

PLANNING DEPARTMENT APPROVAL OF FY25 OPERATING BUDGET

Description

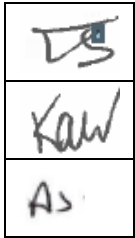
Seeking approval of the Planning Department's FY25 Proposed Budget funding and staffing levels.

Completed: 11-9-2023

MCPB
Item No. 5
11-16-2023

Montgomery County
Planning Board
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Summary:

- The Planning Department is seeking approval of its FY25 Proposed Budget funding and staffing levels.
- The FY25 Operating Budget request is \$27,079,364, which is an increase of \$2,134,623, or 8.6%, over the FY24 Adjusted Adopted budget.

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SECTION 1: BACKGROUND

BACKGROUND

The Planning Department had its first FY25 operating budget work session with the Planning Board on October 19, 2023. Since the October work session, the Planning Department has received new information regarding the increase in pension costs and has made a few changes to our proposed budget. The Planning Department's updated **FY25 Proposed Budget request is \$27,079,364**, which is an **increase of \$2,134,623, or 8.6%**, over the FY24 Adjusted Adopted budget.

Of this increase, **\$962,370 or 3.9% covers known salary and benefits changes**. The annualization of the FY24 merit and COLA plus health benefits is a \$470,788 or 1.9% increase. In early November, the Commission received the actuarial report indicating the Planning Department's pension increase is a \$491,582 or 2% increase over the total FY24 Adjusted Adopted budget.

Since the October 19th Planning Board meeting, the Planning Department made an adjustment of \$20,000 made to the Base Budget - Major Known Commitments request as it was determined that the Climate Assessment Quantitative Tool Update was incorrectly listed as a new initiative. The Planning Department is required by Bill 3-22, "Climate Assessments," to review and update the assessment template as needed at least every two years. As such, the \$20,000 new initiative request was moved to Major Known Commitments.

In the packet for the October 19th meeting, the Chargebacks to Development Review – Special Revenue Fund (DR-SRF) was listed as TBD. The chargebacks from the operating budget to the DR-SRF are (-\$240,463) for FY24 merit and COLA increases and an additional (-\$204,461) as an offsetting chargeback for portions of three of the new positions requested that, if approved, will perform work associated with Development Review. These chargebacks decrease the funds requested for Montgomery Planning's operating budget and increase the expense budget for the DR-SRF. The bulk of revenue to the DR-SRF comes from development application fees but this is often not enough to cover the chargebacks. The DR-SRF receives a transfer from the Administration Fund to cover expenses not covered by fees. For FY25, the Planning Department is requesting to **increase the transfer from the Administration Fund to the DR-SRF by \$450,000** bringing the total transfer to \$950,000. More information is provided in Attachment D - FY25 Special Revenue Funds – Synopsis Description.

The Planning Department prepared our budget request including new initiatives/critical needs we believe are essential for our expanding and evolving work program to plan for the future of Montgomery County. These **one-time new initiatives total \$645,000, an increase of 2.6%** over the FY24 Adopted Budget.

As mentioned at the October 19th meeting, the Planning Department's one-time initiatives are tied to our work program. In the past, the new requested amount was offset by the previous year's one-time funding. For the five years prior to the pandemic (FY16-20), the Planning Dept's one-time initiatives annual appropriation averaged \$700,000 per year ranging between \$425,000-\$835,000 (2-4% of the total budget). However, the past four years have been very lean regarding one-time new initiatives due

to the pandemic. The approved amount for one-time initiatives averaged \$325,000 per year and ranged between \$640,000 (2.7%) in FY23 to just \$90,000 (0.4%) this past year in FY24.

For FY25, the Planning Department is requesting \$645,000 in new initiatives. If the FY24 appropriation for one-time initiatives was the pre-pandemic average of \$700,000, there would be savings in the one-time initiatives. However, there was only \$90,000 from FY24 to offset the new requests.

In addition, the Planning Department is requesting **\$680,517 or 2.7% for on-going new initiatives**, the majority of which is for personnel initiatives to address:

1. On-going work program needs currently filled by unbudgeted temporary staff and part-time staff.
2. Rightsizing divisions with a growing work program due to increased development applications and to support expediting the Development Review process.
3. Supporting the department’s growing work program related to addressing climate change and placemaking initiatives.

As stated above, the Planning Department’s updated **FY25 Proposed Budget request is \$27,079,364**, which is an **increase of \$2,134,623, or 8.6%**, over the FY24 Adjusted Adopted budget. A question was raised at the October 19th work session whether an increase of this magnitude was in line with requests from previous years. The chart below shows the proposed percent increase from FY18-23. The top row shows the total increase. The bottom row shows the increase without the one-time reduction to give a perspective on the impact of the low FY24 one-time initiatives.

| % Proposed Budget Increase FY25-FY18 – With and Without the One-Time Initiatives Reduction | | | | | | | | |
|--|---------|----------|----------|----------|----------|----------|----------|----------|
| | FY25 | FY24 | FY23 | FY22 | FY21 | FY20 | FY19 | FY18 |
| Total % Increase | 8.6% | 7.5% | 5.4% | 5.8% | 3.4% | 1.6% | 1.9% | 0.4% |
| One-time Initiatives Reduction | (\$90K) | (\$640K) | (\$350K) | (\$245K) | (\$715K) | (\$425K) | (\$760K) | (\$787K) |
| % Increase Without One-time Initiatives Reduction | 8.9% | 10.2% | 7.0% | 9.4% | 6.9% | 6.2% | 6.8% | 6.7% |

While an 8.6% total increase is the highest the Planning Department has requested in the past 8 years, it also has the lowest offsetting one-time initiatives reduction. Taking the one-time initiatives out, the FY25 request is the 3rd highest percent increase over that period and is not significantly out of proportion for the remaining years. This shows the impact of receiving a low one-time initiatives amount in FY24 on the FY25 request.

The Planning Department is requesting to add a new plan, the **Bethesda Downtown Minor Master Plan Amendment**, to the work program for FY25. **No funds are requested** for this plan.

Description - The 2017 Bethesda Downtown Sector Plan limited total development in the plan to 32.4 million square feet. Once development reaches 30.4 million square feet, the plan recommends a reassessment of progress toward implementation of transportation and park recommendations and an exploration of any necessary actions to be taken in service of that implementation. The success of the

innovative plan recommendations has exceeded expectations and 30.4 million square feet. The Bethesda Downtown Plan Minor Master Plan Amendment will be that reassessment and exploration.

The Minor Master Plan Amendment will endeavor to provide a measure of confidence to both residents and the development community that the public infrastructure and amenity improvements recommended by the plan are being implemented in a timely and economical fashion and that development consistent with the goals and recommendations of the plan may continue. Planning Department staff will complete the Minor Master Plan and no consultant funding will be required.

Section 2 of this memo includes information about the Planning Department's FY24 proposed lapse and staffing levels, fees and revenues, and special revenue funds.

Section 3 contains the following attachments for your reference.

| Attachment | | Pages |
|------------|---|-------|
| A | FY25 Budget Summary Chart with New Initiatives List | 9 |
| B | FY25 Proposed Expenditure Budget by Division | 10-12 |
| C | FY25 Proposed Positions/Workyears by Division | 13-14 |
| D | FY25 Special Revenue Funds – Synopsis Description | 15-16 |
| E | FY25 Master Plan and Major Projects Schedule | 17 |

SECTION 2: FY25 LAPSE, FEES/REVENUES, AND SPECIAL REVENUE FUNDS

FY25 LAPSE AND STAFFING

In FY23, the Planning Department budgeted lapse rate was 4.5%. For FY24, the lapse rate was increased to 5.5% to both reflect the reality of the department's vacancy rate and to provide a reduction to meet the County Executive's recommendation and the County Council's approved budget. The 5.5% lapse is based on the FY24 adopted budgeted staffing level of 151 positions (149.60 workyears) which includes 141.37 funded workyears, 8.23 lapsed workyears and one unfunded position.

As presented at the October 19, 2023, Planning Board meeting, the Planning Department is requesting the following new positions or funding for existing positions in the FY25 proposed budget to:

- A. Address on-going work program needs currently filled by unbudgeted temporary staff or part-time staff.
Requesting: 1) 0.75 wy Seasonal Staff; 2) 0.2 wy Convert PT to FT; 3) 1.0 wy Fill Frozen Position
- B. Address rightsizing divisions with a growing work program due to development applications and to support expediting the Development Review process.
Requesting: 4) 1.0 wy Planning Supervisor; 5) 1.0 wy Planner I; 6) 1.0 wy Planner I
- C. Support the growing work program addressing climate change and placemaking initiatives.
Requesting: 7) 1.0 wy Planner IV; 8) 1.0 wy Planner III

FEE AND REVENUE ESTIMATES

The majority of the Department's budget is tax supported, funded through the Administration Fund. There are also revenues received through charges for services, fees for materials and established Special Revenue Funds.

The Department anticipates receiving \$220,000 from service charges and other program fees in FY25.

WATER QUALITY PROTECTION FUND (WQPF) APPROPRIATION

The Department also receives an appropriation in revenue from the Water Quality Protection Fund (WQPF) to offset costs that will be incurred in FY25 to provide specific activities consistent with the intent of the WQPF such as compliance with National Pollutant Discharge Elimination System (NPDES) permit requirements.

For FY25, the Department is requesting an increase of \$31,465 (a 7% increase) for an overall appropriation of \$480,970 to cover the FY24 compensation increases. An increase for FY24 compensation was not included in the FY24 budget request due to the uncertainty of the compensation request being approved.

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds from specific revenue sources restricted for a designated purpose. The Special Revenue Fund summary is comprised of several different funds within the Parks and Planning Departments.

Each special revenue fund budget includes proposed revenues, expenditures, and fund balances. Special Revenue Fund balances are shown separately from the tax supported funds to avoid confusing the resources of one fund type with another.

The Special Revenue Fund summary has an estimated beginning balance of \$3,320,268. The proposed FY25 budget reflects revenues of \$3,139,000, expenditures of \$4,933,988, and an ending balance of \$2,475,280. This includes a \$950,000 transfer from the Administration Fund to the DR-SRF for FY25.

The largest, or most notable, special revenue fund is the Development Review Special Revenue Fund (DR-SRF) which was created to collect fees generated from the submission of development applications. Staff time spent reviewing development applications is charged back from the Administration Fund to the DR-SRF.

The DR-SRF was created to collect fees generated from the submission of development applications. A certain portion of the costs associated with the review of plans may be recovered through fees. Treating this portion separately from the remainder of the Planning Department's budget served to reduce pressure on both the Administration Fund and the Spending Affordability Guidelines. Costs have been defined broadly to reflect not only the time spent by reviewers in the analysis of development applications, but also additional support costs associated with administrative and tech team staff, public information staff, legal staff, and a certain portion of other support services, such as technology support and GIS. Revenues are defined as the fees received for record plats, preliminary plans of subdivisions, administrative subdivisions, sketch plans, project plans, and site plans and amendments to those plans.

For FY25 the Planning Department is proposing to increase the chargeback to the DR-SRF by \$472,840. This includes chargeback increases of \$15,588 from the Legal Department and \$12,148 from the Finance Department for their services. The Planning Department is proposing an increase of \$240,463 (7%) to cover the FY24 compensation increases which were not included in the FY24 budget request due to the uncertainty of the compensation request being approved. An additional chargeback of \$204,461 and 1.7 wy is proposed to cover a portion of three of the new positions requested in FY25 that, if approved, will perform work associated with Development Review. The 1.7 workyear associated with this chargeback are the proposed Planning Supervisor (0.3wy), Upcounty Planner I (0.5wy) and Intake Planner I (0.9 wy). If any or all of these positions are not approved, the corresponding chargeback and workyear will not be included in the DR-SRF.

The Department has traditionally requested a transfer from the Administration Fund into the DR-SRF in recognition of the fact that revenues may not cover the costs of our review efforts. This transfer has historically been in the range of \$300,000 to \$1,700,000 each year. The fund did not perform well in FY20

and FY21 which depleted some of the gains from previous years. The transfer from the Administration Fund to the DR-SRF fund in FY22 and FY23 was \$500,000 per year. The Planning Department proposes to continue the \$500,000 transfer from the Administration Fund to the DR-SRF again for FY25 and to increase the transfer by \$450,000 to a total of \$950,000 cover increases in the proposed FY25 chargebacks.

The chart below shows the FY25 proposed revenues and expenditures for the Special Revenue Fund. A synopsis description of the special revenue funds included in the FY25 proposed budget are in Attachment D on pages 15-16 .

| Planning Department FY25 Special Revenue Fund Summary | *FY25 Estimated beginning balance | FY25 Proposed Revenue | FY25 Proposed Expenditures | FY25 Projected Ending Balance |
|--|--|--------------------------------------|---|--|
| Environmental/Forest Conservation Penalties | \$38,742 | \$9,100 | \$47,000 | \$842 |
| Development Review SRF | \$2,019,202 | \$2,628,200 | \$4,166,388 | \$481,014 |
| Forest Conservation Fund | \$1,262,323 | \$501,700 | \$720,600 | \$1,043,423 |
| Total Before Transfer In | \$3,320,267 | \$3,139,000 | \$4,933,988 | \$1,525,279 |
| DR-SRF Transfer In | | \$950,000 | | \$950,000 |
| Total after Transfer In | \$3,320,267 | \$4,089,000 | \$4,933,988 | \$2,475,280 |

Note: * Estimated Beginning FY25 balance is the estimated FY24 Year-end balance

SECTION 3: ATTACHMENTS

ATTACHMENT A - FY25 BUDGET SUMMARY CHART WITH NEW INITIATIVES LIST

| MONTGOMERY COUNTY PLANNING DEPARTMENT PRELIMINARY FY25 OPERATING BUDGET REQUEST | | | % Change |
|---|--|----------------------------|---------------------|
| | FY24 Adopted Adjusted Budget | \$24,944,741 | |
| <i>FY25 BASE BUDGET CHANGES</i> | | | |
| | Salaries and Benefits * | \$962,370 | 3.9% |
| | CPI Increase for Contracts and Supplies | \$84,788 | |
| | Adjustment - Legal Chargeback, Risk Management, Long Term Disability | \$36,967 | |
| | Major Known Commitments | (\$5,000) | |
| | Chargebacks to Development Review - Special Revenue Fund (DR-SRF) | (\$240,463) | |
| | Adjustments in Departmental Chargebacks to CIO and Commission Wide IT | \$60,444 | |
| | Subtotal - Base Budget Changes | <u>\$899,106</u> | <u>3.6%</u> |
| <i>Less: FY24 One Time consulting funding</i> | | (\$90,000) | <u>-0.4%</u> |
| <i>New Initiatives/New Funding Request for FY25 (One Time)</i> | | | |
| | Georgia Avenue Corridor Plan | \$155,000 | |
| | Friendship Heights Sector Plan | \$50,000 | |
| | Mapping Segregation Phase 2 | \$150,000 | |
| | Burial Sites Context Study | \$65,000 | |
| | Regional Travel Demand Model Update and Validation | \$100,000 | |
| | Parking Lot Design Study | \$125,000 | |
| | Subtotal - Proposed One Time Changes | <u>\$645,000</u> | <u>2.6%</u> |
| <i>New Initiatives/New Funding Request for FY25 (On Going)</i> | | | |
| | Placemaking Expansion | \$37,000 | |
| | Seasonal Staff - Learning Management System (LMS) Administrator | \$37,000 | |
| | Convert Part Time Position to Full Time Position - Planner III - Adequate Public Facilities | \$23,584 | |
| | New Positions | | |
| | Funding and Workyear - Planner I - Transportation Network | \$111,176 | |
| | Position, Funding and Workyear - Planning Supervisor - Upcounty Planning** | \$163,316 | |
| | Position, Funding and Workyear - Planner I - Upcounty Planning** | \$111,176 | |
| | Position, Funding and Workyear - Planner I - Intake Reviewer** | \$111,176 | |
| | <i>Offsetting chargebacks for above 3 positions to Development Review Special Revenue Fund**</i> | (\$204,641) | |
| | Position, Funding and Workyear - Planner IV - Climate Initiatives | \$150,739 | |
| | Position, Funding and Workyear - Planner III -Placemaking, Design & Implementation Specialist | \$139,991 | |
| | Subtotal - Proposed - On Going | <u>\$680,517</u> | <u>2.7%</u> |
| <i>Total New Initiatives/New Funding Request for FY25</i> | | <u>\$1,325,517</u> | <u>5.3%</u> |
| Net Change from FY24 Adopted to FY25 Proposed Budget | | <u>\$2,134,623</u> | <u>8.6%</u> |
| *FY25 Proposed Budget | | <u>\$27,079,364</u> | |
| Transfer Increase from Administration Fund to DR-SRA ** | | <u>\$450,000</u> | |
| Notes: | | | |
| * Salary and Benefits total doesn't include compensation marker or OPEB. They are budgeted in the Administration Fund's non-dept account. | | | |
| ** New positions will perform work associated with Development Review. A portion of each wy is charged back to the DR-SRF including Upcounty Planning Supervisor (0.3wy), Upcounty Planner I (0.5wy) and Intake Planner I (0.9wy) | | | |
| *+ Increase transfer from Admin Fund to DR-SRF of \$450,000 for base budget increase and a percentage of 3 new positions. The current budget transfer = \$500,000. Adding \$450,000 brings the total transfer request to \$950,000. | | | |

ATTACHMENT B – FY25 PROPOSED EXPENDITURE BUDGET BY DIVISION

**MONTGOMERY COUNTY ADMINISTRATION FUND
Expenditures by Division by Type
PROPOSED BUDGET FISCAL YEAR 2025**

| | FY 23 Actual | FY 24 Adopted | FY 24 Adjusted Adopted | FY 24 Estimate | FY 25 Proposed | % Change |
|--|------------------|------------------|------------------------------|-------------------|-------------------|--------------|
| Planning Department | | | | | | |
| Office of The Planning Director | | | | | | |
| Personnel Services | 1,282,136 | 1,467,586 | 1,529,781 | 1,529,781 | 1,823,978 | 19.2% |
| Supplies and Materials | 7,493 | 7,500 | 7,500 | 7,500 | 7,500 | 0.0% |
| Other Services and Charges | 274,835 | 156,500 | 156,500 | 156,500 | 213,500 | 36.4% |
| Capital Outlay | - | - | - | - | - | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - |
| Total | 1,564,464 | 1,631,586 | 1,693,781 | 1,693,781 | 2,044,978 | 20.7% |
| Management Services | | | | | | |
| Personnel Services | 1,212,415 | 1,158,379 | 1,200,188 | 1,200,188 | 1,377,465 | 14.8% |
| Supplies and Materials | 480 | 2,500 | 2,500 | 2,500 | 2,500 | 0.0% |
| Other Services and Charges | 8,778 | 10,950 | 10,950 | 10,950 | 10,950 | 0.0% |
| Capital Outlay | - | - | - | - | - | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - |
| Total | 1,221,673 | 1,171,829 | 1,213,638 | 1,213,638 | 1,390,915 | 14.6% |
| Communications Division | | | | | | |
| Personnel Services | 1,312,625 | 1,383,925 | 1,431,275 | 1,431,275 | 1,620,475 | 13.2% |
| Supplies and Materials | 42,493 | 16,500 | 16,500 | 16,500 | 16,500 | 0.0% |
| Other Services and Charges | 479,756 | 375,960 | 375,960 | 375,960 | 397,160 | 5.6% |
| Capital Outlay | - | - | - | - | - | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - |
| Total | 1,834,874 | 1,776,385 | 1,823,735 | 1,823,735 | 2,034,135 | 11.5% |
| Information Technology and Innovation | | | | | | |
| Personnel Services | 2,212,140 | 2,675,011 | 2,761,277 | 2,761,277 | 3,046,797 | 10.3% |
| Supplies and Materials | 295,232 | 321,090 | 321,090 | 321,090 | 321,090 | 0.0% |
| Other Services and Charges | 1,349,339 | 1,469,278 | 1,469,278 | 1,469,278 | 1,257,500 | -14.4% |
| Capital Outlay | 154,411 | - | - | - | 75,000 | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - |
| Total | 4,011,122 | 4,465,379 | 4,551,645 | 4,551,645 | 4,700,387 | 3.3% |
| Research and Strategic Projects | | | | | | |
| Personnel Services | 928,200 | 961,662 | 999,288 | 999,288 | 1,091,014 | 9.2% |
| Supplies and Materials | 168 | 750 | 750 | 750 | 773 | 3.1% |
| Other Services and Charges | 152,005 | 122,975 | 122,975 | 122,975 | 125,894 | 2.4% |
| Capital Outlay | - | - | - | - | - | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - |
| Total | 1,080,372 | 1,085,387 | 1,123,013 | 1,123,013 | 1,217,681 | 8.4% |

MONTGOMERY COUNTY ADMINISTRATION FUND
Expenditures by Division by Type
PROPOSED BUDGET FISCAL YEAR 2025

| | FY 23 Actual | FY 24 Adopted | FY 24 Adjusted Adopted | FY 24 Estimate | FY 25 Proposed | % Change |
|---|------------------|------------------|------------------------------|-------------------|-------------------|--------------|
| Downcounty Planning | | | | | | |
| Personnel Services | 2,041,753 | 2,251,976 | 2,338,633 | 2,338,633 | 2,363,606 | 1.1% |
| Supplies and Materials | 1,132 | 5,000 | 5,000 | 5,000 | 5,000 | 0.0% |
| Other Services and Charges | 215,993 | 15,600 | 15,600 | 15,600 | 66,100 | 323.7% |
| Capital Outlay | - | - | - | - | - | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | (639,400) | (624,578) | (624,578) | (624,578) | (668,299) | 7.0% |
| Total | 1,619,477 | 1,647,998 | 1,734,655 | 1,734,655 | 1,766,407 | 1.8% |
| Midcounty Planning | | | | | | |
| Personnel Services | 2,653,993 | 2,842,097 | 2,951,598 | 2,951,598 | 3,032,345 | 2.7% |
| Supplies and Materials | 1,921 | 1,250 | 1,250 | 1,250 | 1,800 | 44.0% |
| Other Services and Charges | 352,417 | 68,800 | 68,800 | 68,800 | 143,200 | 108.1% |
| Capital Outlay | - | - | - | - | - | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | (731,600) | (624,578) | (624,578) | (624,578) | (668,299) | 7.0% |
| Total | 2,276,732 | 2,287,569 | 2,397,070 | 2,397,070 | 2,509,046 | 4.7% |
| Upcounty Planning | | | | | | |
| Personnel Services | 2,943,126 | 2,940,564 | 3,043,219 | 3,043,219 | 3,400,424 | 11.7% |
| Supplies and Materials | 7,384 | 2,500 | 2,500 | 2,500 | 2,500 | 0.0% |
| Other Services and Charges | 119,977 | 57,100 | 57,100 | 57,100 | 17,100 | -70.1% |
| Capital Outlay | - | - | - | - | - | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | (698,900) | (702,650) | (702,650) | (702,650) | (856,419) | 21.9% |
| Total | 2,371,587 | 2,297,514 | 2,400,169 | 2,400,169 | 2,563,605 | 6.8% |
| Intake and Regulatory Coordination | | | | | | |
| Personnel Services | 2,367,177 | 2,405,883 | 2,493,820 | 2,493,820 | 2,656,949 | 6.5% |
| Supplies and Materials | 8,686 | 8,500 | 8,500 | 8,500 | 9,505 | 11.8% |
| Other Services and Charges | 13,795 | 21,400 | 21,400 | 21,400 | 20,900 | -2.3% |
| Capital Outlay | - | - | - | - | - | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | (1,201,700) | (1,483,374) | (1,483,374) | (1,483,374) | (1,687,267) | 13.7% |
| Total | 1,187,959 | 952,409 | 1,040,346 | 1,040,346 | 1,000,087 | -3.9% |
| Countywide Planning and Policy | | | | | | |
| Personnel Services | 3,258,646 | 3,404,458 | 3,538,570 | 3,538,570 | 3,682,576 | 4.1% |
| Supplies and Materials | 4,360 | 4,200 | 4,200 | 4,200 | 3,950 | -6.0% |
| Other Services and Charges | 299,704 | 138,000 | 138,000 | 138,000 | 686,300 | 397.3% |
| Capital Outlay | - | - | - | - | - | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - |
| Total | 3,562,710 | 3,546,658 | 3,680,770 | 3,680,770 | 4,372,826 | 18.8% |

MONTGOMERY COUNTY ADMINISTRATION FUND
Expenditures by Division by Type
PROPOSED BUDGET FISCAL YEAR 2025

| | FY 23 Actual | FY 24 Adopted | FY 24 Adjusted Adopted | FY 24 Estimate | FY 25 Proposed | % |
|----------------------------------|--------------------------|-------------------|------------------------------|-------------------|-------------------|-------------|
| | | | | | | Change |
| Support Services | | | | | | |
| Personnel Services | 221,487 | 212,681 | 212,681 | 212,681 | 215,229 | 1.2% |
| Supplies and Materials | 57,974 | 128,100 | 128,100 | 128,100 | 128,100 | 0.0% |
| Other Services and Charges | 2,077,535 | 2,186,801 | 2,186,801 | 2,186,801 | 2,368,964 | 8.3% |
| Capital Outlay | 22,700 | | | | | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | 100,312 | 108,337 | 108,337 | 108,337 | 117,004 | 8.0% |
| Total | <u>2,480,007</u> | <u>2,635,919</u> | <u>2,635,919</u> | <u>2,635,919</u> | <u>2,829,297</u> | <u>7.3%</u> |
| Grants | | | | | | |
| Personnel Services | - | - | - | - | - | - |
| Supplies and Materials | - | - | - | - | - | - |
| Other Services and Charges | 33,993 | 150,000 | 150,000 | 150,000 | 150,000 | 0.0% |
| Capital Outlay | - | - | - | - | - | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - |
| Total | <u>33,993</u> | <u>150,000</u> | <u>150,000</u> | <u>150,000</u> | <u>150,000</u> | <u>0.0%</u> |
| Total Planning Department | | | | | | |
| Personnel Services | 20,433,698 | 21,704,222 | 22,500,330 | 22,500,330 | 24,310,858 | 8.0% |
| Supplies and Materials | 427,322 | 497,890 | 497,890 | 497,890 | 499,218 | 0.3% |
| Other Services and Charges | 5,378,127 | 4,773,364 | 4,773,364 | 4,773,364 | 5,457,568 | 14.3% |
| Capital Outlay | 177,111 | - | - | - | 75,000 | - |
| Other Classifications | - | - | - | - | - | - |
| Chargebacks | (3,171,288) | (3,326,843) | (3,326,843) | (3,326,843) | (3,763,280) | 13.1% |
| Total | <u>23,244,970</u> | <u>23,648,633</u> | <u>24,444,741</u> | <u>24,444,741</u> | <u>26,579,364</u> | <u>8.7%</u> |
| Transfer to DR Special Revenue | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | - |
| | <u>23,744,970</u> | <u>24,148,633</u> | <u>24,944,741</u> | <u>24,944,741</u> | <u>27,079,364</u> | <u>8.6%</u> |

ATTACHMENT C – FY25 PROPOSED POSITIONS/WORKYEARS BY DIVISION

MONTGOMERY COUNTY POSITIONS/WORKYEARS POSITION DETAIL BY DIVISION BY FUND

| | FY 22 Actual | | FY 23 Budget | | FY 24 Adopted | | FY 25 Proposed | |
|---|-----------------|--------------|-----------------|--------------|------------------|--------------|-------------------|--------------|
| | POS | WYS | POS | WYS | POS | WYS | POS | WYS |
| <u>PLANNING DEPARTMENT</u> | | | | | | | | |
| <u>DIRECTOR'S OFFICE</u> | | | | | | | | |
| Full-Time Career | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 8.00 | 8.00 |
| Part-Time Career | - | - | - | - | - | - | - | - |
| Career Total | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 8.00 | 8.00 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - | - | - |
| Less Lapse | - | - | - | - | - | (0.56) | - | - |
| Subtotal Director's Office | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 6.44 | 8.00 | 8.00 |
| <u>MANAGEMENT SERVICES</u> | | | | | | | | |
| Full-Time Career | 9.00 | 9.00 | 9.00 | 9.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| Part-Time Career | 2.00 | 1.60 | 2.00 | 1.60 | - | - | - | - |
| Career Total | 11.00 | 10.60 | 11.00 | 10.60 | 8.00 | 8.00 | 8.00 | 8.00 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | 0.75 |
| Chargebacks | - | - | - | - | - | - | - | - |
| Less Lapse | - | (2.24) | - | (2.41) | - | (0.46) | - | - |
| Subtotal Management Services | 11.00 | 8.36 | 11.00 | 8.19 | 8.00 | 7.54 | 8.00 | 8.75 |
| <u>COMMUNICATIONS DIVISION</u> | | | | | | | | |
| Full-Time Career | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Part-Time Career | - | - | - | - | 1.00 | 0.80 | 1.00 | 0.80 |
| Career Total | 10.00 | 10.00 | 10.00 | 10.00 | 11.00 | 10.80 | 11.00 | 10.80 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - | - | - |
| Less Lapse | - | (0.16) | - | (0.17) | - | (0.54) | - | - |
| Subtotal Communications Division | 10.00 | 9.84 | 10.00 | 9.83 | 11.00 | 10.26 | 11.00 | 10.80 |
| <u>INFORMATION TECHNOLOGY AND INNOVATION</u> | | | | | | | | |
| Full-Time Career | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 | 19.00 | 19.00 |
| Part-Time Career | - | - | - | - | - | - | - | - |
| Career Total | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 | 19.00 | 19.00 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - | - | - |
| Less Lapse | - | (0.68) | - | (0.72) | - | (1.03) | - | (1.34) |
| Subtotal Information Technology & Innovation | 18.00 | 17.32 | 18.00 | 17.28 | 18.00 | 16.97 | 19.00 | 17.66 |
| <u>RESEARCH AND STRATEGIC PROJECTS</u> | | | | | | | | |
| Full-Time Career | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Part-Time Career | - | - | - | - | - | - | - | - |
| Career Total | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - | - | - |
| Less Lapse | - | (0.16) | - | - | - | (0.37) | - | - |
| Subtotal Research & Strategic Projects | 7.00 | 6.84 | 7.00 | 7.00 | 7.00 | 6.63 | 7.00 | 7.00 |
| <u>DOWNCOUNTY PLANNING</u> | | | | | | | | |
| Full-Time Career | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 |
| Part-Time Career | - | - | - | - | - | - | - | - |
| Career Total | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | - |
| Chargebacks | - | (4.71) | - | (4.30) | - | (4.00) | - | (4.00) |
| Less Lapse | - | (0.56) | - | (0.55) | - | (0.85) | - | (1.12) |
| Subtotal Downcounty Planning | 16.00 | 10.73 | 16.00 | 11.15 | 16.00 | 11.15 | 16.00 | 10.88 |

MONTGOMERY COUNTY POSITIONS/WORKYEARS
POSITION DETAIL BY DIVISION BY FUND

| | FY 22 Actual | | FY 23 Budget | | FY 24 Adopted | | FY 25 Proposed | |
|--|-----------------|---------------|-----------------|---------------|------------------|---------------|-------------------|---------------|
| | POS | WYS | POS | WYS | POS | WYS | POS | WYS |
| <u>MIDCOUNTY PLANNING</u> | | | | | | | | |
| Full-Time Career | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Part-Time Career | - | - | - | - | - | - | - | - |
| Career Total | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | - |
| Chargebacks | - | (4.50) | - | (4.92) | - | (4.00) | - | (4.00) |
| Less Lapse | - | (0.90) | - | (0.83) | - | (1.08) | - | (1.42) |
| Subtotal Midcounty Planning | 20.00 | 14.60 | 20.00 | 14.25 | 20.00 | 14.92 | 20.00 | 14.58 |
| <u>UPCOUNTY PLANNING</u> | | | | | | | | |
| Full-Time Career | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 23.00 | 23.00 |
| Part-Time Career | - | - | - | - | - | - | - | - |
| Career Total | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 23.00 | 23.00 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | - |
| Chargebacks | - | (5.80) | - | (4.70) | - | (4.50) | - | (5.30) |
| Less Lapse | - | (0.82) | - | (0.85) | - | (1.12) | - | (1.48) |
| Subtotal Upcounty Planning | 21.00 | 14.38 | 21.00 | 15.45 | 21.00 | 15.38 | 23.00 | 16.22 |
| <u>INTAKE AND REGULATORY COORDINATION</u> | | | | | | | | |
| Full-Time Career | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 | 20.00 | 20.00 |
| Part-Time Career | - | - | - | - | - | - | - | - |
| Career Total | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 | 20.00 | 20.00 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | - |
| Chargebacks | - | (6.99) | - | (8.08) | - | (9.50) | - | (10.40) |
| Less Lapse | - | (0.59) | - | (0.77) | - | (0.92) | - | (1.19) |
| Subtotal Intake & Regulatory Coordination | 19.00 | 11.42 | 19.00 | 10.15 | 19.00 | 8.58 | 20.00 | 8.41 |
| <u>COUNTYWIDE PLANNING AND POLICY</u> | | | | | | | | |
| Full-Time Career | 21.00 | 21.00 | 21.00 | 21.00 | 22.00 | 22.00 | 24.00 | 24.00 |
| Part-Time Career | - | - | - | - | 1.00 | 0.80 | - | - |
| Career Total | 21.00 | 21.00 | 21.00 | 21.00 | 23.00 | 22.80 | 24.00 | 24.00 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | - |
| Chargebacks | - | - | - | - | - | - | - | - |
| Less Lapse | - | (0.51) | - | (0.43) | - | (1.30) | - | (1.68) |
| Subtotal Countywide Planning and Policy | 21.00 | 20.49 | 21.00 | 20.57 | 23.00 | 21.50 | 24.00 | 22.32 |
| <u>TOTAL PLANNING</u> | | | | | | | | |
| Full-Time Career | 148.00 | 148.00 | 148.00 | 148.00 | 148.00 | 148.00 | 155.00 | 155.00 |
| Unfunded Career | 1.00 | - | 1.00 | - | 1.00 | - | - | - |
| Part-Time Career | 2.00 | 1.60 | 2.00 | 1.60 | 2.00 | 1.60 | 1.00 | 0.80 |
| Career Total | 151.00 | 149.60 | 151.00 | 149.60 | 151.00 | 149.60 | 156.00 | 155.80 |
| Term Contract | - | - | - | - | - | - | - | - |
| Seasonal/Intermittent | - | - | - | - | - | - | - | 0.75 |
| Chargebacks | - | (22.00) | - | (22.00) | - | (22.00) | - | (23.70) |
| Less Lapse | - | (6.62) | - | (6.73) | - | (8.23) | - | (8.23) |
| Grand Total Planning Department | 151.00 | 120.98 | 151.00 | 120.87 | 151.00 | 119.37 | 156.00 | 124.62 |

SPECIAL REVENUE FUND

22.00

22.00

22.00

24.2*

* 23.70 wy for Development Review Special Revenue Fund and .5 WY for Forest Conservation Penalty Special Revenue Fund

ATTACHMENT D – FY25 SPECIAL REVENUE FUNDS (SRF) – SYNOPSIS DESCRIPTION

Special Revenue Funds account for the proceeds from specific revenue sources restricted for a designated purpose. The Special Revenue Fund summary is comprised of several different funds within the Parks and Planning Departments. The largest or most notable special revenue fund is Development Review (Planning Department). The FY25 proposed revenue budget is \$3,139,000 and the FY25 proposed expenditure budget is \$4,933,988.

The **Environmental/Forest Conservation Penalty SRF** collects funds from property owners that have received administration citations and administrative civil penalties. By law, the money collected in this fund must be used to administer the program. Funds have been used to reimburse hearing examiners used in violation cases, obtain transcripts for appeals, planting of new trees and forests, and obtaining equipment and training necessary for the forest conservation inspectors to perform their duties.

The **Development Review SRF** was created to collect fees generated from the submission of development applications. A certain portion of the costs associated with the review of plans may be recovered through fees. Treating this portion separately from the remainder of the Planning Department's budget served to reduce pressure on both the Administration Fund and the Spending Affordability Guidelines. Costs have been defined broadly to reflect not only the time spent by reviewers in the analysis of development applications, but also additional support costs associated with administrative and tech team staff, public information staff, legal staff, and a certain portion of other support services, such as technology support and GIS. Revenues are defined as the fees received for record plats, preliminary plans of subdivisions, administrative subdivisions, sketch plans, project plans, and site plans and amendments to those plans.

For FY25 the Planning Department is proposing to increase the chargeback to the DR-SRF by \$472,840. This includes chargeback increases of \$15,588 from the Legal Department and \$12,148 from the Finance Department for their services. The Planning Department is proposing an increase of \$240,463 (7%) to cover the FY24 compensation increases which were not included in the FY24 budget request due to the uncertainty of the compensation request being approved. An additional chargeback of \$204,461 and 1.7 wy is proposed to cover a portion of three of the new positions requested in FY25 that, if approved, will perform work associated with Development Review. The 1.7 workyear associated with this chargeback are the proposed Planning Supervisor (0.3wy), Upcounty Planner I (0.5wy) and Intake Planner I (0.9 wy). If any or all of these positions are not approved, the corresponding chargeback and workyear will not be included in the DR-SRF.

The Department has traditionally requested a transfer from the Administration Fund into the DR-SRF in recognition of the fact that revenues may not cover the costs of our review efforts. This transfer has historically been in the range of \$300,000 to \$1,700,000 each year. The fund did not perform well in FY20 and FY21 which depleted some of the gains from previous years. The transfer from the Administration Fund to the DR-SRF fund in FY22 and FY23 was \$500,000 per year. The Planning Department proposes to continue the \$500,000 transfer from the Administration Fund to the DR-SRF again for FY25 and to

increase the transfer by \$450,000 to a total of \$950,000 cover increases in the proposed FY25 chargebacks.

The **Forest Conservation SRF** was created in response to the implementation of the Montgomery County Forest Conservation Law. This fund was created to allow developers to pay into a fund in lieu of finding an off-site location to meet the forest planting requirements. Developers using the fund must pay for reforestation. Funds are used to meet the reforestation obligations that developers pass onto M-NCPPC through the planting of new forests, maintenance of planted forests and planting urban canopy trees. Funds are occasionally used as leverage to help secure grants from the Maryland Department of Natural Resources and other organizations to enable additional forest planting and habitat restoration. In 2020, the Planning Department consolidated and expanded the planting programs under the Reforest Montgomery umbrella. By leveraging relationships with the Montgomery County Department of Parks, nurseries, non-profit organizations and private land owners, the Forest Conservation SRF is being used to: meet the forest planting obligations passed from applicants to the Planning Department through an in-lieu fee payment; provide free shade trees, on a limited basis, to private property owners within priority funding areas; fund a \$50 rebate coupon for trees purchased from participating nurseries; plant conservation easements that never contained forest; and partner with organizations in the county to create new forests on private land.

The **Traffic Mitigation SRF** was set up to support the regulatory process to ensure compliance with traffic mitigation agreements that were Planning Board requirements for certain approved developments. Revenues were received from developers on an annual basis. This account was designated to pay for the independent monitoring of traffic mitigation agreements and to ensure that each achieves and maintains its trip reduction goal. Audits were conducted by a consultant hired by the Planning Department. Since adoption of Bill 36-18 in 2019, traffic mitigation has been handled differently in the county through Montgomery County Department of Transportation. The Planning Department does not anticipate any new traffic mitigation agreements adding revenue to this SRF. When all the current agreements are completed, this SFR will be closed.

The **Historic Preservation SRF** was originally established to manage funds derived from the annual contract between Montgomery County and the Planning Department to partially fund staff support to the Montgomery County Historic Preservation Commission (HPC) and other activities. The support was phased out in FY15. The historic preservation special revenue fund remained in place as a source of funding for grant projects and sale of publications. Beginning in FY21, Historic Preservation grants are tracked through the Commission's grant tracking software in the operating budget. The proceeds from the sale of publications are also recorded in the operating budget. When the current encumbrances are completed, this SRF will be closed.

SECTION 4: SUMMARY AND NEXT STEPS

SUMMARY

The Planning Department has put great thought into preparing the FY25 Proposed Budget. Staff is mindful of the cost pressures facing the County as well as the concerns of residents in terms of the importance of excellent planning, communication, and outreach. The FY25 budget request shows our commitment to continue to provide the best services possible to County residents with an 8.6% increase for our base budget and new initiatives.

NEXT STEPS

| | |
|--|-------------------|
| Full Commission approves the FY25 Proposed Budget Resolution | December 20, 2023 |
| M-NCPPC submits Proposed Budget in Brief according to statutory mandate to County Executive and County Council | January 15, 2024 |
| County Executive makes recommendations | March 15, 2024 |
| County Council hold Public Hearings on budget | April 2024 |
| County Council Reviews M-NCPPC Budget | April & May 2024 |
| Montgomery and Prince George's County Councils Meet | May 2024 |
| County Councils Adopt Budget | May 2024 |