The proposed expenditure budget is \$79.0 million, which is a 12.5% increase from FY23 budget levels.

The FY24 Proposed Budget includes the Commission-adopted employee health insurance cost share, administrative expenses, employer contributions, and OPEB Pay-go.

The FY24 Proposed Budget contains a designated reserve of \$7.9 million, which is enough to meet the 10.0% of total operating expenses reserve policy.

Proposed New Initiatives

No new initiatives or staffing changes are proposed.

COMMISSION-WIDE GROUP HEALTH INSURANCE INTERNAL SERVICE FUND
Summary of Revenues, Expenses, and Changes in Fund Net Position
PROPOSED BUDGET FISCAL YEAR 2024

	FY 23 Adjusted Adopted	FY 23 Estimate	FY 24 Proposed	% Change
Operating Revenues:				
Intergovernmental:	\$	\$	\$	
EGWP Subsidy	2,500,000	2,500,000	3,000,000	20.0%
Charges for Services:				
Employer Contributions, Other	-	-	-	-
Employee/Retiree Contributions	13,621,900	13,621,900	11,500,000	-15.6%
Employer Contributions/Premiums	54,074,732	54,074,732	60,000,000	11.0%
Insurance Premium			4,500,000	
Total Operating Revenues	<u>70,196,632</u>	<u>70,196,632</u>	<u>79,000,000</u>	<u>12.5%</u>
Operating Expenses:				
Personnel Services	835,983	835,983	916,121	9.6%
Supplies and Materials	53,000	53,000	56,000	5.7%
Other Services and Charges:				
Professional Services	698,870	698,870	957,328	37.0%
Insurance Claims and Fees	59,571,841	59,571,841	68,528,863	15.0%
Insurance Premiums	10,000,000	10,000,000	8,200,000	-18.0%
Change in IBNR	-	-	-	-
Other Classifications	-	-	-	-
Chargebacks	499,938	499,938	357,688	-28.5%
Total Operating Expenses	<u>71,659,632</u>	<u>71,659,632</u>	<u>79,016,000</u>	<u>10.3%</u>
Operating Income (Loss)	<u>(1,463,000)</u>	<u>(1,463,000)</u>	<u>(16,000)</u>	<u>-98.9%</u>
Non-operating Revenue (Expenses):				
Interest Income	10,000	10,000	-	-100.0%
Total Non-operating Revenue (Expenses)	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>-100.0%</u>
Income (Loss) Before Operating Transfers	<u>(1,453,000)</u>	<u>(1,453,000)</u>	<u>(16,000)</u>	<u>-98.9%</u>
Operating Transfers In (Out):				
Transfer In	-	-	-	-
Transfer (Out)	-	-	-	-
Net Operating Transfer	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	(1,453,000)	(1,453,000)	(16,000)	-98.9%
Total Net Position, Beginning	12,877,334	9,836,717	8,383,717	-34.9%
Total Net Position, Ending	<u>11,424,334</u>	<u>8,383,717</u>	<u>8,367,717</u>	<u>-26.8%</u>

Montgomery County Capital Equipment Internal Service Fund

EXECUTIVE OVERVIEW

The Commission's Capital Equipment Internal Service Fund (CEISF) was set up to establish an economical method of handling large equipment purchases. The fund spreads the cost of an asset over its useful life instead of burdening any one fiscal year with the expense. Considerable savings are realized over the life of the equipment through the use of the CEISF.

Departments use the CEISF to finance the purchase of equipment having a useful life of at least six (6) years. All revenue and costs associated with the financing of such equipment are recorded in the Internal Service Fund. All equipment is financed on a tax-exempt basis, resulting in considerable interest savings. The participating departments are charged an annual rental payment based on the life of the equipment.

HIGHLIGHTS AND MAJOR CHANGES IN FY24 PROPOSED BUDGET

The financing authority of the CEISF may be carried over from year to year. This means that if the total authorized amount of financing is not utilized during a particular fiscal year any remaining funding may be carried over to succeeding fiscal years. Approval of the budget gives the Commission's Secretary-Treasurer and other officers authority to carry out financing for this fund at such time and on such terms as is believed to be advantageous to the Commission without additional action by the Commission or a Planning Board.

For FY24, the Commission is not proposing any new purchases for the Montgomery Department of Planning, nor for the Corporate IT Division of the Office of the CIO.

For FY24, the Commission is proposing new purchases of \$2,832,000 for the Montgomery Department of Parks, consisting of:

- Park Fund total:
 - \$177,500 for Information Technology (IT) upgrades of two Nimble data storage arrays for our King Street data center. The total cost will be split 50/50 with Planning.
 - \$39,000 for a vehicle for a new position associated with OBI for the FY24 budget.
 - \$1,683,500 for replacement of older vehicles and equipment that have exceeded their useful life cycle.
- Special Revenue Fund (MCPS Ballfields) total:
 - \$932,000 for vehicles and equipment associated with the program enhancement for the Athletic Field Team Personnel Expansion and Contract Reduction initiative. The FY24 debt service amount of \$177,080 associated with these purchases will be included in the expenditure budget for the MCPS Ballfields SRF.

Montgomery County Capital Equipment Internal Service Fund

MONTGOMERY COUNTY CAPITAL EQUIPMENT INTERNAL SERVICE FUND Summary of Revenues, Expenses, and Changes in Fund Net Position PROPOSED BUDGET FISCAL YEAR 2024

	FY 22 Actual	FY 23 Adjusted Adopted	FY 23 Estimate	FY 24 Proposed	% Change
Operating Revenues:					
Intergovernmental - Federal	\$ -	\$ -	\$ -	\$ -	-
Charges to Departments					
Planning	144,400	-	-	-	-
Parks	3,535,200	1,122,300	1,122,300	1,713,663	52.7%
Corporate IT	166,250	142,500	142,500	95,000	-33.3%
Miscellaneous (Sale of Equipment, etc.)	192,726	-	-	-	-
Total Operating Revenues	<u>4,038,576</u>	<u>1,264,800</u>	<u>1,264,800</u>	<u>1,808,663</u>	<u>43.0%</u>
Operating Expenses:					
Personnel Services	-	-	-	-	-
Supplies and Materials	16,018	-	-	-	-
Other Services and Charges:	27,634	-	-	-	-
Debt Service:					
Debt Service Principal	-	1,321,000	1,321,000	1,020,000	-22.8%
Debt Service Interest	70,000	210,400	210,400	155,583	-26.1%
Depreciation & Amortization Expense	2,917,518	-	-	-	-
Capital Outlay	-	2,225,000	2,225,000	2,832,000	27.3%
Other Classifications	-	-	-	-	-
Chargebacks	50,186	56,714	56,714	66,502	17.3%
Total Operating Expenses	<u>3,081,356</u>	<u>3,813,114</u>	<u>3,813,114</u>	<u>4,074,085</u>	<u>6.8%</u>
Operating Income (Loss)	<u>957,221</u>	<u>(2,548,314)</u>	<u>(2,548,314)</u>	<u>(2,265,422)</u>	<u>-11.1%</u>
Nonoperating Revenue (Expenses):					
Debt Proceeds	48,300	-	-	-	-
Interest Income	(28,057)	-	-	-	-
Interest Expense, Net of Amortization	-	-	-	-	-
Loss on Sale/Disposal Assets	(9,483)	-	-	-	-
Total Nonoperating Revenue (Expenses):	<u>10,760</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) Before Operating Transfers	<u>967,981</u>	<u>(2,548,314)</u>	<u>(2,548,314)</u>	<u>(2,265,422)</u>	<u>-11.1%</u>
Operating Transfers In (Out):					
Transfer in	-	-	-	-	-
Transfer (Out)	-	-	-	-	-
Net Operating Transfer	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>967,981</u>	<u>(2,548,314)</u>	<u>(2,548,314)</u>	<u>(2,265,422)</u>	<u>-11.1%</u>
Total Net Position - Beginning	<u>10,346,344</u>	<u>8,766,010</u>	<u>11,314,324</u>	<u>8,766,010</u>	<u>0.0%</u>
Total Net Position - Ending	<u>\$ 11,314,324</u>	<u>\$ 6,217,696</u>	<u>\$ 8,766,010</u>	<u>\$ 6,500,588</u>	<u>4.5%</u>

Note: Future Financing Plans

Capital equipment financed for Planning	\$ -	\$ -	\$ -
Capital equipment financed for Parks	2,100,000	2,100,000	2,832,000
Capital equipment financed for Corporate IT	125,000	125,000	-

Montgomery County

Wheaton Headquarters Building Enterprise Fund

OVERVIEW

Construction of the Wheaton Headquarters Building (Wheaton HQ) was completed in August 2020. This Commission-owned facility consolidated the headquarters of both the Montgomery Department of Parks and Montgomery Planning Departments from three office facilities into one new joint headquarters. In this fourteen-floor, 308,020 square foot building, the Commission utilizes 133,969 sq. ft. or 42.5% of the building. The remainder of the building houses several Montgomery County departments and agencies plus some planned retail space on the first floor and a proposed childcare facility on the 3rd floor. This building accommodates nearly 1,000 staff, including approximately 360 Commission employees.

To account for this Commission-owned facility that is being utilized by both the Commission and the County, an internal service fund was created. The Wheaton Headquarters Building Internal Service Fund accounts for all building related expenses and will be funded by “rental” charges of the building’s shared cost to the Planning Department, the Parks Department, and to Montgomery County.

The “rental” charges for the respective organizations are based on the budgeted or estimated costs at the beginning of each fiscal year. These charges are then reconciled at the end of each fiscal year against the actual incurred expenses. If there is a deficiency, that balance is then paid by the Commission and the County in the next fiscal year or as a one-time payment. If there is a surplus amount, then the excess funds are added to a Capital Reserve Fund for the building. That annual reserve amount is capped at \$50,000 for the County and at \$37,000 per year for the Commission. Surplus funds exceeding this designated reserve amount are then refunded to the respective organizations at year-end or applied to the next fiscal year’s “rental” payment.

HIGHLIGHTS OF THE FY24 PROPOSED BUDGET

For FY24, the Wheaton HQ budget remains at the same level as the FY23 budget of \$2,937,103.

- **Expenditures in the Fund:**

- Personnel Services: No personnel services are proposed here. Two Park Police officer positions included in the Park Fund budget are assigned to provide security at Wheaton HQ and are funded by chargebacks (see below).
- Supplies and Materials: The total proposed supplies budget for FY24 remains at \$100,000. This cost is for miscellaneous supplies needed for maintenance of the building that are not included in the contracted services for building management and custodial support.
- Other Services and Charges: The total proposed supplies budget for FY24 is \$2,625,103, a decrease of \$12,000. Included in this cost is contractual services for a management services company that handles daily building support including project management, building engineering, custodial, maintenance and repair services, and guest services. In addition, costs for services will include building costs for utilities, telecommunications, and refuse and recycling.
- Capital Outlay: No capital outlay is proposed here.

Montgomery County

Wheaton Headquarters Building Enterprise Fund

- **Chargebacks:** The chargeback cost of \$212,000 is for salaries, uniform allowance, and equipment for two Park Police positions.

SUMMARY OF FY24 PROPOSED BUDGET

WHEATON HEADQUARTERS BUILDING INTERNAL SERVICE FUND Summary of Revenues, Expenses, and Changes in Fund Net Position PROPOSED BUDGET FISCAL YEAR 2024

	FY 22 Actual	FY 23 Adjusted Adopted	FY 23 Estimate	FY 24 Proposed	% Change
Operating Revenues:					
Intergovernmental	\$	\$	\$	\$	
Montgomery County	1,383,052	1,688,833	1,688,833	1,688,833	0.0%
Charges for Services (Office Space Rental):					
MC Planning	509,740	624,135	624,135	624,135	0.0%
MC Parks	509,740	624,135	624,135	624,135	0.0%
Rental Revenues	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Operating Revenues	<u>2,402,532</u>	<u>2,937,103</u>	<u>2,937,103</u>	<u>2,937,103</u>	<u>0.0%</u>
Operating Expenses:					
Personnel Services	19,453	-	-	-	-
Supplies and Materials	111,502	100,000	100,000	100,000	0.0%
Other Services and Charges	1,993,719	2,637,103	2,637,103	2,625,103	-0.5%
Depreciation & Amortization Expense	4,454,248	-	-	-	-
Capital Outlay	-	-	-	-	-
Chargebacks	192,000	200,000	200,000	212,000	6.0%
Total Operating Expenses	<u>6,770,922</u>	<u>2,937,103</u>	<u>2,937,103</u>	<u>2,937,103</u>	<u>0.0%</u>
Operating Income (Loss)	<u>(4,368,390)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Nonoperating Revenue (Expenses):					
Interest Income	<u>(4,433)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Nonoperating Revenue (Expenses):	<u>(4,433)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) Before Operating Transfers	<u>(4,372,823)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Transfers In (Out):					
Transfer In	-	-	-	-	-
Transfer (Out)	-	-	-	-	-
Net Operating Transfer	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) Before Capital Contributions	<u>(4,372,823)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Contributions	-	-	-	-	-
Change in Net Position	<u>(4,372,823)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Position - Beginning	<u>131,487,330</u>	<u>127,114,507</u>	<u>127,114,507</u>	<u>127,114,507</u>	<u>0.0%</u>
Total Net Position - Ending	<u>\$ 127,114,507</u>	<u>\$ 127,114,507</u>	<u>\$ 127,114,507</u>	<u>\$ 127,114,507</u>	<u>0.0%</u>