


**M E M O R A N D U M**

January 26, 2018

TO: County Council

FROM: Stephen B. Farber, Council Administrator 

SUBJECT: **Introduction/Suspension of Rules/Action:  
Resolution to Approve the FY18 Savings Plan**

On January 2, 2018 the County Executive proposed a FY18 savings plan in two parts. One part included \$60.7 million in operating budget savings. See ©1-15. (The corrected amount is \$58.7 million.) The other part included \$13.5 million in capital budget current revenue savings. See ©16-34.

**The Council's six Committees have reviewed all elements of the Executive's proposal. Their recommendations for FY18 savings are now before the Council for action. The Committees recommend \$53.3 million in operating budget savings and \$9.3 million in capital budget current revenue savings. See the table on ©35-47C for details.**

**Background**

In past years the Council and Executive have frequently collaborated on mid-year savings plans to address revenue shortfalls. For example, in FY08 and FY09 the Council approved savings plans of \$33.2 million and \$33.0 million, respectively. In FY10 the Council approved two savings plans, the first for \$29.7 million and the second, required by a severe revenue decline during the Great Recession, for \$69.7 million. The FY11 savings plan was for \$32.3 million. The most recent savings plan, approved at the start of FY16, was for \$54.2 million. **Any element of a savings plan, whether proposed by the Executive or by the Council, may be implemented only if both agree.**

The Executive has proposed the FY18 savings plan to address an apparent FY18 budget gap of \$120 million. This gap consists of FY18 revenues that are currently projected to be \$95 million lower than anticipated and a \$25 million budget shortfall from FY17. There is also a currently projected shortfall of \$86 million in FY19 revenue, quite apart from additional expenditure pressures.

**Given the current strength of the County economy, including low unemployment and solid employment growth, as well as the surging stock market, these projections are surprising.<sup>1</sup> One factor may be changes in taxpayer behavior associated with the potential (and now actual) changes in the federal tax code.**

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<sup>1</sup> See [http://montgomerycountymd.granicus.com/MetaViewer.php?view\\_id=169&clip\\_id=14187&meta\\_id=147384](http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&clip_id=14187&meta_id=147384) for the packet on the Council's fiscal plan update on December 12, 2017.

## The Fiscal Context

**The proposed savings plan reflects the proactive approach to revenue shortfalls that the Council and Executive have historically taken.** The issues now before us, of course, are not on the scale of the daunting challenges of the Great Recession. In those years, budget shortfalls in the hundreds of millions of dollars required a combination of workforce reductions (the County government workforce fell from about 10,000 to about 9,000 FTEs), pay freezes, furloughs, and tax increases. In 2010 the Council and Executive jointly developed a rigorous approach to reserve and fiscal policy that preserved the County's AAA bond rating – a rating the County has held since 1973, which we understand is the longest run of any county in the nation – and has continued to reinforce the County's fiscal strength.<sup>2</sup> This consistently strong financial management is one of the qualities that led Amazon to include the County in the elite group of 20 jurisdictions in its search for a second headquarters.

**A proactive approach to the current revenue shortfall also makes sense because of current fiscal unknowns.** Hopefully the next large State distribution of County income tax revenue, due in three weeks, will counteract the surprising \$80 million shortfall in the large November distribution, but the reverse could also occur. The same is true for other County revenues that have fallen below projection.

**Another key unknown is the impact of the new federal tax law on State and County revenue (and for that matter, on federal revenue).** A report issued by the Comptroller on January 25 provides a preliminary assessment, subject to further analysis of the many complex factors involved.<sup>3</sup> One initial finding is that Maryland General Fund revenue could increase by \$28.7 million in FY18 and \$392.5 million in FY19, with related effects for counties. The Council is scheduled to discuss the issues raised in the report on February 5.

On January 25 Governor Hogan proposed legislation to address the loss of itemized deductions on State returns that could affect some taxpayers. Legislators previously introduced bills dealing with the impact of changes in the federal tax law's approach to personal exemptions, the deductibility of state and local taxes, and the estate tax. Adjustments to the Maryland tax code may not take final shape until Sine Die on April 9, if then. The full effect of those adjustments for State revenue in FY18, FY19, and future years will not be clear until much later. Since the County income tax rate is 3.2 percent of Maryland taxable income, the same uncertainty applies to County revenue. This uncertainty poses a challenge for the Executive's transmittal of the FY19 recommended County operating budget on March 15 and for the Council's final FY19 budget action on May 24.

**Another unknown is the possibility of a more protracted federal government shutdown on February 9 or later.** This month's shutdown was brief, but the deep divisions on immigration policy underlying it could well persist. A report issued by the Fuller Institute on January 22 concludes that "a three-week shutdown would decrease Gross Regional Product by an estimated 0.26 percent, and each ensuing week would add nearly 0.1 percent to the loss."<sup>4</sup> The consequences for federal employees, contractors, and the regional economy would be serious.

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<sup>2</sup> See [http://www.montgomerycountymd.gov/council/resources/files/res/2011/20111129\\_17-312.pdf](http://www.montgomerycountymd.gov/council/resources/files/res/2011/20111129_17-312.pdf) for the Council's November 29, 2011 resolution, which updated the original resolution of June 29, 2010. In addition, see [http://montgomerycountymd.granicus.com/MetaViewer.php?view\\_id=169&clip\\_id=13108&meta\\_id=134851](http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&clip_id=13108&meta_id=134851) for the packet on the FY18 operating budget overview. The packet includes links to key fiscal documents from the most difficult years of the Great Recession, FY10-12, and the subsequent years of slow recovery.

<sup>3</sup> See [http://comptroller.marylandtaxes.gov/Media\\_Services/2018/01/25/comptroller-releases-report-on-impact-of-federal-tax-reform/](http://comptroller.marylandtaxes.gov/Media_Services/2018/01/25/comptroller-releases-report-on-impact-of-federal-tax-reform/).

<sup>4</sup> See [http://sfullerinstitute.gmu.edu/wp-content/uploads/2018/01/SFI\\_Shutdown\\_012218.pdf](http://sfullerinstitute.gmu.edu/wp-content/uploads/2018/01/SFI_Shutdown_012218.pdf).

### **Committee Recommendations**

Many elements of the proposed savings plan involve increased lapse in filling positions, reduced operating expense, or normal delays in implementing projects or programs. The Committees have declined to support elements that have significant service impacts.

**Committee recommendations to the Council are outlined in the table on ©35-47C.** The table shows the Executive's and the Committees' reductions in adjacent columns. It also includes for each item the location of background information from the Committee packets prepared by our analysts. The Committee Chairs will present the Committee recommendations.

**A draft approval resolution for the FY18 savings plan** starts on ©210. The text will be updated as needed to reflect the Council's decisions on January 30. Provision 2 in the action clause states in part: "Any budget savings plan or similar action is subject to review and approval by the Council." This provision is excerpted from Provision 53 of Resolution No. 18-823, the FY18 operating budget approval resolution for County Government. The provision reflects the Council's intent to assure that its annual decisions on County Government expenditures in the approved operating budget are fully implemented – neither reduced nor exceeded – unless the Council and Executive agree on changes.

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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

January 2, 2018

TO: Hans Riemer, Council President

FROM: Isiah Leggett, County Executive *Timothy L. Fipertine (for)*

SUBJECT: FY18 Savings Plan

Attached please find my Recommended FY18 Savings Plan for Montgomery County government and the other tax-supported County agencies to help close the \$120 million gap we are facing in our Fiscal Year 2018 operating budget. The attached plan identifies savings of approximately \$60 million from the FY18 operating budget, and approximately \$13 million in current revenue savings from the FY17-22 Capital Improvements Program (CIP). As discussed during our recent briefing on the Fiscal Plan to Council, this shortfall is not a projected shortfall, but rather a real loss of income tax revenue, and therefore we must reduce expenditures to close the budget gap.

Please keep in mind that if this gap is not closed now in FY18, it will place the current budget further out of balance and exacerbate an already difficult FY19. As difficult as the reductions in the attached savings plan may be, additional reductions or savings in FY18 will be necessary to close the \$120 million gap. Executive staff continue to find possible solutions (all of which will be very difficult). I will keep the Council apprised of these measures. I remain committed to submitting an FY19 Recommended Operating Budget that maintains our agreed to reserve levels and ensures our long-term fiscal stability. To do so requires many difficult choices.

Based on updated estimates from the Department of Finance, FY18 revenues are projected to be \$95 million lower than originally anticipated. This shortfall is driven primarily by lower than expected income tax revenues, though we are also experiencing lower than projected revenues from the energy tax and transfer and recordation taxes. The November income tax distribution from the State of Maryland was approximately \$80 million lower than anticipated, and estimates for future distributions have been revised downward as well. We must also recognize a \$25 million budget shortfall from FY17 which increases the FY18 gap to \$120 million.

Despite indicators that suggest strong economic growth, change in taxpayer behavior in the context of proposed changes to the Federal tax code is a key contributing factor in the shortfall seen to date. Illustrating this point, is the fact that the top 50 taxpayers in Montgomery County recognized about 50% less capital gains income in tax year 2016 than they did in the previous year. In addition to the \$95 million shortfall in FY18 and the \$25 million shortfall from FY17, the updated revenue forecasts indicate a shortfall of \$86 million in FY19. The proposed FY18 Savings Plan will reduce costs in the current year and contribute to the effort to avoid a current year budget deficit.



I do not expect that our fiscal difficulties will disappear in FY19, and in fact we may find that our revenues are further reduced by a number of factors beyond our control. The recently passed Federal tax legislation could have a negative impact on our revenues. The legislation's full impact on our revenues and our economy, requires complex analysis that the Department of Finance will be conducting. There are other significant pressures that are likely to impact County finances, including continued student enrollment increases, possible cutbacks in both Federal and State funding, and collective bargaining negotiations. With this reality in mind, I have focused my recommended reductions on those that are long term, rather than one-time quick fixes. This requires some difficult decisions. I hope that you will support this approach since it is critical to the County's long-term fiscal health.

The attached savings plan recommends total savings of approximately \$60 million from the FY18 operating budget. I recommend a reduction in County government expenditures of about \$28 million as outlined in the attached plan. The savings initiatives identified for County government include some reductions to services, though we have minimized reductions to the most critical and basic services. I am assuming that the outside agencies receiving County funding will participate as well. I have not defined where these reductions would be taken, but instead I have provided a general target. Their respective boards are in the best position to identify the reductions that would have the least service impacts. The reduction targets for the other County agencies are as follows:

Montgomery County Public Schools (MCPS): \$25.0 million  
Montgomery College: \$5.2 million  
Maryland-National Capital Park and Planning Commission (MNCPPC): \$2.6 million

In addition, MCPS is asked to continue to review its various fund balances and costs to determine if additional savings are possible.

I am also recommending savings of about \$13.5 million in current revenue from the CIP. This includes approximately \$3.0 million for MCPS, \$3.2 million for Montgomery College, \$1.2 million for M-NCPPC, \$600,000 for the Housing Opportunities Commission, and \$5.5 million for County government. County government's reduction in current revenue funding for FY18 was approximately 21% of the total FY18 current revenue budget allocation. In contrast, I am recommending a reduction of 15% for each of the outside agencies' FY18 current revenue. These current revenue reductions are critical to closing the gap and if not taken, will directly impact funding for FY19.

My savings plan recommendations that are within the CIP and are administered by outside agencies are reflected in affordability project description forms in order to provide them with maximum flexibility. I believe the respective governing bodies of these agencies are in the best position to determine where these reductions should be taken. As requested by Council staff, OMB will provide separately any project description forms for outside agency projects with current revenue so that they can be considered as part of the County Council's public hearing process for CIP amendments.

I understand the difficulty that this fiscal situation presents, and I appreciate your consideration of these proposed reductions. If there are specific actions in this plan that the Council is unwilling to approve, I ask that you identify alternative savings initiatives of equal value and of a long-term nature, so that the overall proposed dollar value of savings can be achieved for FY18. It is important to note that at the time of Council approval, there will be less than six months remaining in the fiscal year.

As such, we will need to act quickly to approve and implement the savings plan. Prompt action will allow us to maximize the savings that can be achieved. It is also important to note that any deficit experienced at the end of FY18 will need to be addressed in FY19 budget development. This would be in addition to the \$86 million shortfall already projected for FY19.

I appreciate the Council's willingness to collaborate on this important matter and the expedited scheduling of consideration and approval of the plan. My staff is available to assist the Council in its review of the attached proposal. Thank you for your support of our efforts to minimize the impact of these reductions on our most important services while preserving the fiscal health of the County government.

Executive Recommended FY18 Savings Plan		
Agency	Approved FY18 Budget	Savings Plan Reduction
MCG	1,618,516,292	27,827,660
MCPS	2,368,655,562	25,000,000
College	262,759,376	5,255,188
MNCPPC	131,547,071	2,630,941
<b>Total</b>	<b>4,381,478,301</b>	<b>60,713,789</b>
<b>Notes:</b> 1. Amounts above include only the operating budget, excluding debt service and retiree health insurance. 2. The County Executive's Recommended FY18 Savings Plan also includes capital budget current revenue reductions of \$13.5 million, including \$5.5 million from County government, \$600,000 from the Housing Opportunities Commission, and \$7.3 million from other outside agencies.		

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Attachment: Recommended FY18 Savings Plan for Montgomery County government and the other tax supported County agencies

## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Tax-Supported - MCG</b>				
<b><u>General Fund</u></b>				
Agriculture	989,195	-19,784	0	-2.00
Board of Appeals	541,752	-10,835	0	-2.00
Board of Elections	8,213,700	-80,000	0	-0.97
Circuit Court	12,066,554	-241,331	0	-2.00
Community Engagement Cluster	3,772,050	-75,441	0	-2.00
Consumer Protection	2,364,597	-47,292	0	-2.00
Correction and Rehabilitation	66,716,261	-675,000	0	-1.01
County Attorney	6,319,482	-132,126	0	-2.09
County Council	11,651,722	-303,755	0	-2.61
County Executive	5,947,305	-188,100	0	-3.16
Emergency Management and Homeland Security	1,317,571	-26,351	0	-2.00
Environmental Protection	2,907,343	-58,000	0	-1.99
Ethics Commission	429,607	-8,592	0	-2.00
Finance	14,446,096	-288,922	0	-2.00
General Services	30,965,577	-358,583	0	-1.16
Health and Human Services	234,084,840	-4,360,777	-11,625	-1.86
Housing and Community Affairs	7,538,618	-150,772	0	-2.00
Human Resources	8,355,091	-167,102	0	-2.00
Human Rights	1,242,813	-24,856	0	-2.00
Inspector General	1,071,872	-21,437	0	-2.00
Intergovernmental Relations	1,125,673	-22,513	0	-2.00
Legislative Oversight	1,661,695	-33,234	0	-2.00
Management and Budget	4,730,931	-94,619	0	-2.00
Merit System Protection Board	367,688	-7,354	0	-2.00
Non-Departmental Accounts (Select NDAs)	39,765,233	-2,236,238	0	-5.62
Police	275,474,370	-3,816,340	0	-1.39
Procurement	4,512,962	-90,259	0	-2.00
Public Information	5,079,351	-101,587	0	-2.00
Public Libraries	42,437,576	-850,919	0	-2.01
Sheriff	23,366,446	-238,526	0	-1.02
State's Attorney	17,188,455	-213,064	0	-1.24
Technology Services	43,022,058	-860,441	0	-2.00
Transportation	49,809,920	-996,198	0	-2.00
Zoning and Administrative Hearings	689,591	-13,792	0	-2.00
<b>General Fund Total:</b>	<b>930,173,995</b>	<b>-16,814,140</b>	<b>-11,625</b>	<b>-1.81</b>
<b><u>Special Funds</u></b>				
Fire	214,862,420	-2,610,458	0	-1.21
Recreation	37,687,311	-755,897	-2,115	-2.01
Mass Transit	132,226,957	-2,759,889	-115,350	-2.09
Bethesda Urban District	3,174,943	-13,006	0	-0.41
Silver Spring Urban District	3,498,672	-10,793	0	-0.31
Wheaton Urban District	2,016,434	-29,285	0	-1.45
<b>Special Funds Total:</b>	<b>393,466,737</b>	<b>-6,179,328</b>	<b>-117,465</b>	<b>-1.57</b>
<b>Tax-Supported Total:</b>	<b>1,323,640,732</b>	<b>-22,993,468</b>	<b>-129,090</b>	<b>-1.74</b>

## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Non-Tax Supported - MCG</b>				
<u><b>Enterprise Funds</b></u>				
Liquor	65,161,319	-1,853,885	1,500,000	-2.85
<b>Enterprise Funds Total:</b>	<b>65,161,319</b>	<b>-1,853,885</b>	<b>1,500,000</b>	<b>-2.85</b>
<u><b>Special Funds</b></u>				
Cable TV	16,071,604	-321,432	0	-2.00
<b>Special Funds Total:</b>	<b>16,071,604</b>	<b>-321,432</b>	<b>0</b>	<b>-2.00</b>
<u><b>Internal Service Funds</b></u>				
Motor Pool Internal Service Fund	80,056,028	-1,287,965	0	-1.61
<b>Internal Service Funds Total</b>	<b>80,056,028</b>	<b>-1,287,965</b>	<b>0</b>	<b>-1.61</b>
<b>Non-Tax Supported Total:</b>	<b>161,288,951</b>	<b>-3,463,282</b>	<b>1,500,000</b>	<b>-2.15</b>
<b>MCG Total:</b>	<b>1,484,929,683</b>	<b>-26,456,750</b>	<b>1,370,910</b>	<b>-1.78</b>

### Tax Supported - Outside Agencies

Montgomery County Public Schools	2,368,655,562	-25,000,000	0	-1.06
Montgomery College	262,759,376	-5,255,188	0	-2.00
Maryland-National Capital Park and Planning	131,547,071	-2,630,941	0	-2.00

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b><u>Tax-Supported</u></b>			
<b>General Fund</b>			
<b>Agriculture</b>			
1	Reduced UME State Payment	-19,784	0
<b>Agriculture Total:</b>		<b>-19,784</b>	<b>0</b>
<b>Board of Appeals</b>			
2	Printing - Central Duplicating Services	-6,623	0
3	Mail - Central Duplicating Services	-2,660	0
4	Motor Pool	-200	0
5	Miscellaneous Operating Expenses	-1,352	0
<b>Board of Appeals Total:</b>		<b>-10,835</b>	<b>0</b>
<b>Board of Elections</b>			
6	Projected OE Cost Savings	-80,000	0
<b>Board of Elections Total:</b>		<b>-80,000</b>	<b>0</b>
<b>Circuit Court</b>			
7	Arbitration Services	-73,000	0
8	Interpreter Services	-168,331	0
<b>Circuit Court Total:</b>		<b>-241,331</b>	<b>0</b>
<b>Community Engagement Cluster</b>			
9	Turnover Savings - OCP Community Outreach Manager	-32,000	0
10	Turnover savings - Program Manager I - OCP/Gilchrist Center	-13,441	0
11	Administration - Copier Maintenance	-1,500	0
12	Administration - General Office Supplies	-1,500	0
13	Administration - Education/Vocation Supplies	-7,000	0
14	Administration - Central Dup-Printing	-5,000	0
15	Administration - Cellular Phone Line Charges	-5,000	0
16	Administration - Metropolitan Area Travel	-10,000	0
<b>Community Engagement Cluster Total:</b>		<b>-75,441</b>	<b>0</b>
<b>Consumer Protection</b>			
17	Lapse Executive Administrative Aide Position	-47,292	0
<b>Consumer Protection Total:</b>		<b>-47,292</b>	<b>0</b>
<b>Correction and Rehabilitation</b>			
18	Increase savings through lapsing vacant positions	-500,000	0
19	Reduce Staff Training	-175,000	0
<b>Correction and Rehabilitation Total:</b>		<b>-675,000</b>	<b>0</b>
<b>County Attorney</b>			

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
20	Increase Lapse - (Administrative Specialist II position)	-85,178	0
21	Increase Lapse - (ESI - Assistant County Attorney III)	-46,948	0
<b>County Attorney Total:</b>		<b>-132,126</b>	<b>0</b>
<b>County Council</b>			
22	Cost reduction from staff changes	-226,905	0
23	Projected Contractor OE savings	-76,850	0
<b>County Council Total:</b>		<b>-303,755</b>	<b>0</b>
<b>County Executive</b>			
24	Lapse Savings	-188,100	0
<b>County Executive Total:</b>		<b>-188,100</b>	<b>0</b>
<b>Emergency Management and Homeland Security</b>			
25	Reduction of OEMHS Computers and other equipment Repair/Maintenance	-20,000	0
26	Reduction of OEMHS Temporary Para-Professional Services	-6,351	0
<b>Emergency Management and Homeland Security Total:</b>		<b>-26,351</b>	<b>0</b>
<b>Environmental Protection</b>			
27	Additional Lapse	-58,000	0
<b>Environmental Protection Total:</b>		<b>-58,000</b>	<b>0</b>
<b>Ethics Commission</b>			
28	Reduction in Other Professional Services	-8,592	0
<b>Ethics Commission Total:</b>		<b>-8,592</b>	<b>0</b>
<b>Finance</b>			
29	Increase Chargebacks for Property Tax Billing & Collection Services - Solid Waste, Water Quality, Leaf Vacuuming	-116,327	0
30	Lapse Savings from Vacant Positions	-172,595	0
<b>Finance Total:</b>		<b>-288,922</b>	<b>0</b>
<b>General Services</b>			
31	Libraries Deferred Maintenance	-150,000	0
32	Recreation Deferred Maintenance	-100,000	0
33	Turnover Savings	-108,583	0
<b>General Services Total:</b>		<b>-358,583</b>	<b>0</b>
<b>Health and Human Services</b>			
34	DO - Planning Accounting and Customer Service Consulting Services (Partnership for Action Learning Sustainability)	-15,000	0
35	CYF - CentroNia PreK contract	-102,600	0
36	OCOO - Budget Team Contract	-36,000	0
37	OCOO - IT Contracts	-966,284	0
38	OCA - African American Health Program McFarland and Associates, Inc., Contract	-17,371	0
39	CYF - Family Services Inc. Early Childhood Staffing contract	-3,000	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
40	CYF - High School Wellness Center OE funds	-10,904	0
41	CYF - NCCF (National Center for Children and Families) Respite Program	-51,558	0
42	CYF - EveryMind Regional Youth Services (RYS) contract	-2,000	0
43	CYF - Family Services, Inc. Regional Youth Services (RYS) contract	-4,500	0
44	CYF - YMCA Youth and Family Services	-22,500	0
45	CYF - City of Rockville Regional Youth Services (RYS) contract	-2,500	0
46	CYF - YMCA Youth and Family Services	-10,500	0
47	CYF - Washington Youth Foundation Tutoring contract	-2,402	0
48	CYF - Washington Youth Foundation Mentoring contract	-3,556	0
49	CYF - Family Learning Solutions contract	-2,777	0
50	PHS-CD&E: Drugs and Medicine for Treatment of an Outbreak	-49,000	0
51	CYF - George B. Thomas Sr. Learning Academy contract	-48,276	0
52	PHS-Chief's Office: Temporary Office Clerical	-10,000	0
53	CYF - Maryland Vietnamese Mutual Tutoring contract	-3,627	0
54	CYF - State Child Care Supplement	-126,070	0
55	PHS-Dental Services Contract with Dentist and Dental Hygienist	-38,980	-11,625
56	CYF - Center for Adoption Support and Education (CASE) Post-Adoption Services contract	-25,000	0
57	PHS-Dental Services PCC Dental Assistant	-40,000	0
58	PHS-Maternity Partnership	-165,635	0
59	A&D - Community Support Network , Summer Camps	-85,000	0
60	PHS-Montgomery Cares PCC Behavioral Health Services	-18,411	0
61	A&D - Community Support Network, Sign Language contract	-35,660	0
62	PHS-Montgomery Cares PCC Personnel Savings	-175,715	0
63	A&D - Community Support Network, Emergency Shelter Services	-15,000	0
64	PHS-Montgomery Cares Preventive Screenings	-43,320	0
65	A&D - Community Support Network, Emergency Nursing Services contract	-15,000	0
66	PHS-SHS Cardinal Health Purchase Order	-10,000	0
67	PHS-SHS Catholic University of America Purchase Order	-20,000	0
68	SNH - Reduce Emergency Housing Assistance	-189,397	0
69	Additional Personnel Lapse Savings	-1,399,919	0
70	OCA - Asian American Health Program Primary Care Coalition Contract	-42,243	0
71	OCA - Latino Health Initiative Ama Tu Vida Campaign	-10,000	0
72	OCA - Primary Care Coalition Contract (Leadership Institute for Equity and the Elimination of Disparities)	-12,000	0
73	OCA - CASA de Maryland Contract (Employment, Training and Supportive Services)	-17,561	0
74	BHCS - Shared Psychiatrists for County Outpatient Mental Health Clinics	-220,000	0
75	BHCS - Shelter Plus Care Contract (Case Management Services)	-42,000	0
76	BHCS - CorrectRX Contract (Drugs & Medicine)	-40,000	0
77	BHCS - Psychiatrist contract budget for ACCESS/Crisis Center	-18,995	0
78	BCHS - Mental Health Court	-190,516	0

**Health and Human Services Total: -4,360,777 -11,625**

### Housing and Community Affairs

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
79	Partial Lapse of Vacant Positions	-150,772	0
<b>Housing and Community Affairs Total:</b>		<b>-150,772</b>	<b>0</b>
<b>Human Resources</b>			
80	Consultant Services	-150,000	0
81	Miscellaneous Expenses	-13,450	0
82	Office Supplies	-3,652	0
<b>Human Resources Total:</b>		<b>-167,102</b>	<b>0</b>
<b>Human Rights</b>			
83	Increase Lapse	-24,856	0
<b>Human Rights Total:</b>		<b>-24,856</b>	<b>0</b>
<b>Inspector General</b>			
84	Deferred Engagement of Subject Matter Expert	-21,437	0
<b>Inspector General Total:</b>		<b>-21,437</b>	<b>0</b>
<b>Intergovernmental Relations</b>			
85	Professional Services - Federal Consultant Services	-22,513	0
<b>Intergovernmental Relations Total:</b>		<b>-22,513</b>	<b>0</b>
<b>Legislative Oversight</b>			
86	Lapse Savings	-26,234	0
87	Reductions in Consultant Services and Training	-7,000	0
<b>Legislative Oversight Total:</b>		<b>-33,234</b>	<b>0</b>
<b>Management and Budget</b>			
88	Increased lapse and turnover savings	-80,819	0
89	Chargeback to White Flint Redevelopment Program CIP (P151200)	-13,800	0
<b>Management and Budget Total:</b>		<b>-94,619</b>	<b>0</b>
<b>Merit System Protection Board</b>			
90	Training Reduction	-2,354	0
91	Consultant Services	-5,000	0
<b>Merit System Protection Board Total:</b>		<b>-7,354</b>	<b>0</b>
<b>Police</b>			
92	Liquidate Prior Year Purchase Orders	-80,017	0
93	Increase Lapse based on analysis by OMB and Police	-1,523,340	0
94	Increase Lapse due to position exemption process	-763,500	0
95	Implementation Delays In Next Generation 911	-770,000	0
96	Reduce Contract Security Hours of Council Office Building by Four Hours per Day	-67,977	0
97	Reduce Contract Security Spending to Reflect One Fewer Guard Than Budgeted Posted at COB	-86,054	0
98	Adjust January recruit class size to reflect lower attrition in department	-525,452	0



## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b>Police Total:</b>		<b>-3,816,340</b>	<b>0</b>
<b>Procurement</b>			
99	Recruit an Entry Level PAA Hire	-8,975	0
100	Reduce the Number of Computer Rentals	-3,000	0
101	Reduce the Number of General Office Supplies	-1,000	0
102	Reduce the Number of Computer Software Licenses	-8,000	0
103	Reduce the Number of Other Supplies and Materials	-4,000	0
104	Reduce the Number of Outside Production Reports	-3,000	0
105	Reduce the Number of Outside Overnight Mail/Courier Deliveries	-2,089	0
106	Reduce the Number of Professional Meetings Hosted	-8,000	0
107	Eliminate the Number of Advertising/Contract Solicitations Assisted by the Office of Procurement	-1,000	0
108	Lapse a Part Time Procurement Specialist II	-51,195	0
<b>Procurement Total:</b>		<b>-90,259</b>	<b>0</b>
<b>Public Information</b>			
109	Projected Unused Interpreter Service	-34,000	0
110	Temporary Office Clerical	-27,000	0
111	Other Education - Training	-38,087	0
112	Professional Memberships	-2,500	0
<b>Public Information Total:</b>		<b>-101,587</b>	<b>0</b>
<b>Public Libraries</b>			
113	Turnover Savings	-850,919	0
<b>Public Libraries Total:</b>		<b>-850,919</b>	<b>0</b>
<b>Sheriff</b>			
114	Keep Principal Administrative Aide position open through end of FY18	-50,205	0
115	Keep Client Assistance position open through end of FY18	-73,885	0
116	Reduce January 2018 Academy class size by 3 recruits	-114,436	0
<b>Sheriff Total:</b>		<b>-238,526</b>	<b>0</b>
<b>State's Attorney</b>			
117	Delay Hiring Two Senior Legal Assistant Positions	-24,812	0
118	Turnover Savings	-125,852	0
119	Increase Lapse	-62,400	0
<b>State's Attorney Total:</b>		<b>-213,064</b>	<b>0</b>
<b>Technology Services</b>			
120	Increase Lapse	-860,441	0
<b>Technology Services Total:</b>		<b>-860,441</b>	<b>0</b>
<b>Transportation</b>			
121	Lapse and Turnover Savings	-996,198	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
Transportation Total:		-996,198	0
<b>Zoning and Administrative Hearings</b>			
122	Reduction in Consultant Fees	-13,792	0
Zoning and Administrative Hearings Total:		-13,792	0
General Fund Total:		-14,577,902	-11,625
<b>Fire</b>			
<b>Fire and Rescue Service</b>			
123	Hyattstown Engine 709	-899,000	0
124	Hillandale Tower 724	-494,000	0
125	Germantown Engine 729	-498,000	0
126	Four Person Staffing on Takoma Park Engine 702	-450,000	0
127	Allocate 10% reduction to LFRDs and MCVFRA	-268,458	0
Fire and Rescue Service Total:		-2,610,458	0
Fire Total:		-2,610,458	0
<b>Recreation</b>			
<b>Recreation</b>			
128	Aquatics OE Reduction	-15,000	0
129	Reduce the Distribution of Recreation Guides	-25,000	0
130	Countywide Programs OE Reduction	-49,371	0
131	Community Centers Reduction to OE	-112,239	0
132	Reduce Health & Wellness Program	-60,000	0
133	Administration Reduction to OE	-10,876	0
134	PLAR Reduction to OE	-100,000	0
135	Increase Lapse - Principal Admin Aide Position	-28,119	0
136	Youth Development OE Reduction	-68,305	0
137	Reduce Senior Transportation	-42,250	-2,115
138	Turnover Savings	-63,400	0
139	Reduction of Seasonal Staffing in Facilities	-62,111	0
140	Align budget with spending - Therapeutics and Senior programming within Regional Areas	-41,300	0
141	Lapse Vacant Positions	-77,926	0
Recreation Total:		-755,897	-2,115
Recreation Total:		-755,897	-2,115
<b>Bethesda Urban District</b>			
<b>Urban Districts</b>			
142	Turnover savings - Program Specialist II	-13,006	0
Urban Districts Total:		-13,006	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b>Bethesda Urban District Total:</b>		<b>-13,006</b>	<b>0</b>
<b>Silver Spring Urban District</b>			
<b>Urban Districts</b>			
143	Safe Team - other communication services	-5,000	0
144	Clean Team - Other equipment repair/maintenance	-1,000	0
145	Streetscape Maintenance - equipment repair/maintenance	-4,793	0
<b>Urban Districts Total:</b>		<b>-10,793</b>	<b>0</b>
<b>Silver Spring Urban District Total:</b>		<b>-10,793</b>	<b>0</b>
<b>Wheaton Urban District</b>			
<b>Urban Districts</b>			
146	Turnover Savings - Wheaton UDPSA	-14,645	0
147	Turnover Savings II - Wheaton UDPSA	-14,640	0
<b>Urban Districts Total:</b>		<b>-29,285</b>	<b>0</b>
<b>Wheaton Urban District Total:</b>		<b>-29,285</b>	<b>0</b>
<b>Mass Transit</b>			
<b>Transit Services</b>			
148	Bus Fleet Replacement Savings	-2,027,141	0
149	Defer start up of Limited Stop Ride On Service on US 29	-732,748	-115,350
<b>Transit Services Total:</b>		<b>-2,759,889</b>	<b>-115,350</b>
<b>Mass Transit Total:</b>		<b>-2,759,889</b>	<b>-115,350</b>
<b>Tax-Supported Total:</b>		<b>-20,757,230</b>	<b>-129,090</b>

### Non-Tax Supported

#### **Cable TV**

##### **Cable Television Communications Plan**

150	Vacant Position Lapse	-321,432	0
<b>Cable Television Communications Plan Total:</b>		<b>-321,432</b>	<b>0</b>
<b>Cable TV Total:</b>		<b>-321,432</b>	<b>0</b>

#### **Liquor**

##### **Liquor Control**

151	Retail Store Remodels	-779,660	0
152	Liquidate FY18 Purchase Orders	-157,613	0
153	Personnel Savings	-350,000	0
154	Reduce OE for Supplies and Materials to align with paperless processes	-250,000	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
155	Master Lease 3 Delivery Trucks	-316,612	0
156	FY18 Revised Revenue Estimate	0	1,500,000
Liquor Control Total:		-1,853,885	1,500,000
Liquor Total:		-1,853,885	1,500,000
Non-Tax Supported Total:		-2,175,317	1,500,000
MCG Total:		-22,932,547	1,370,910

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b><u>Tax-Supported</u></b>			
<b>Montgomery County Public Schools</b>			
157	FY18 Savings Plan	-25,000,000	0
	<b>Montgomery County Public Schools Total:</b>	<b>-25,000,000</b>	<b>0</b>
	<b>Current Fund MCPS Total:</b>	<b>-25,000,000</b>	<b>0</b>
<b>Montgomery College</b>			
158	FY18 Savings Plan	-5,255,188	0
	<b>Montgomery College Total:</b>	<b>-5,255,188</b>	<b>0</b>
	<b>Current Fund MC Total:</b>	<b>-5,255,188</b>	<b>0</b>
<b>Maryland-National Capital Park and Planning Commission</b>			
159	FY18 Savings Plan	-2,630,941	0
	<b>Maryland-National Capital Park and Planning Commission Total:</b>	<b>-2,630,941</b>	<b>0</b>
	<b>Park Fund Total:</b>	<b>-2,630,941</b>	<b>0</b>

**COUNTY EXECUTIVE'S RECOMMENDED FY18 SAVINGS PLAN  
MONTGOMERY COUNTY GOVERNMENT - NDA and ISF SAVINGS**

NDA/FUND	AMOUNT	DESCRIPTION
NDA - Leases	-205,500	Savings of 1% on budgeted lease expenses
NDA - MCEDC	-900,000	Estimated ending fund balance in FY19
Motor Pool ISF	-1,000,000	Delay half of automobile replacements planned for the rest of FY18
Motor Pool ISF	-287,965	Hold current vacancies open through the end of FY18
NDA - Device Client Management	-1,000,000	Delay equipment purchases
NDA - Housing Opportunities Commission	-130,738	Reduce contribution to HOC by 2% in FY18
<b>TOTAL</b>	<b>-3,524,203</b>	

# **RECOMMENDED FY18 CIP CURRENT REVENUE SAVINGS PLAN REDUCTIONS**

Project	FY18 Savings Plan Amount (\$Millions)	Comments
MCG: Facility Planning	\$0.125	Reduction will result in minimal delays due to large unencumbered balance remaining.
Technology Modernization	\$0.025	Represents Recreation funds no longer needed
Street Tree Preservation	\$0.200	FY18 funding was increased to \$4 million compared to \$3 million usual funding. Represents only a 5% reduction in this increased level of funding
Facility Planning: Transportation	\$0.250	Delays in projects would be minimal. Given backlog of projects that have been planned but unfunded, these deferrals are not expected to delay construction of any new projects in planning.
Traffic Signal System Modernization	\$1.200	Recognizes past implementation delays
ATMS	\$1.200	Recognizes past implementation delays.
Bus Fleet Replacement	\$2.027	Recognizes cost savings due to new bus contract pricing
21st Century Libraries	\$0.347	Recognizes past implementation delays
DHCA Facility Planning	\$0.125	Minor delays in three studies
HOC - Demolition CIP	\$0.600	HOC has agreed to be reimbursed in FY20
<b>Total MCG/HOC CR Savings Plan Reductions</b>	<b>6.099</b>	

<b>Total Approved FY18 CR - MCG Only</b>	<b>\$25.966</b>
<b>Percent of total MCG only Approved funding in cuts above</b>	<b>21.2%</b>

Outside Agencies	15% Reductions	Comments
MNCPPC - all CR	\$1.180	
MCPS (excluding Relocatables)	\$3.019	Total Technology Spending, including Recordation Tax averages \$25M/year
College	\$3.168	
<b>Total Outside Agencies</b>	<b>\$7.367</b>	
<b>TOTAL DEC SAVINGS PLAN REDUCTIONS</b>	<b>\$13.466</b>	

Note: Council staff has asked OMB to provide PDFs for outside agency projects with current revenue that could be amended to meet the above savings plan reduction target.

## Facility Planning: MCG (P508768)

Category  
Sub Category  
Administering Agency  
Planning Area

General Government  
County Offices and Other Improvements  
General Services (AAGE29)  
Countywide

Date Last Modified 5/19/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	9,907	8,173	249	1,485	297	148	260	260	260	260	0
Land	87	87	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	7	7	0	0	0	0	0	0	0	0	0
Construction	237	237	0	0	0	0	0	0	0	0	0
Other	222	222	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>10,460</b>	<b>8,726</b>	<b>249</b>	<b>1,485</b>	<b>297</b>	<b>148</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	9,825	8,081	249	1,485	297	148	260	260	260	260	0
G.O. Bonds	625	625	0	0	0	0	0	0	0	0	0
Solid Waste Disposal Fund	20	20	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>10,460</b>	<b>8,726</b>	<b>249</b>	<b>1,485</b>	<b>297</b>	<b>148</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	210
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		9,335
Expenditure / Encumbrances		8,845
Unencumbered Balance		490

Date First Appropriation	FY 87
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	10,535

### Description

This project provides for general government facility planning studies for a variety of projects under consideration in the CIP. In addition, facility planning serves as a transition stage for a project between the master plan or conceptual stage and its inclusion as a stand-alone project in the CIP. Prior to the establishment of a stand-alone project, Montgomery County develops a Program of Requirements (POR) that outlines the general and specific features required on the project. Selected projects range in type including: new buildings, renovation of existing buildings, stormwater management, and recycling centers. Facility planning is a decision making process that includes the determination of the purpose of and need for a candidate project, a rigorous investigation of non-County sources of funding, and an estimate of the cost of the design and an estimated range of the cost of construction of the project. Facility planning represents planning and preliminary design and develops a POR in advance of full programming of a project in the CIP. Depending upon the results of a facility planning determination of purpose and need, a project may or may not proceed to design and construction. For a full description of the facility planning process, see the CIP Planning Section.

### Cost Change

Increase is due to the addition of studies for a Bethesda CBD Recreation Center and Aquatic Center in Takoma Park.

### Justification

Facility planning costs for projects which ultimately become stand-alone projects are included here. These costs will not be reflected in the resulting individual project.

### Other

The study proposals under this program are developed in conjunction with program departments, the Department of General Services, the Office of Management and Budget (OMB), and consultants to ensure accurate program requirements. Planning studies are underway or to be completed in FY17 or FY18 are listed on the next page. This list includes projects that will potentially be considered for inclusion as stand alone projects in the FY21-22 CIP. Other projects not listed may be planned under urgent situations. Planning for future fire stations will be considered if response time or population data warrant such a need.

### Fiscal Note

Funds may also be used to explore opportunities in the event a private developer expresses interest in County property. Reductions are related to an FY18 savings plan.

### Disclosures

Expenditures will continue indefinitely.

### Coordination

Department of Environmental Protection, Department of General Services, Department of Correction and Rehabilitation, Department of Fire and Rescue Services, Department of Police, Department of Health and Human Services, Department of Recreation, Department of Public Libraries, Circuit Court, Office of Management and Budget, Commission on People with Disabilities, Montgomery County Pedestrian Safety Advisory Committee



## Technology Modernization -- MCG (P150701)

Category  
Sub Category  
Administering Agency  
Planning Area

General Government  
County Offices and Other Improvements  
County Executive (AAGE03)  
Countywide

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

9/21/16  
No  
None  
Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	134,328	117,027	12,665	4,636	4,636	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	56	0	56	0	0	0	0	0	0	0	0
<b>Total</b>	<b>134,384</b>	<b>117,027</b>	<b>12,721</b>	<b>4,636</b>	<b>4,636</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	1,615	1,340	275	0	0	0	0	0	0	0	0
Current Revenue: General	67,412	65,549	1,863	0	0	0	0	0	0	0	0
Federal Aid	741	0	0	741	741	0	0	0	0	0	0
Land Sale	2,634	2,634	0	0	0	0	0	0	0	0	0
Recreation Fund	620	578	42	0	0	0	0	0	0	0	0
Recordation Tax Premium	2,623	2,623	0	0	0	0	0	0	0	0	0
Short-Term Financing	58,739	44,303	10,541	3,895	3,895	0	0	0	0	0	0
<b>Total</b>	<b>134,384</b>	<b>117,027</b>	<b>12,721</b>	<b>4,636</b>	<b>4,636</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Maintenance				2,802	467	467	467	467	467	467	
Productivity Improvements				-29,148	-700	-3,472	-6,244	-6,244	-6,244	-6,244	
Program-Staff				858	143	143	143	143	143	143	
Program-Other				10,374	1,054	1,864	1,864	1,864	1,864	1,864	
<b>Net Impact</b>				<b>-15,114</b>	<b>964</b>	<b>-998</b>	<b>-3,770</b>	<b>-3,770</b>	<b>-3,770</b>	<b>-3,770</b>	

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		134,409
Expenditure / Encumbrances		130,606
Unencumbered Balance		3,803

Date First Appropriation	FY 07
First Cost Estimate	
Current Scope	FY 17 134,409
Last FY's Cost Estimate	134,409

### Description

This project provides for the replacement, upgrade, and implementation of IT initiatives that will ensure ongoing viability of key processes, replace outdated and vulnerable systems, and produce a high return in terms of customer service and accountability to our residents. Major new IT systems that have been completed through this project include the Enterprise Resource Planning (ERP) Financial and Human Resources modules, foundation phase of the 311/Constituent Relationship Management (CRM), Electronic Time reporting (MCTime), and related Business Process Review (BPR). Planning activities for the Department of Health and Human Services (HHS) technology modernization of key systems and processes are underway. The Budgeting module of the ERP system (Hyperion) and additional self-service functionality is currently underway and the workforce component of the Hyperion System has been completed. The ERP project was implemented to modernize Core Business Systems to improve the efficiency, effectiveness, and responsiveness of the County Government. In addition, modernization of the County's Tax Assessment Billing System is underway. This system is used to annually calculate and bill County residents for County and municipal property taxes, solid waste fees, water quality fees, Washington Suburban Sanitary Commission (WSSC) fees, and other fees, taxes, and related credits. The HHS program provides for the development and implementation of an Enterprise Integrated Case Management (EICM) system as part of a larger Process and Technology Modernization (PTM) program that will move the department from a traditional agency-centric model of practice to a more effective client-centered model of practice. As part of this initiative, the EICM project will upgrade obsolete IT systems and information processes to avoid duplication of data entry, reduce ineffective coordination of services, and minimize inefficiencies resulting from legacy systems. The Active Network (ActiveNet) upgrade for the Department of Recreation, Community Use of Public Facilities (CUPF), and the Maryland-National Capital Park and Planning (M-NCPPC) involves the replacement of the existing CLASS registration and payment system. The Gilchrist Center is also in need of a platform to register its clients for programs and activities. Implementation involves analysis and realignment of business practices and procedures, system configuration, web-site designs; redesign/testing of ERP interfaces; and new Accounts Receivable functions. An Interagency Governance Committee comprised of managers from each participating department/agency will make decisions balancing the needs of each department.

## Technology Modernization -- MCG (P150701)

### Cost Change

The cost decrease is due to shifting the FY17 funding in Current Revenue to the HHS Operating budget.

### Justification

According to a 2004 ranking of major existing technology systems based on their current health and relative need for upgrade or replacement, the County's then current core business systems (ADPICS, FAMIS, BPREP, and HRMS) were ranked as Priority #1, which means obsolete or vulnerable critical system in immediate risk of failure. These at-risk systems were replaced with a state of the art ERP system which provides a common database supporting financials, procurement, budget, and HR/payroll, and includes system-wide features for security, workflow, and reporting, and up-to-date technology architecture. Tax Assessment Billing System: The current system is over 30 years old, is only internally supported, and is used for the collection of over \$2 billion in revenues annually. Health and Human Services EICM: This technology modernization effort will ensure ongoing viability of key processes, replace outdated and vulnerable systems, create staff operating efficiencies, and produce a high return in terms of customer service and accountability to our residents. Related plans and studies include the Information Technology Interagency Funding and Budgeting Committee's report of September 30, 2003, the Montgomery County Government FY06 IT Budget Overview prepared by Department of Technology Services, and the FY14 Process and Technology Modernization Readiness Assessment conducted by the Gartner consulting group. Recreation, CUPF, and M-NCPPC: The Active Network announced that they will release one more version upgrade of CLASS, scheduled for first quarter of 2014. After this release, there will be no further development of the CLASS software and maintenance/support will be phased out of the CLASS software (ending by December, 2017). A feasibility study determined that the Active Network's browser based application, ActiveNet, is the only software with sufficient functionality and processing capability to meet the needs of a joint registration and facility management system in a single database for Recreation, CUPF, MNCPPC, and the Gilchrist Center. The system will also improve customer service by providing a one-stop access point.

### Other

The Technology Modernization - MCG project is intended to serve as an ongoing resource for future IT modernization and related process engineering to the County Government's business systems beyond the currently defined project scope. Future projects may include the following: CRM - Citizen Relationship Management Phase II: This initiative will extend the service to municipalities in the County and other County agencies (e.g. Board of Education, M-NCPPC, Montgomery College). This initiative will proceed based upon interest from these organizations and agreement on funding. Objectives include creation of a Citizen Relationship Management (CRM) program to develop or convert automated capabilities for all appropriate County services including: Case Management Events, Management Field Services, Grants Management, Help Desk Solutions, Point of Sales, Resident Issue Tracking System, Work Order Processing System, ERP - Enterprise Resource Planning, Business Intelligence/Data Warehouse Development, Loan Management, Property Tax Billing and Collection, Public Access to Contractor Payments, Upgrade to Oracle E-Business/Kronos/Siebel, and Enhancements to comply with evolving Payment Card Industry (PCI) mandates.

### Fiscal Note

Project funding includes short-term financing for integrator services and software costs. The Operating Budget Impact (OBI) estimates have been reduced to reflect the full accounting of ERP operating costs in the Operating budget. ERP: Funding through FY15 and FY16 estimated is now adjusted to reflect actual transfer by the Board of Investment Trustees (BIT) as Contributions and from the Department of Liquor Control and the Group Insurance Fund to the General Fund as Current Revenue: General. HHS: Due to delays in the State's process for seeking federal reimbursements for capital IT upgrades, Federal Aid is only assumed in FY17. HHS will continue to seek federal aid as the State updates its process. If the State is continuously unsuccessful to receive federal reimbursements, short-term financing will be used as an alternative funding source. ActiveNet: \$645,000 will be appropriated from the Current Revenue: Recreation Fund in FY15 for the ActiveNet upgrade; Recreation will charge CUPF and M-NCPPC for their share of the project's expenditures based on a proportionate share of each party's use of ActiveNet. FY18 reductions are related to an FY18 savings plan.

### Coordination

MCG efforts are coordinated with applicable agencies during the project planning, requirements gathering, and requests for proposal (RFP) phases: Offices of the County Executive, Office of the County Council, Department of Finance, Department of Technology Services, Office of Procurement, Office of Human Resources, Office of Management and Budget, Department of Health and Human Services, Department of Recreation, Community Use of Public Facilities, and the Maryland-National Capital Park and Planning Commission, Gilchrist Center or CEC, all MCG Departments and Offices, Maryland Department of Human Resources, Maryland Department of Health and Mental Hygiene.

## Street Tree Preservation (P500700)

Category Transportation  
Sub Category Highway Maintenance  
Administering Agency Transportation (AAGE30)  
Planning Area Countywide

Date Last Modified 5/10/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	2,955	59	46	2,850	450	600	450	450	450	450	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	34,239	18,031	258	15,950	2,550	3,200	2,550	2,550	2,550	2,550	0
Other	6	6	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>37,200</b>	<b>18,096</b>	<b>304</b>	<b>18,800</b>	<b>3,000</b>	<b>3,800</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	28,205	14,422	0	13,783	2,750	464	2,152	2,417	3,000	3,000	0
Land Sale	458	458	0	0	0	0	0	0	0	0	0
Recordation Tax Premium	8,537	3,216	304	5,017	250	3,336	848	583	0	0	0
<b>Total</b>	<b>37,200</b>	<b>18,096</b>	<b>304</b>	<b>18,800</b>	<b>3,000</b>	<b>3,800</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	3,500
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		21,900
Expenditure / Encumbrances		18,366
Unencumbered Balance		3,534

Date First Appropriation	FY 07
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	37,400

### Description

This project provides for the preservation of street trees through proactive pruning that will reduce hazardous situations to pedestrians and motorists, help reduce power outages in the County, preserve the health and longevity of trees, decrease property damage incurred from tree debris during storms, correct structural imbalances/defects that cause future hazardous situations and that shorten the lifespan of the trees, improve aesthetics and adjacent property values, improve sight distance for increased safety, and provide clearance from street lights for a safer environment. Proactive pruning will prevent premature deterioration, decrease liability, reduce storm damage potential and costs, improve appearance, and enhance the condition of street trees.

### Justification

In FY97, the County eliminated the Suburban District Tax and expanded its street tree maintenance program from the old Suburban District to include the entire County. The street tree population has now increased from an estimated 200,000 to over 400,000 trees. Since that time, only pruning in reaction to emergency/safety concerns has been provided. A street tree has a life expectancy of 60 years and, under current conditions, a majority of street trees will never receive any pruning unless a hazardous situation occurs. Lack of cyclical pruning leads to increased storm damage and cleanup costs, right-of-way obstruction and safety hazards to pedestrians and motorists, premature death and decay from disease, weakening of structural integrity, increased public security risks, and increased liability claims. Healthy street trees that have been pruned on a regular cycle provide a myriad of public benefits including energy savings, a safer environment, aesthetic enhancements that soften the hard edges of buildings and pavements, property value enhancement, mitigation of various airborne pollutants, reduction in the urban heat island effect, and storm water management enhancement. Failure to prune trees in a timely manner can result in trees becoming diseased or damaged and pose a threat to public safety. Over the long term, it is more cost effective if scheduled maintenance is performed. The Forest Preservation Strategy Task Force Report (October, 2000) recommended the development of a green infrastructure CIP project for street tree maintenance. The Forest Preservation Strategy Update (July, 2004) reinforced the need for a CIP project that addresses street trees. (Recommendations in the inter-agency study of tree management practices by the Office of Legislative Oversight (Report #2004-8 - September, 2004) and the Tree Inventory Report and Management Plan by Appraisal, Consulting, Research, and Training Inc. (November, 1995)). Studies have shown that healthy trees provide significant year-round energy savings. Winter windbreaks can lower heating costs by 10 to 20 percent, and summer shade can lower cooling costs by 15 to 35 percent. Every tree that is planted and maintained saves \$20 in energy costs per year. In addition, a healthy street tree canopy captures the first 1/2 inch of rainfall reducing the need for storm water management facilities.

### Fiscal Note

Includes funding switches from Current Revenue: General to Recordation Tax Premium in FY16-20. Reductions are related to an FY18 savings plan.

### Disclosures

Expenditures will continue indefinitely.

### Coordination

## Street Tree Preservation (P500700)

Maryland-National Capital Park and Planning Commission, Department of Environmental Protection, Maryland Department of Natural Resources, Utility companies

## Facility Planning-Transportation (P509337)

Category Transportation  
Sub Category Roads  
Administering Agency Transportation (AAGE30)  
Planning Area Countywide

Date Last Modified 5/15/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	58,537	43,796	1,471	13,270	2,950	1,740	2,255	2,105	1,915	2,305	0
Land	628	628	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	128	128	0	0	0	0	0	0	0	0	0
Construction	54	54	0	0	0	0	0	0	0	0	0
Other	52	52	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>59,399</b>	<b>44,658</b>	<b>1,471</b>	<b>13,270</b>	<b>2,950</b>	<b>1,740</b>	<b>2,255</b>	<b>2,105</b>	<b>1,915</b>	<b>2,305</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	4	4	0	0	0	0	0	0	0	0	0
Current Revenue: General	43,264	33,129	0	10,125	1,235	570	2,190	2,040	1,850	2,240	0
Impact Tax	6,070	4,505	46	1,520	610	910	0	0	0	0	0
Intergovernmental	785	764	21	0	0	0	0	0	0	0	0
Land Sale	2,099	2,099	0	0	0	0	0	0	0	0	0
Mass Transit Fund	5,453	2,423	1,405	1,625	1,105	260	65	65	65	65	0
Recordation Tax Premium	1,659	1,659	0	0	0	0	0	0	0	0	0
State Aid	75	75	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>59,399</b>	<b>44,658</b>	<b>1,471</b>	<b>13,270</b>	<b>2,950</b>	<b>1,740</b>	<b>2,255</b>	<b>2,105</b>	<b>1,915</b>	<b>2,305</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	2,890
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		49,079
Expenditure / Encumbrances		46,506
Unencumbered Balance		2,573

Date First Appropriation	FY 93
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	59,649

### Description

This project provides for planning and preliminary engineering design for new and reconstructed highway projects, pedestrian facilities, bike facilities, and mass transit projects under consideration for inclusion in the Capital Improvements Program (CIP). Prior to the establishment of a stand-alone project in the CIP, the Department of Transportation will perform Phase I of facility planning, a rigorous planning-level investigation of the following critical project elements: purpose and need; usage forecasts; traffic operational analysis; community, economic, social, environmental, and historic impact analyses; recommended concept design and public participation are considered. At the end of Phase I, the Transportation, Infrastructure, Energy and Environment (T&E) Committee of the County Council reviews the work and determines if the project has the merits to advance to Phase II of facility planning: preliminary (35 percent level of completion) engineering design. In preliminary engineering design, construction plans are developed showing specific and detailed features of the project, from which its impacts and costs can be more accurately assessed. At the completion of Phase II, the County Executive and County Council hold project-specific public hearings to determine if the candidate project merits consideration in the CIP as a funded stand-alone project.

### Justification

There is a continuing need to define the scope and determine need, benefits, implementation feasibility, horizontal and vertical alignments, typical sections, impacts, community support/opposition, preliminary costs, and alternatives for master planned transportation recommendations. Facility Planning provides decision makers with reliable information to determine if a master-planned transportation recommendation merits inclusion in the CIP as a stand-alone project. The sidewalk and bikeway projects in Facility Planning specifically address pedestrian needs.

### Fiscal Note

Starting in FY01, Mass Transit Funds provide for mass transit related candidate projects. Impact taxes will continue to be applied to qualifying projects. Reductions are related to an FY18 savings plan

### Disclosures

A pedestrian impact analysis will be performed during design or is in progress.

Expenditures will continue indefinitely.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

## Facility Planning-Transportation (P509337)

### **Coordination**

Maryland-National Capital Park and Planning Commission, Maryland State Highway Administration, Maryland Department of the Environment, Maryland Department of Natural Resources, U.S. Army Corps of Engineers, Department of Permitting Services, Utilities, Municipalities, Affected communities, Commission on Aging, Commission on People with Disabilities, Montgomery County Pedestrian Safety Advisory Committee

## Traffic Signal System Modernization (P500704)

Category Transportation  
 Sub Category Traffic Improvements  
 Administering Agency Transportation (AAGE30)  
 Planning Area Countywide

Date Last Modified 12/6/16  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	13,909	13,209	100	600	100	100	100	100	100	100	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	27,243	18,746	2,745	5,752	1,641	1,035	1,138	1,138	1,138	1,138	0
Construction	395	395	0	0	0	0	0	0	0	0	0
Other	967	102	0	865	0	865	0	0	0	0	0
<b>Total</b>	<b>43,990</b>	<b>32,452</b>	<b>2,845</b>	<b>8,693</b>	<b>1,741</b>	<b>2,000</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	295	0	295	0	0	0	0	0	0	0	0
Current Revenue: General	7,423	355	375	6,693	1,741	0	1,238	1,238	1,238	1,238	0
G.O. Bonds	15,494	14,528	966	0	0	0	0	0	0	0	0
Recordation Tax Premium	8,778	5,569	1,209	2,000	0	2,000	0	0	0	0	0
State Aid	12,000	12,000	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>43,990</b>	<b>32,452</b>	<b>2,845</b>	<b>8,693</b>	<b>1,741</b>	<b>2,000</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>0</b>

<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Maintenance				54	3	5	8	10	13	15	
Program-Staff				600	50	50	100	100	150	150	
Program-Other				36	3	3	6	6	9	9	
<b>Net Impact</b>				<b>690</b>	<b>56</b>	<b>58</b>	<b>114</b>	<b>116</b>	<b>172</b>	<b>174</b>	
Full Time Equivalent (FTE)					1.0	1.0	2.0	2.0	3.0	3.0	

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	2,603
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		37,635
Expenditure / Encumbrances		33,563
Unencumbered Balance		4,072

Date First Appropriation	FY 07
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	45,190

### Description

This project provides for the modernization of the County's aged traffic signal system. Phase I consisted of planning, requirements development, systems engineering, and testing. Phase II consists of acquisition of central system hardware and software, acquisition, and implementation of control equipment and communications for intersections, as well as reconfiguration of the communications cable plant. Phase I was completed in FY08. Phase II implementation commenced in FY09. As a result of the November 2009 failure of the existing system, Phase II was refined into two sub-phases, A and B, so that replacement of the existing system could be accelerated. Phase IIA encompassed critical work that was necessary to deactivate the existing system. Phase IIB includes all other work that is not critical to replacement of the existing system.

### Estimated Schedule

Phase I - completed, FY07-08 Phase IIA - completed FY12, Phase IIB - FY13-16; ongoing Life Cycle Upgrades - FY17 and beyond.

### Cost Change

Cost increase due to the addition of a pilot Adaptive Traffic Control (ATC) system in FY17-18, the addition of Traffic Signal Prioritization in FY18, and the addition of FY21-22 to this ongoing level-of-effort project.

### Justification

## Traffic Signal System Modernization (P500704)

The existing traffic signal control system, though it has been highly reliable, is an aging system dependent on dated technology. Central and field communications devices are obsolete and problematic to maintain. As the technologies employed in the Advanced Transportation Management System (ATMS) have advanced, it has become increasingly difficult to interface with the existing traffic signal control system (COMTRAC). Because of the limited functionality of COMTRAC, the system is not able to take advantage of the capabilities of the current generation of local intersection controllers. These capabilities provide a greater level of flexibility to manage traffic demands. In November 2009, the existing traffic signal system experienced a failure that caused significant congestion and delays throughout the County for nearly two days. This event led to an acceleration of the schedule to replace the existing system. The following reports were developed as part of the research, planning and system engineering work on this project. These reports documented the existing condition and need to modernize the existing signal control system, as well as the evaluation and engineering of specific components of the replacement system: White paper on the Status and Future of the Traffic Control System in Montgomery County, March 2001; Concept of Operations (rev 1.4), October 2007; TSSM Requirements (rev g), October 2007; TSSM Communications Master Plan (rev c), February 2009; TSSM Risk Assessment and Analysis (rev e), April 2009. Given the effort to modernize the signal system and its infrastructure, it is important and prudent to take steps to prevent the system from becoming outdated. A proactive program to replace equipment by its "life cycle" usefulness is required given the dependency on technology driven devices and software to maintain traffic control capabilities and full redundancy fail-over systems. This assumes a level of effort (LOE) designation and funding be appropriated beginning in FY17.

### **Fiscal Note**

The county's traffic signal system supports approximately 800 traffic signals, about 550 of which are owned by the Maryland State Highway Administration (MSHA) and maintained and operated by the County on a reimbursement basis. MSHA plans to separately fund and implement other complementary work and intersection upgrades amounting to approximately \$12.5 million that are not reflected in the project costs displayed above. Project appropriations were reduced in FY09 (-\$106,000) and FY11 (-\$269,000) to reconcile the recall of a \$375,000 federal earmark that was originally programmed in FY07. MSHA has committed to provide \$12 million in State aid to this project. This aid was originally programmed during FY09-14, but did not materialize due to the State's fiscal situation. In addition \$2 million in State Aid was moved to the TSSM project from the State Transportation Participation (STP) CIP (No. 500722) in FY11 with repayment to STP programmed in FY17. In FY16, \$9,000 in Current Revenue was transferred from the Brookville Service Park CIP (#509928). In FY16, a funding switch of \$295,000 in Contributions added to this project, fully offsetting a similar amount in Current Revenue. FY18 reductions are related to an FY18 savings plan.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

### **Coordination**

Advanced Transportation Management System, Fibernet, State Transportation Participation, Traffic Signals Project, Department of Technology Services, Maryland State Highway Administration



## Advanced Transportation Management System (P509399)

Category Transportation  
 Sub Category Traffic Improvements  
 Administering Agency Transportation (AAGE30)  
 Planning Area Countywide

Date Last Modified 5/22/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	13,685	12,446	177	1,062	177	177	177	177	177	177	0
Land	1	1	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	38,025	28,879	2,360	6,786	639	823	1,331	1,331	1,331	1,331	0
Construction	194	194	0	0	0	0	0	0	0	0	0
Other	7,644	7,050	94	500	500	0	0	0	0	0	0
<b>Total</b>	<b>59,249</b>	<b>48,570</b>	<b>2,631</b>	<b>8,348</b>	<b>1,316</b>	<b>1,000</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Cable TV	2,241	2,241	0	0	0	0	0	0	0	0	0
Contributions	95	95	0	0	0	0	0	0	0	0	0
Current Revenue: General	21,650	14,171	631	6,848	816	0	1,508	1,508	1,508	1,508	0
Federal Aid	2,504	2,504	0	0	0	0	0	0	0	0	0
G.O. Bonds	8,396	8,396	0	0	0	0	0	0	0	0	0
Mass Transit Fund	8,564	7,564	500	500	500	0	0	0	0	0	0
PAYGO	2,226	2,226	0	0	0	0	0	0	0	0	0
Recordation Tax Premium	2,500	0	1,500	1,000	0	1,000	0	0	0	0	0
State Aid	10,873	10,873	0	0	0	0	0	0	0	0	0
Transportation Improvement Credit	500	500	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>59,249</b>	<b>48,570</b>	<b>2,631</b>	<b>8,348</b>	<b>1,316</b>	<b>1,000</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>0</b>

<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Energy				105	5	10	15	20	25	30	
Maintenance				525	25	50	75	100	125	150	
Program-Staff				600	50	50	100	100	150	150	
Program-Other				36	3	3	6	6	9	9	
<b>Net Impact</b>				<b>1,266</b>	<b>83</b>	<b>113</b>	<b>196</b>	<b>226</b>	<b>309</b>	<b>339</b>	
Full Time Equivalent (FTE)					1.0	1.0	2.0	2.0	3.0	3.0	

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	1,508
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		53,209
Expenditure / Encumbrances		49,337
Unencumbered Balance		3,872

Date First Appropriation	FY 93
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	63,249

### Description

This project provides for the Advanced Transportation Management System (ATMS) in the County. The ATMS deploys the infrastructure elements to conduct real-time management and operations of the County's transportation system. Twenty-two National Intelligent Transportation Architecture market packages have been identified for deployment of the ATMS. Each of these market packages is considered a subsystem of the ATMS program and may include several elements. These subsystems are identified in the ATMS Strategic Deployment Plan dated February 2001, revised July 2011. One aspect of this project will focus on improving pedestrian walkability by creating a safer walking environment, utilizing selected technologies and ensuring Americans with Disabilities Act (ADA) compliance.

### Cost Change

Cost decrease due to the reallocation of \$500,000 in Mass Transit Funds starting in FY18 and beyond to the new Intelligent Transit System CIP (P501801).

### Justification

ATMS provides real-time monitoring, control, and traveler information in an effort to reduce traffic congestion and travel time, improve safety, and defer the need to construct new roads. ATMS emphasizes safety and efficiency of mobility to include mode, route, and travel time choices. ATMS supports public safety and directly impacts the movement of people and goods throughout the County's transportation system. This project was initiated in response to a growing demand to enhance options and amenities within the County's transportation network.

### Other

## Advanced Transportation Management System (P509399)

This project includes the traffic element that focuses on reducing traffic congestion and travel time and improving safety.

### **Fiscal Note**

In FY16, \$500,000 in Current Revenue: General was switched for Recordation Tax Premium. FY18 reductions are related to an FY18 savings plan.

### **Disclosures**

Expenditures will continue indefinitely.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

### **Coordination**

Developers, Department of Technology Services, Department of Police, Federal Transit Administration (FTA), Federal Highway Administration (FHWA), Fibernet, Maryland State Highway Administration, Virginia Department of Transportation, Other Local Governments, Other Private Entities, Traffic Signals project, Traffic Signal System Modernization Project, Montgomery County Pedestrian Safety Advisory Committee, Citizen's Advisory Boards, Montgomery County Planning Board

## Ride On Bus Fleet (P500821)

Category Transportation Sub  
 Category Mass Transit  
 Administering Agency Transportation (AAGE30)  
 Planning Area Countywide

Date Last Modified 5/17/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	224,687	106,322	18,238	100,127	18,115	12,743	23,199	17,340	17,860	10,870	0
<b>Total</b>	<b>224,687</b>	<b>106,322</b>	<b>18,238</b>	<b>100,127</b>	<b>18,115</b>	<b>12,743</b>	<b>23,199</b>	<b>17,340</b>	<b>17,860</b>	<b>10,870</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Bond Premium	956	956	0	0	0	0	0	0	0	0	0
Contributions	475	430	45	0	0	0	0	0	0	0	0
Fed Stimulus (State Allocation)	6,550	6,550	0	0	0	0	0	0	0	0	0
Federal Aid	38,365	25,269	4,496	9,600	1,600	1,600	1,600	1,600	1,600	1,600	0
Impact Tax	2,350	2,273	77	0	0	0	0	0	0	0	0
Mass Transit Fund	93,088	4,841	9,220	79,027	7,015	10,743	21,199	15,340	15,860	8,870	0
Short-Term Financing	66,763	57,663	0	9,100	9,100	0	0	0	0	0	0
State Aid	15,140	8,340	4,400	2,400	400	400	400	400	400	400	0
<b>Total</b>	<b>224,687</b>	<b>106,322</b>	<b>18,238</b>	<b>100,127</b>	<b>18,115</b>	<b>12,743</b>	<b>23,199</b>	<b>17,340</b>	<b>17,860</b>	<b>10,870</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	14,770
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		142,675
Expenditure / Encumbrances		121,097
Unencumbered Balance		21,578

Date First Appropriation	FY 09
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	228,826

#### Description

This project provides for the purchase of replacement and additional buses in the Ride On fleet in accordance with the Division of Transit Services' bus replacement plan and the Federal Transportation Administration's service guidelines

#### Estimated Schedule

FY17: 14 full-size CNG and 19 full-size diesel; FY18: 23 full-size CNG and 3 large diesel; FY19: 9 full-size hybrid and 31 small diesel; FY20: 31 large diesel; FY21: 22 full-size hybrid; FY22: 13 full-size hybrid

#### Cost Change

In FY18, switch three buses from hybrid to diesel and eliminate two buses due to discontinuation of Route 94.

#### Justification

The full-size transit buses have an expected useful life of twelve years. Smaller buses have an expected useful life of ten years.

#### Disclosures

Expenditures will continue indefinitely.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

#### Coordination

Department of General Services, Maryland Transit Administration

#### Fiscal Note

FY18 reductions are related to an FY18 savings plan.

## 21st Century Library Enhancements Level Of Effort (P711503)

Category: Culture and Recreation  
 Sub Category: Libraries  
 Administering Agency: General Services (AAGE29)  
 Planning Area: Countywide

Date Last Modified: 11/17/14  
 Required Adequate Public Facility: No  
 Relocation Impact: None  
 Status: Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	825	8	92	725	100	25	150	150	150	150	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	3,723	45	350	3,328	450	178	675	675	675	675	0
Other	4,105	505	0	3,600	450	450	675	675	675	675	0
<b>Total</b>	<b>8,653</b>	<b>558</b>	<b>442</b>	<b>7,653</b>	<b>1,000</b>	<b>653</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	8,284	189	442	7,653	1,000	653	1,500	1,500	1,500	1,500	0
G.O. Bonds	225	225	0	0	0	0	0	0	0	0	0
Short-Term Financing	144	144	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>8,653</b>	<b>558</b>	<b>442</b>	<b>7,653</b>	<b>1,000</b>	<b>653</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	1,000
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		2,000
Expenditure / Encumbrances		597
Unencumbered Balance		1,403

Date First Appropriation	FY 15
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	9,000

#### Description

This level of effort project is intended to maintain and keep technology current in existing libraries by updating technology and technology support systems. When appropriate, upgrades will be coordinated with Library Refurbishment project work.

#### Estimated Schedule

Project started in FY15 and work will progress on an as needed basis.

#### Cost Change

Cost increase is due to addition of FY21 and FY22 expenditures.

#### Justification

This funding will allow the Department of Public Libraries, Department of General Services, and Department of Technology Services to respond to customer demands and library trends that require changes in the equipment and related furnishings of library buildings. This includes provision of new equipment such as tablet and laptop vending devices, media dispensing units, modifying service desks to provide single points of service or modernizing furniture to allow tablet arms on lounge chairs or erasable/writable surfaces on tables in children's rooms. It will also provide funding to do minor upgrades of electrical and data connections as improvements are made to the services and programs. This project will improve the level of service to the community by keeping the library system more current and responsive to the needs of the community. Rather than the current 30+ year cycle of renovations, funds will be available to modify technology on a much shorter timeframe.

#### Disclosures

Expenditures will continue indefinitely.

#### Coordination

Department of General Services, Department of Public Libraries, Department of Technology Services

#### Fiscal Note

FY18 reductions are related to an FY18 savings plan.

## Facility Planning: HCD (P769375)

Category Community Development and Housing  
 Sub Category Community Development  
 Administering Agency Housing & Community Affairs (AAGE11)  
 Planning Area Countywide

Date Last Modified 12/16/16  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	4,295	2,747	798	750	125	125	125	125	125	125	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4,295</b>	<b>2,747</b>	<b>798</b>	<b>750</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Community Development Block Grant	893	334	559	0	0	0	0	0	0	0	0
Current Revenue: General	3,102	2,113	239	750	125	125	125	125	125	125	0
Current Revenue: Parking - Montgomery Hill	100	100	0	0	0	0	0	0	0	0	0
Federal Aid	200	200	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4,295</b>	<b>2,747</b>	<b>798</b>	<b>750</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	125
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		3,795
Expenditure / Encumbrances		2,747
Unencumbered Balance		1,048

Date First Appropriation	FY 96
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	4,545

### Description

This project provides funds for Department of Housing and Community Affairs (DHCA) facility planning studies for a variety of projects for possible inclusion in the CIP. In addition, facility planning serves as a transition stage for a project between the master plan or conceptual stage and its inclusion as a stand-alone project in the CIP. Prior to the establishment of a stand-alone project, DHCA will develop a Program of Requirements (POR) that outlines the general and specific features required in the project. Selected projects range in type including: land and building acquisition; conversion of surplus schools/ school sites or County-owned land into housing resources; design and construction of street improvements, sidewalks, and other infrastructure improvements in neighborhoods and small commercial area revitalization including streetscaping and circulation along with Central Business District (CBD) revitalization. Facility planning is a decision-making process to determine the purpose and need of a candidate project through a rigorous investigation of the following critical project elements: community revitalization needs analysis; economic, social, environmental, and historic impact analyses; public participation; investigation of non-County sources of funding; and detailed project cost estimates. Depending upon the results of a facility planning determination of purpose and need, a project may or may not proceed to construction. For a full description of the facility planning process, see the CIP Planning Section.

### Cost Change

Increase due to the addition of FY21 and FY22.

### Justification

There is a continuing need for development of accurate cost estimates and an exploration of alternatives for proposed projects. Facility planning costs for all projects which ultimately become stand-alone PDFs are included here. These costs will not be reflected in the resulting individual project. Future individual CIP projects, which result from facility planning, will each reflect reduced planning and design costs.

### Other

The proposals studied under this program will involve the Office of Management and Budget staff, consultants, community groups, and related program area staff, to ensure that completed studies show full costs, program requirements, and have community support.

### Fiscal Note

This project includes \$75,000 in FY13 to develop a program of requirements for a potential Colesville New Hampshire Avenue corridor improvement project between Midland Road and Hollywood Boulevard. FY18 reductions are related to an FY18 savings plan.

### Disclosures

Expenditures will continue indefinitely.

### Coordination

Office of Management and Budget, M-NCPPC, Department of Transportation, Department of General Services, Regional Services Centers

## Demolition Fund (P091704)

Category: Housing Opportunities Commission  
 Sub Category: Housing  
 Administering Agency: Housing Opportunities Commission (AAGE12)  
 Planning Area: Countywide

Date Last Modified: 10/19/16  
 Required Adequate Public Facility: No  
 Relocation Impact: None  
 Status: Planning Stage

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	1,900	0	0	1,900	0	700	600	600	0	0	0
<b>Total</b>	<b>1,900</b>	<b>0</b>	<b>0</b>	<b>1,900</b>	<b>0</b>	<b>700</b>	<b>600</b>	<b>600</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	1,900	0	0	1,900	0	700	600	600	0	0	0
<b>Total</b>	<b>1,900</b>	<b>0</b>	<b>0</b>	<b>1,900</b>	<b>0</b>	<b>700</b>	<b>600</b>	<b>600</b>	<b>0</b>	<b>0</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	1,300
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		0
Expenditure / Encumbrances		0
Unencumbered Balance		0

Date First Appropriation	FY 16
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	1,900

### Description

In an effort to replace some of the County's least sustainable affordable housing, deliver amenities not currently present along with the return of housing to those sites, and embed the new stock of affordable housing within mixed-income communities, the Housing Opportunities Commission (HOC) has vacated its Emory Grove Village property and is beginning the process of vacating its Ambassador property. The entitlement and permitting process for each site will take from two to four years. In the interim, upon vacating these sites, HOC will demolish the existing buildings such that they do not become blights on the surrounding neighborhoods.

### Location

Gaithersburg and Wheaton

### Capacity

Demolition of 216 units

### Estimated Schedule

Demolition of Emory Grove Village will take approximately three months. Demolition of the Ambassador will take approximately five months.

### Justification

Both Emory Grove Village and the Ambassador have physical capital needs that far outweigh their ability to support remediation. As both properties are 100 percent affordable, they have no resources available to fund improvements or demolition. Both properties are located on prominent corners and would remain vacant for a considerable period of time.

### Fiscal Note

The estimated cost of demolition for Emory Grove Village is between \$600,000 and \$800,000 and estimated demolition costs for the Ambassador is between \$1.3 and \$1.5 million. HOC is willing to receive reimbursements for demolition costs in FY20 as part of an FY18 savings plan.

### Coordination

Department of Finance, Department of Housing and Community Affairs, and the Department of Permitting Services. HOC is willing to receive reimbursement for demolition costs in FY20 as part of an FY18 savings plan.

## M-NCPPC Affordability Reconciliation(P871747)

Category M-NCPPC Sub  
 Category Development  
 Administering Agency M-NCPPC (AAGE13)  
 Planning Area Countywide

Date Last Modified 5/5/17  
 Required Adequate Public Facility  
 Relocation Impact  
 Status

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	-1180	0	0	-1180	0	-1180	0	0	0	0	0
<b>Total</b>	<b>-1180</b>	<b>0</b>	<b>0</b>	<b>-1180</b>	<b>0</b>	<b>-1180</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding: CR General</b>	<b>-1180</b>			<b>-1180</b>		<b>-1180</b>					

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18
Supplemental Appropriation Request	
Transfer	
Cumulative Appropriation	
Expenditure / Encumbrances	0
Unencumbered Balance	0

Date First Appropriation	FY 16
First Cost Estimate	
Current Scope	0
Last FY's Cost Estimate	0

#### Description

This project reconciles M-NCPPC's request with the County Executive's recommendation. Fiscal constraints led the Executive to adjust the annual amounts to be affordable within the CIP. The Executive requests S. Germantown Recreational Park: Cricket Field (P871746) and Josiah Henson Historical Park (P871552) not be negatively impacted by this funding adjustment.

#### Fiscal Note

FY18 reductions are related to an FY18 savings plan.

## MCPS Affordability Reconciliation (P056516)

Category: Montgomery County Public Schools  
 Sub Category: Miscellaneous Projects  
 Administering Agency: Public Schools (AAGE18)  
 Planning Area: Countywide

Date Last Modified: 7/6/16  
 Required Adequate Public Facility: No  
 Relocation Impact: None  
 Status: Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	-3,019	0	0	-3,019	0	-3,019	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current Revenue: General:</b>	<b>-3,019</b>		<b>-3,019</b>			<b>-3,019</b>					

### APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation Request	FY 18
Supplemental Appropriation Request	
Transfer	
Cumulative Appropriation	
Expenditure / Encumbrances	0
Unencumbered Balance	0

Date First Appropriation	FY 15
First Cost Estimate	
Current Scope	FY01
Last FY's Cost Estimate	0

### Description

This project reconciles the Board of Education's request with the County Executive's recommendation. Fiscal constraints lead the Executive to adjust the annual amounts to be affordable within the CIP. The Executive's recommendation maintains all funding at the approved FY13 and FY14 levels and makes reductions in FY15 through FY18. The Executive reached the FY14 funding level by recommending maintaining the Facility Planning, Planned Life Cycle Asset Replacement, and Heating, Ventilation, Air Conditioning projects FY14 funding at the level previously approved by the County Council. By beginning the reductions in FY15, the Board of Education will have more time to determine how to revise the school construction schedule to conform to the recommended funding levels. This recommended reduction reflects 2.38% of the total Montgomery County Public School Capital funding for these four years.

### Fiscal Note

FY18 reductions are related to an FY18 savings plan.



## College Affordability Reconciliation (P661401)

Category: Montgomery College  
 Sub Category: Higher Education  
 Administering Agency: Montgomery College (AAGE15)  
 Planning Area: Countywide

Date Last Modified: 5/9/18  
 Required Adequate Public Facility: No  
 Relocation Impact: None  
 Status: Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	-3,169	0	0	-3,169	0	-3,169	0	0	0	0	0
<b>Total</b>	<b>-3,169</b>	<b>0</b>	<b>0</b>	<b>-3,169</b>	<b>0</b>	<b>-3,169</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding: CR General</b>	<b>-3,169</b>			<b>-3,169</b>		<b>-3,169</b>					

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	-3,169
Supplemental Appropriation Request		
Transfer		
Cumulative Appropriation		
Expenditure / Encumbrances		0
Unencumbered Balance		0

Date First Appropriation	
First Cost Estimate	
Current Scope	0
Last FY's Cost Estimate	0

#### Cost Change

The expenditure data in this project was zeroed out and applied to various College projects, as approved by the County Council. Montgomery College (A15) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

#### Fiscal Note

FY18 reductions are related to an FY18 savings plan.

# FY18 Savings Plan by Committee

January 30, 2018

Ref. No Title

CE CE Reduction

Committee  
Reduction

© #

## Tax-Supported

### EDUCATION COMMITTEE

#### Montgomery County Public Schools

157	FY18 Savings Plan	-25,000,000	-25,000,000	49
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Montgomery County Public Schools Total:	-25,000,000	-25,000,000	
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Current Fund MCPS Total:	-25,000,000	-25,000,000	
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#### Montgomery College

158	FY18 Savings Plan	-5,255,188	-4,400,000	50
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Montgomery College Total:	-5,255,188	-4,400,000	
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Current Fund MC Total:	-5,255,188	-4,400,000	
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**GOVERNMENT OPERATIONS & FISCAL POLICY COMMITTEE****Board of Elections**

6	Projected OE Cost Savings	-80,000	-80,000	69
<b>Board of Elections Total:</b>		<b>-80,000</b>	<b>-80,000</b>	

**Community Engagement Cluster**

9	Turnover Savings - OCP Community Outreach Manager	-32,000	-32,000	69
10	Turnover savings - Program Manager I - OCP/Gilchrist Center	-13,441	-13,441	
11	Administration - Copier Maintenance	-1,500	-1,500	
12	Administration - General Office Supplies	-1,500	-1,500	
13	Administration - Education/Vocation Supplies	-7,000	-7,000	
14	Administration - Central Dup-Printing	-5,000	-5,000	
15	Administration - Cellular Phone Line Charges	-5,000	-5,000	
16	Administration - Metropolitan Area Travel	-10,000	-10,000	
<b>Community Engagement Cluster Total:</b>		<b>-75,441</b>	<b>-75,441</b>	

**County Attorney**

20	Increase Lapse - (Administrative Specialist II position)	-85,178	-85,178	69
21	Increase Lapse - (ESI - Assistant County Attorney III)	-46,948	-46,948	
<b>County Attorney Total:</b>		<b>-132,126</b>	<b>-132,126</b>	

**County Council**

22	Cost reduction from staff changes	-226,905	-233,034	69
23	Projected Contractor OE savings	-76,850	0	
<b>County Council Total:</b>		<b>-303,755</b>	<b>-233,034</b>	

**County Executive**

24	Lapse Savings	-188,100	-188,100	69
<b>County Executive Total:</b>		<b>-188,100</b>	<b>-188,100</b>	

**Ethics Commission**

28	Reduction in Other Professional Services	-8,592	-8,592	69
<b>Ethics Commission Total:</b>		<b>-8,592</b>	<b>-8,592</b>	

**Finance**

29	Increase Chargebacks for Property Tax Billing & Collection Services - Solid Waste, Water Quality, Leaf Vacuuming	-116,327	-116,327	69
30	Lapse Savings from Vacant Positions	-172,595	-172,595	
<b>Finance Total:</b>		<b>-288,922</b>	<b>-288,922</b>	

Ref. No	Title	CE	CE Reduction	Committee Reduction	© #
<b>Human Resources</b>					
80	Consultant Services		-150,000	-150,000	69
81	Miscellaneous Expenses		-13,450	-13,450	
82	Office Supplies		-3,652	-3,652	
<b>Human Resources Total:</b>			<b>-167,102</b>	<b>-167,102</b>	
<b>Inspector General</b>					
84	Deferred Engagement of Subject Matter Expert		-21,437	-21,437	69
<b>Inspector General Total:</b>			<b>-21,437</b>	<b>-21,437</b>	
<b>Intergovernmental Relations</b>					
85	Professional Services - Federal Consultant Services		-22,513	-22,513	69
<b>Intergovernmental Relations Total:</b>			<b>-22,513</b>	<b>-22,513</b>	
<b>Legislative Oversight</b>					
86	Lapse Savings		-26,234	-26,234	70
87	Reductions in Consultant Services and Training		-7,000	-7,000	
<b>Legislative Oversight Total:</b>			<b>-33,234</b>	<b>-33,234</b>	
<b>Management and Budget</b>					
88	Increased lapse and turnover savings		-80,819	-80,819	70
89	Chargeback to White Flint Redevelopment Program CIP (P151200)		-13,800	-13,800	
<b>Management and Budget Total:</b>			<b>-94,619</b>	<b>-94,619</b>	
<b>Merit System Protection Board</b>					
90	Training Reduction		-2,354	-2,354	70
91	Consultant Services		-5,000	-5,000	
<b>Merit System Protection Board Total:</b>			<b>-7,354</b>	<b>-7,354</b>	
<b>Procurement</b>					
99	Recruit an Entry Level PAA Hire		-8,975	-8,975	70
100	Reduce the Number of Computer Rentals		-3,000	-3,000	
101	Reduce the Number of General Office Supplies		-1,000	-1,000	
102	Reduce the Number of Computer Software Licenses		-8,000	-8,000	
103	Reduce the Number of Other Supplies and Materials		-4,000	-4,000	
104	Reduce the Number of Outside Production Reports		-3,000	-3,000	
105	Reduce the Number of Outside Overnight Mail/Courier Deliveries		-2,089	-2,089	
106	Reduce the Number of Professional Meetings Hosted		-8,000	-8,000	
107	Eliminate the Number of Advertising/Contract Solicitations Assisted by the Office of Procurement		-1,000	-1,000	
108	Lapse a Part Time Procurement Specialist II		-51,195	-51,195	
<b>Procurement Total:</b>			<b>-90,259</b>	<b>-90,259</b>	

Ref. No	Title	CE	CE Reduction	Committee Reduction	© #
<b>Public Information</b>					
109	Projected Unused Interpreter Service		-34,000	-34,000	70
110	Temporary Office Clerical		-27,000	-27,000	
111	Other Education - Training		-38,087	-38,087	
112	Professional Memberships		-2,500	-2,500	
<b>Public Information Total:</b>			<b>-101,587</b>	<b>-101,587</b>	
<b>Technology Services</b>					
120	Increase Lapse		-860,441	-860,441	70
<b>Technology Services Total:</b>			<b>-860,441</b>	<b>-860,441</b>	
<b><u>Non-Tax Supported</u></b>					
<b>Cable TV</b>					
<b>Cable Television Communications Plan</b>					
150	Vacant Position Lapse		-321,432	-321,432	70
<b>Cable Television Communications Plan Total:</b>			<b>-321,432</b>	<b>-321,432</b>	
<b>Cable TV Total:</b>			<b>-321,432</b>	<b>-321,432</b>	

**HEALTH & HUMAN SERVICES COMMITTEE****Health and Human Services**

34	DO - Planning Accounting and Customer Service Consulting Services (Partnership for Action Learning Sustainability)	-15,000	-15,000	83
35	CYF - CentroNia PreK contract	-102,600	-79,638	87
36	OCOO - Budget Team Contract	-36,000	-36,000	83
37	OCOO - IT Contracts	-966,284	-966,284	83
38	OCA - African American Health Program McFarland and Associates, Inc., Contract	-17,371	0	83
39	CYF - Family Services Inc. Early Childhood Staffing contract	-3,000	-3,000	87
40	CYF - High School Wellness Center OE funds	-10,904	-10,904	88
41	CYF - NCCF (National Center for Children and Families) Respite Program	-51,558	-51,558	88
42	CYF - EveryMind Regional Youth Services (RYS) contract	-2,000	-2,000	88
43	CYF - Family Services, Inc. Regional Youth Services (RYS) contract	-4,500	-4,500	88
44	CYF - YMCA Youth and Family Services	-22,500	-22,500	88
45	CYF - City of Rockville Regional Youth Services (RYS) contract	-2,500	-2,500	88
46	CYF - YMCA Youth and Family Services	-10,500	-10,500	88
47	CYF - Washington Youth Foundation Tutoring contract	-2,402	0	88
48	CYF - Washington Youth Foundation Mentoring contract	-3,556	0	88
49	CYF - Family Learning Solutions contract	-2,777	0	88
50	PHS-CD&E: Drugs and Medicine for Treatment of an Outbreak	-49,000	-49,000	91
51	CYF - George B. Thomas Sr. Learning Academy contract	-48,276	0	89
52	PHS-Chief's Office: Temporary Office Clerical	-10,000	-10,000	91
53	CYF - Maryland Vietnamese Mutual Tutoring contract	-3,627	0	89
54	CYF - State Child Care Supplement	-126,070	-126,070	89
55	PHS-Dental Services Contract with Dentist and Dental Hygienist	-38,980	0	91
56	CYF - Center for Adoption Support and Education (CASE) Post-Adoption Services contract	-25,000	0	89
57	PHS-Dental Services PCC Dental Assistant	-40,000	0	92
58	PHS-Maternity Partnership	-165,635	-165,635	92
59	A&D - Community Support Network , Summer Camps	-85,000	-30,000	85
60	PHS-Montgomery Cares PCC Behavioral Health Services	-18,411	-18,411	92
61	A&D - Community Support Network, Sign Language contract	-35,660	-35,660	85
62	PHS-Montgomery Cares PCC Personnel Savings	-175,715	-175,715	92
63	A&D - Community Support Network, Emergency Shelter Services	-15,000	-15,000	85
64	PHS-Montgomery Cares Preventive Screenings	-43,320	0	92
65	A&D - Community Support Network, Emergency Nursing Services contract	-15,000	-15,000	85
66	PHS-SHS Cardinal Health Purchase Order	-10,000	0	89
67	PHS-SHS Catholic University of America Purchase Order	-20,000	-20,000	89
68	SNH - Reduce Emergency Housing Assistance	-189,397	-189,397	93
69	Additional Personnel Lapse Savings	-1,399,919	-1,324,652	84
70	OCA - Asian American Health Program Primary Care Coalition Contract	-42,243	-42,243	83
71	OCA - Latino Health Initiative Ama Tu Vida Campaign	-10,000	0	83
72	OCA - Primary Care Coalition Contract (Leadership Institute for Equity and the Elimination of Disparities)	-12,000	-12,000	83
73	OCA - CASA de Maryland Contract (Employment, Training and Supportive Services)	-17,561	0	83
74	BHCS - Shared Psychiatrists for County Outpatient Mental Health Clinics	-220,000	-220,000	86
75	BHCS - Shelter Plus Care Contract (Case Management Services)	-42,000	-42,000	86

Ref. No	Title	CE	CE Reduction	Committee Reduction	© #
76	BHCS - CorrectRX Contract (Drugs & Medicine)		-40,000	-40,000	86
77	BHCS - Psychiatrist contract budget for ACCESS/Crisis Center		-18,995	0	86
78	BCHS - Mental Health Court		-190,516	-86,134	86
	Revenue loss from Line 55 - Dental Services		11,625	0	91
Health and Human Services Total:			-4,349,152	-3,821,301	
<b>Human Rights</b>					
83	Increase Lapse		-24,856	-24,856	81
Human Rights Total:			-24,856	-24,856	
<b>Public Libraries</b>					
113	Turnover Savings		-850,919	-850,919	82
Public Libraries Total:			-850,919	-850,919	

**PLANNING, HOUSING & ECONOMIC DEVELOPMENT COMMITTEE****Agriculture**

1	Reduced UME State Payment	-19,784	-19,784	118
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**Agriculture Total: -19,784 -19,784**

**Board of Appeals**

2	Printing - Central Duplicating Services	-6,623	-6,623	114
3	Mail - Central Duplicating Services	-2,660	-2,660	
4	Motor Pool	-200	-200	
5	Miscellaneous Operating Expenses	-1,352	-1,352	

**Board of Appeals Total: -10,835 -10,835**

**Housing and Community Affairs**

79	Partial Lapse of Vacant Positions	-150,772	-150,772	115
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**Housing and Community Affairs Total: -150,772 -150,772**

**Zoning and Administrative Hearings**

122	Reduction in Consultant Fees	-13,792	-13,792	114
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**Zoning and Administrative Hearings Total: -13,792 -13,792**

**Recreation****Recreation**

128	Aquatics OE Reduction	-15,000	-15,000	116
129	Reduce the Distribution of Recreation Guides	-25,000	-25,000	
130	Countywide Programs OE Reduction	-49,371	-49,371	
131	Community Centers Reduction to OE	-112,239	-112,239	
132	Reduce Health & Wellness Program	-60,000	-60,000	
133	Administration Reduction to OE	-10,876	-10,876	
134	PLAR Reduction to OE	-100,000	-100,000	
135	Increase Lapse - Principal Admin Aide Position	-28,119	-28,119	
136	Youth Development OE Reduction	-68,305	-68,305	
137	Reduce Senior Transportation	-42,250	-42,250	
	Revenue loss	2,115	2,115	
138	Turnover Savings	-63,400	-63,400	
139	Reduction of Seasonal Staffing in Facilities	-62,111	-62,111	
140	Align budget with spending - Therapeutics and Senior programming within Regional Areas	-41,300	-41,300	
141	Lapse Vacant Positions	-77,926	-77,926	

**Recreation Total: -753,782 -753,782**



Ref. No	Title	CE	CE Reduction	Committee Reduction	© #
<b>Bethesda Urban District</b>					
<b>Urban Districts</b>					
142	Turnover savings - Program Specialist II		-13,006	-13,006	118
<b>Urban Districts Total:</b>			<b>-13,006</b>	<b>-13,006</b>	
<b>Bethesda Urban District Total:</b>			<b>-13,006</b>	<b>-13,006</b>	
<b>Silver Spring Urban District</b>					
<b>Urban Districts</b>					
143	Safe Team - other communication services		-5,000	-5,000	118
144	Clean Team - Other equipment repair/maintenance		-1,000	-1,000	
145	Streetscape Maintenance - equipment repair/maintenance		-4,793	-4,793	
<b>Urban Districts Total:</b>			<b>-10,793</b>	<b>-10,793</b>	
<b>Silver Spring Urban District Total:</b>			<b>-10,793</b>	<b>-10,793</b>	
<b>Wheaton Urban District</b>					
<b>Urban Districts</b>					
146	Turnover Savings - Wheaton UDPSA		-14,645	-14,645	118
147	Turnover Savings II - Wheaton UDPSA		-14,640	-14,640	
<b>Urban Districts Total:</b>			<b>-29,285</b>	<b>-29,285</b>	
<b>Wheaton Urban District Total:</b>			<b>-29,285</b>	<b>-29,285</b>	
<b>Maryland-National Capital Park and Planning Commission</b>					
159	FY18 Savings Plan		-2,630,941	-2,389,958	113
<b>Park Fund Total:</b>			<b>-2,630,941</b>	<b>-1,803,286</b>	
<i>Note: CE did not break down the Park Fund &amp; Admin Fund</i>					
<b>Admin Fund Total:</b>				<b>-586,672</b>	
<b>Maryland-National Capital Park and Planning Commission Total:</b>			<b>-2,630,941</b>	<b>-2,389,958</b>	

**PUBLIC SAFETY COMMITTEE****Circuit Court**

7	Arbitration Services	-73,000	-73,000	160
8	Interpreter Services	-168,331	-168,331	

**Circuit Court Total:** **-241,331** **-241,331**

**Consumer Protection**

17	Lapse Executive Administrative Aide Position	-47,292	-47,292	160
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**Consumer Protection Total:** **-47,292** **-47,292**

**Correction and Rehabilitation**

18	Increase savings through lapsing vacant positions	-500,000	-500,000	163
19	Reduce Staff Training	-175,000	-175,000	160

**Correction and Rehabilitation Total:** **-675,000** **-675,000**

**Emergency Management and Homeland Security**

25	Reduction of OEMHS Computers and other equipment Repair/Maintenance	-20,000	-20,000	160
26	Reduction of OEMHS Temporary Para-Professional Services	-6,351	-6,351	

**Emergency Management and Homeland Security Total:** **-26,351** **-26,351**

**Police**

92	Liquidate Prior Year Purchase Orders	-80,017	-80,017	160
93	Increase Lapse based on analysis by OMB and Police	-1,523,340	-1,523,340	163
94	Increase Lapse due to position exemption process	-763,500	-763,500	163
95	Implementation Delays in Next Generation 911	-770,000	-770,000	163
96	Reduce Contract Security Hours of Council Office Building by Four Hours per Day	-67,977	0	163
97	Reduce Contract Security Spending to Reflect One Fewer Guard Than Budgeted Posted at COB	-86,054	-86,054	163
98	Adjust January recruit class size to reflect lower attrition in department	-525,452	-525,452	163

**Police Total:** **-3,816,340** **-3,748,363**

**Sheriff**

114	Keep Principal Administrative Aide position open through end of FY18	-50,205	-50,205	160
115	Keep Client Assistance position open through end of FY18	-73,885	-73,885	
116	Reduce January 2018 Academy class size by 3 recruits	-114,436	-114,436	

**Sheriff Total:** **-238,526** **-238,526**

Ref. No	Title	CE Reduction	Committee Reduction	© #
<b>State's Attorney</b>				
117	Delay Hiring Two Senior Legal Assistant Positions	-24,812	-24,812	160
118	Turnover Savings	-125,852	-125,852	
119	Increase Lapse	-62,400	-62,400	
<b>State's Attorney Total:</b>		<b>-213,064</b>	<b>-213,064</b>	
<b>Fire</b>				
<b>Fire and Rescue Service</b>				
123	Hyattstown Engine 709	-899,000	<input type="text" value="0"/>	161
124	Hillandale Tower 724	-494,000	<input type="text" value="0"/>	
125	Germantown Engine 729	-499,000	<input type="text" value="0"/>	
126	Four Person Staffing on Takoma Park Engine 702	-450,000	<input type="text" value="0"/>	
127	Allocate 10% reduction to LFRDs and MCVFRA	-268,458	<input type="text" value="-53,691"/>	
<b>Fire and Rescue Service Total:</b>		<b>-2,610,458</b>	<b>-53,691</b>	
<b>Fire Total:</b>		<b>-2,610,458</b>	<b>-53,691</b>	
<b><u>Non-Tax Supported</u></b>				
<b>Liquor</b>				
<b>Liquor Control</b>				
151	Retail Store Remodels	-779,660	-779,660	164
152	Liquidate FY18 Purchase Orders	-157,613	-157,613	
153	Personnel Savings	-350,000	-350,000	
154	Reduce OE for Supplies and Materials to align with paperless processes	-250,000	-250,000	
155	Master Lease 3 Delivery Trucks	-316,612	-316,612	
156	FY18 Revised Revenue Estimate (Revenue enhancement)	-1,500,000	-1,500,000	
<b>Liquor Control Total:</b>		<b>-3,353,885</b>	<b>-3,353,885</b>	
<b>Liquor Total:</b>		<b>-3,353,885</b>	<b>-3,353,885</b>	
<i>Note: Total expenditure &amp; revenue changes</i>				

**TRANSPORTATION, INFRASTRUCTURE, ENERGY & ENVIRONMENT COMMITTEE****Environmental Protection**

Ref. No	Title	CE Reduction	Committee Reduction	© #
27	Additional Lapse	-58,000	0	188

**T&E Alternative Savings**

Outreach for Bill 52-14	0	-125,000
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<b>Environmental Protection Total:</b>	<b>-58,000</b>	<b>-125,000</b>
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**General Services**

31	Libraries Deferred Maintenance	-150,000	-150,000	189
32	Recreation Deferred Maintenance	-100,000	-100,000	
33	Turnover Savings	-108,583	-108,583	

<b>General Services Total:</b>	<b>-358,583</b>	<b>-358,583</b>
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**Transportation**

121	Lapse and Turnover Savings	-996,198	-996,198	190
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<b>Transportation Total:</b>	<b>-996,198</b>	<b>-996,198</b>
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**Transit Services**

148	Bus Fleet Replacement Savings	-2,027,141 *	0	190
<i>NOTE: The CE transmittal inadvertently double-counted this reduction*</i>				

149	Defer start up of Limited Stop Ride On Service on US 29	-617,398	-325,726	
<i>NOTE: The operating cost would be \$323,970 offset by revenue of \$32,398 for a net cost of \$291,672</i>				

<b>Transit Services Total:</b>	<b>-2,644,539</b>	<b>-325,726</b>
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<b>TOTAL SAVINGS without NDAs:</b>	<b>-57,189,586</b>	<b>-50,618,286</b>
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<b>*TOTAL SAVINGS without NDAs (net):</b>	<b>-55,162,445</b>	<b>-50,618,286</b>
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**COUNTY EXECUTIVE'S RECOMMENDED FY18 SAVINGS PLAN  
MONTGOMERY COUNTY GOVERNMENT - NDA and ISF SAVINGS**

<b>NDA/FUND</b>	<b>DESCRIPTION</b>	<b>CE REDUCTION</b>	<b>COMMITTEE REDUCTION</b>	<b>© #</b>
NDA - Leases	Savings of 1% on budgeted lease expenses	-205,500	-205,500	70
NDA - MCEDC	Estimated ending fund balance in FY19	-900,000	-100,000	114
Motor Pool ISF	Delay half of automobile replacements planned for the rest of FY18	-1,000,000	-1,000,000	189
Motor Pool ISF	Hold current vacancies open through the end of FY18	-287,965	-287,965	189
NDA - Device Client Management	Delay equipment purchases	-1,000,000	-1,000,000	70
NDA - Housing Opportunities Commission	Reduce contribution to HOC by 2% in FY18	-130,738	-130,738	116
<b>TOTAL:</b>		<b>-3,524,203</b>	<b>-2,724,203</b>	

**TOTAL OPERATING BUDGET & NDA REDUCTIONS: -60,713,789 -53,342,489**

**\*TOTAL SAVINGS (net): -58,686,648 -53,342,489**  
(including NDAs & ISF)

<b>CIP Current Revenue</b>	<b>Executive Reduction</b>	<b>Committee Reduction</b>	<b>© #</b>
Ride-On Bus Fleet	-2,027,000	-2,027,000	191
Advanced Transportation Management System	-1,200,000	-1,200,000	191
Traffic Signal System Modernization	-1,200,000	-1,200,000	191
Facility Planning Transportation	-250,000	-250,000	192
Street Tree Preservation	-200,000	0	192
MCG Facility Planning	-125,000	-125,000	69
Technology Modernization	-25,000	-25,000	69
21st Century Libraries	-347,000	-347,000	82
DHCA Facility Planning	-125,000	-125,000	115
HOC Demolition CIP	-600,000	-600,000	116
MNCPPC All CR	-1,180,000	-1,180,000	114
MCPS - Technology Modernization	-3,019,000	-330,000	50
College	-3,168,000	-1,900,000	52
<b>TOTAL</b>	<b>-13,466,000</b>	<b>-9,309,000</b>	



**MONTGOMERY COUNTY PUBLIC SCHOOLS**  
MARYLAND  
www.montgomeryschoolsmd.org

January 24 2018

The Honorable Craig Rice, Chair  
Montgomery County Council Education Committee  
Stella B. Werner Council Office Building  
100 Maryland Avenue  
Rockville, Maryland 20850



Dear Mr. Rice:

This letter is in response to your request that Montgomery County Public Schools (MCPS) identify the maximum amount of current revenue in the Capital Improvements Program (CIP) that could be achieved in Fiscal Year (FY) 2018 toward meeting the County Executive's recommended savings target. We appreciate the Education Committee's support and acknowledgement that the \$3 million savings target in CIP current revenue may not be achievable at this point in the fiscal year. As we discussed at the Education Committee work session, a great deal of the current revenue funding in the CIP already is expended for the identified projects.

We take seriously the Education Committee's charge to participate in the current year savings plan, and we are working to identify significant savings in the current year operating budget. At this juncture, we can identify a total of \$330,000 in the Technology Modernization project in current revenue to contribute towards FY 2018 savings.

These dollars remain unexpended in the Technology Modernization budget at this time to respond to unforeseen repairs that may be needed to out of warranty system elements, as well as to possible increases to software licensing fees that arise due to increased enrollment throughout the school year. In some years, our expenses in these areas are higher than expected, particularly as our Technology Modernization schedule is extended, and a larger number of older computers, devices, and other technological equipment remain in use. Without this funding to address unforeseen need in the spring, some repairs could have to be deferred.

Thank you again for your support of our educational programs and operational infrastructure in MCPS. We look forward to continuing to work with you to secure the necessary resources to carry our efforts forward. Please let me know if you require any further information.

Sincerely,

Andrew M. Zuckerman, Ed.D.  
Chief Operating Officer

AMZ:sro

Copy to:

Members of the Montgomery County Council  
Members of the Board of Education  
Dr. Smith

Mr. Cevenini  
Ms. Karamihas  
Mr. Song

Mr. Ikheloa

Office of the Chief Operating Officer

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850 Hungerford Drive, Room 149 ♦ Rockville, Maryland 20850 ♦ 301-279-3626



OFFICE OF THE PRESIDENT

January 24, 2018

The Honorable Hans Riemer  
Council President  
Montgomery County Council  
100 Maryland Avenue  
Rockville, Maryland 20850

Re: Montgomery College Capital Budget Savings Plan

Dear Council President Riemer:

Montgomery College understands the difficult fiscal situation facing the county and the need to implement a savings plan in the current fiscal year to respond to the changed revenue outlook. The College appreciates the county's continued strong support, and, as willing fiscal partners, it is prepared to participate in the savings plan as we stated during the Education Committee worksession held on January 17, 2018.

The County Executive's FY18 Savings Plan recommended the College reduce capital budget current revenue by \$2.263 million. This request follows an FY16 savings plan reduction of \$6.5 million. Although the cumulative impact of these reductions is significant given the size of the overall budget, the College is prepared to work hard to exercise fiscal restraint and realize savings.

We are grateful that, during the Education Committee worksession last week, the committee limited the impact of the savings plan on the College's operating budget—and thus the impact on our students—and additionally indicated its understanding that some or all of the current revenue in various projects may have already been spent or encumbered.

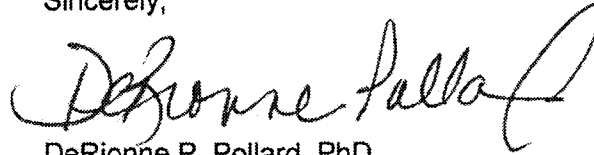
The College believes that a reduction of \$1.9 million can be absorbed in the Information Technology Capital Improvements Program. Phases of several ongoing initiatives will be deferred to meet this reduction such as the security camera replacement project and replacement of administrative technology equipment. Every effort will be made to reach that amount and, if possible, preserve even further resources where feasible.



The Honorable Hans Riemer  
January 24, 2018  
Page2

I wish you success in your deliberations and am confident that you will meet this challenge in a manner that best serves the residents of our community.

Sincerely,

A handwritten signature in black ink, appearing to read "DeRionne Pollard", with a stylized flourish at the end.

DeRionne P. Pollard, PhD  
President

CC: The Honorable Craig Rice  
The Honorable Marc Elrich  
The Honorable Nancy Navarro

MEMORANDUM

January 12, 2018

TO: Education Committee

FROM: Craig Howard, <sup>CH</sup> Senior Legislative Analyst

SUBJECT: **FY18 Savings Plan**

The purpose of today's worksession is for the Education Committee to review the FY18 Savings Plans for Montgomery County Public Schools and Montgomery College.

On November 30, the Chief Administrative Officer wrote to all outside agencies requesting their participation in the FY18 Savings Plan. The County Executive transmitted his recommended FY18 Savings Plan on January 2 (attached at ©1) and recommends operating budget savings for the Education Committee agencies as detailed in the table below.

Agency	Tax Supported Budget	% of Total Tax Supported Budget	Savings Plan Target	Target as % of:	
				Total Savings Plan	Agency Budget
MCPS	\$2,368,655,562	54.1%	\$25,000,000	41.2%	1.1%
College	\$262,759,376	6.0%	\$5,255,188	8.7%	2.0%

In addition, the Executive recommends reductions in FY18 Capital Improvements Program (CIP) current revenue for both agencies – \$3.0 million for MCPS and \$2.3 million for Montgomery College.<sup>1</sup> These reductions represent approximately 15% of the FY18 current revenue allocation for each agency.

Council staff notes that this Education Committee worksession is the first of the Committee reviews of the savings plan. Both Montgomery College and MCPS have stated their intent to participate in the savings plan and both are actively developing their respective approaches to implement reductions.

For both MCPS and the College, current year operating budget savings are critically important in conserving resources for the next fiscal year. Unlike County Government, these agencies' operating budget savings do not fall to the County's General Fund but remain in reserve within each agency as possible resources for reappropriation in FY19. In contrast, reductions in CIP current revenue funding do accrue as FY18 savings.

<sup>1</sup> The Executive's FY18 Savings Plan memorandum showed a \$3.169 million reduction in CIP current revenue for the College. During follow-up discussions with Council staff, OMB determined that this value was calculated in error and that the actual reduction should be \$2.263 million. The corrected reduction amount will be reflected in the FY19-24 Recommended CIP that the Executive will transmit to the Council on January 16.

**Council staff recommends that the Committee have an initial discussion of each agency's recommended target reductions, and whether the Committee supports that target as a starting point or would like to consider alternatives.** The agencies will also present their general approaches to the savings plan and preliminary expectations. The Committee has a savings plan follow-up worksession scheduled for January 22 if needed, or can make more specific recommendations on target savings amounts as part of the full Council discussion.

## **MONTGOMERY COUNTY PUBLIC SCHOOLS (MCPS)**

### **1. Operating Budget**

The Executive recommends an operating budget savings plan target of \$25.0 million for MCPS. This represents 1.1% of the total MCPS tax supported budget (which includes the County contribution, State Aid, fund balance carryover, and other non-grant, non-enterprise fund revenues), 1.5% of MCPS' County contribution, and 41.2% of the total savings plan.

As in past years, MCPS has stated its intent to participate in the FY18 savings plan. MCPS has always participated in countywide savings plans and has achieved significant savings through hiring freezes and expenditure restrictions to help fund future-year budgets.

In FY11 MCPS contributed \$19.2 million for the savings plan, which was over half of the total savings plan for all agencies, with \$17.0 million of the savings used to help fund the FY12 budget. In FY16, when the savings plan occurred at the start of the fiscal year, MCPS agreed to the requested \$10.0 million savings plan target while also discussing with the Council and Executive that additional savings would likely be required to be able to fund its priority initiatives the following year. Through difficult hiring and expenditure restrictions, MCPS ended the year with a \$33.2 million fund balance used to help fund the FY17 budget.

Any FY18 savings for MCPS would accrue to its year-end fund balance, and could be reappropriated by the Council as part of the FY19 budget. Prior to receiving the Executive's saving plan, MCPS was already anticipating a \$14.7 million year-end fund balance and that amount was included as a resource in the Superintendent's FY19 Recommended Operating Budget. As a result, MCPS would need to achieve an additional \$10.3 million in FY18 savings to meet the \$25.0 million target.

**While MCPS has not formally communicated information to the Council regarding the savings plan, initial indicators suggest that MCPS can achieve these additional savings and meet the Executive's \$25.0 million target.** MCPS has begun working to achieve additional savings, and the most recent Monthly Financial Report (attached at ©9-14) presented to the Board of Education on January 9 shows a revised year-end fund balance projection of \$19.0 million that is already closer to the savings target level.

**Savings Plan Impact.** While achieving a \$25 million savings target appears feasible, a higher level of savings than was initially planned will have an impact on MCPS operations via expenditure restrictions, central office hiring restrictions, etc. Some of these impacts may not be readily apparent outside of MCPS, while others may be visible to the broader community. **However, at this time MCPS does not anticipate making any reductions that would directly impact classroom learning in order to meet the savings plan target.** At the January 9 Board of Education meeting, the Superintendent expressed his intention to keep any savings plan impact "as far away from the student desk, the teacher desk, and the classroom as possible."

**Council staff recommends that the Committee support with the Executive's \$25 million savings target for the MCPS operating budget in FY18, and support MCPS' intent to achieve these savings while minimizing any impact to students, schools, and the classroom.**

## **2. CIP Current Revenue**

The Executive recommends a total reduction of \$3.0 million in current revenue from the CIP for MCPS in FY18. The Executive did not specify what projects these reductions would come from, but submitted a "MCPS Affordability Reconciliation" PDF showing a total reduction of \$3.0 million in FY18 (©7). The reduction represents 15% of MCPS' \$20.1 million in CIP current revenue funding in FY18.<sup>2</sup>

**MCPS is reviewing how it could meet the FY18 target goal of \$3.0 million, including what specific project reductions would be required.** MCPS staff will be prepared to discuss the potential reductions at the worksession. As shown below, the majority of MCPS' CIP current revenue funding in FY18 is in the Technology Modernization project.

<b>MCPS CIP Project</b>	<b>FY18 Current Revenue Funding</b>
Facility Planning	\$170,000
Outdoor Play Space Maintenance Project	\$375,000
Relocatable Classrooms	\$5,000,000*
Technology Modernization	\$24,930,000**

\*Approved as an FY17 supplemental appropriation.

\*\*Project also includes \$1,080,000 million funded via Current Revenue: Recordation Tax.

An important consideration with current revenue reductions is that funds in certain projects may have already been spent and/or encumbered in FY18. Additionally, some projects fund positions using current revenue. For example, \$5.7 million in the Technology Modernization project in FY18 is for position costs. As a technical matter, the Executive's PDF does not accomplish any CIP reductions as submitted. The Council would have to amend specific projects to implement savings.

**Council staff recommends that the Committee ask MCPS to work toward the \$3.0 million Current Revenue target in FY18 and submit its specific FY18 project reductions in time for final Council action on the savings plan.**

## **MONTGOMERY COLLEGE**

### **1. Operating Budget**

The Executive recommends an operating budget savings plan target of \$5.3 million for Montgomery College. This represents 2.0% of the total College tax supported budget (which includes the County contribution, State Aid, fund balance carryover, tuition and student fees, and other miscellaneous revenues), 3.8% of the College's County contribution, and 8.7% of the total savings plan. For comparison, the College represents 6.0% of the total tax supported budget for all County agencies.

<sup>2</sup> MCPS is also spending \$5.0 million in current revenue funding in the Relocatable Classrooms Project in FY18, however that funding was approved as an FY17 supplemental to expedite funding and allow MCPS to enter into contracts for the placement of relocatable classrooms by the start of the 2017-18 school year.

As in past years, the College has stated its intent to participate in the FY18 savings plan. The College has always participated in countywide savings plans and has achieved significant savings through hiring freezes and expenditure restrictions.

**In Council staff's view, and compared to prior savings plans, \$5.3 million is an aggressive savings plan target.** In the first round of FY10 savings and in the FY11 savings plan, the College was asked to contribute approximately \$1 million (closer to 1% of its budget at that time) as a savings target. In the FY16 savings plan, the Executive requested a similar target of \$5 million, which the Council reduced by half to \$2.5 million (again representing 1% of the budget). At the same time, as discussed by the Committee during FY18 budget deliberations and in a worksession last November, the College's enrollment has decreased in each of the past five years while County funding has increased.

Another consideration with respect to the Executive's recommendation for the College is that the savings plan applies the 2.0% reduction to the College's entire tax supported budget. Unlike other agencies, a significant portion of the College's tax supported budget comes from student tuition and fees – \$80.4 million or 30.6% in FY18. The Board of Trustees established tuition and fee rates last spring, and those rates have already been paid and/or billed to students for the Fall and Spring semesters. As a result, tuition and fee rate changes cannot realistically be included as part of a mid-year savings plan solution.

**If tuition and fees are excluded from the College's tax supported budget, the Executive's target of \$5.3 million represents a 2.9% reduction.** Based on that revised budget total, a 2.0% savings target equals \$3.6 million as shown in the table below.

Montgomery College FY18 Budget		2.0% Savings Target
Total Tax Supported Budget	\$262,759,376	\$5,255,188
Tax Supported Budget <u>Excluding</u> Tuition/Fees	\$182,339,919	\$3,646,798

As noted above, any FY18 savings for the College would accrue to its year-end fund balance, a portion of which is typically re-appropriated by the Council as part of the next fiscal year's budget. Prior to receiving the Executive's savings plan, the College's December 12 operating budget framework presentation to the Board of Trustees projected \$3.1 million year-end fund balance for the Board to consider as an FY19 operating budget resource. While the Board is not scheduled to make budget decisions until January 24, if that initial projection holds the College would need to achieve an additional \$2.2 million in FY18 savings to meet the \$5.3 million target.

**Savings Plan Impact.** Achieving a higher level of savings than was initially planned will have an impact on College operations via expenditure restrictions, hiring freezes, etc. As with MCPS reductions, some of these impacts may not be readily apparent outside of the College while others may be visible to the broader community.

**Council staff recommends that the Committee consider two options with regard to the Executive's savings target for Montgomery College in FY18, and discuss with College staff the potential impacts of each:**

- **Support the full \$5.3 million recommended by the Executive.** The College would need to achieve \$2.2 million in FY18 savings above and beyond the \$3.1 million currently projected.

- **Support a revised savings target of \$4.4 million.** This amount would effectively “split the difference” between 2% of the total tax supported budget as recommended by the Executive (\$5.3 million) and 2% of the tax supported budget excluding tuition and fees (\$3.6 million). The College would need to achieve \$1.3 million in FY18 savings beyond the \$3.1 million currently projected, and the Executive’s savings plan would be reduced by \$855,000.

## 2. CIP Current Revenue

The Executive recommends a total reduction of \$2.3 million in current revenue from the CIP for the College in FY18. The Executive did not specify what projects these reductions would come from, but submitted a “College Affordability Reconciliation” PDF showing a reduction for FY18 (©8). The reduction represents 15% of the College’s \$15.1 million in CIP current revenue funding in FY18.

As noted on page 1, the Executive’s January 2 memo and the PDF submitted with it show an incorrect reduction for the College of \$3.2 million. The Executive will prepare a revised Affordability Reconciliation PDF with the corrected value of \$2.3 million and submit that to the Council as part of his Recommended FY19-24 CIP.

**The College is reviewing how it could meet the FY18 target goal of \$2.3 million, including what specific project reductions would be required.** College staff will be prepared to discuss the potential reductions at the worksession. As shown below, the majority of the College’s CIP current revenue funding in FY18 is in the Information Technology, Network Infrastructure, and Network Operations projects. College staff notes that these projects have been reduced several times over the past few years due to affordability considerations during the capital budget process and to prior year savings plans. (See ©15 for more details on these reductions). Most recently, the College participated in the FY16 savings plan by taking a \$6.5 million current revenue reductions from the Information Technology and Network Infrastructure projects.

<b>College CIP Project</b>	<b>FY18 Current Revenue Funding</b>
Energy Conservation	\$16,000
Facility Planning	\$270,000
Instructional Furniture & Equipment	\$270,000
Planning, Design, & Construction	\$828,000
Student Learning Support Systems	\$1,400,000
Network Infrastructure & Support Systems	\$1,800,000
Network Operating Center/Datacenter	\$2,000,000
Information Technology	\$8,500,000

An important consideration with current revenue reductions is that funds in certain projects may have been spent and/or encumbered for FY18. Additionally, some projects fund positions using current revenue. As a technical matter, the Executive’s PDF does not accomplish any CIP reductions as submitted. The Council would have to amend specific projects to implement savings.

**Council staff recommends that the Committee ask the College to work toward the \$2.3 million Current Revenue target in FY18 and submit its specific FY18 project reductions in time for final Council action on the savings plan.**



OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

January 2, 2018

TO: Hans Riemer, Council President

FROM: Isiah Leggett, County Executive

*Timothy L. Fipertine (for)*

SUBJECT: FY18 Savings Plan

Attached please find my Recommended FY18 Savings Plan for Montgomery County government and the other tax-supported County agencies to help close the \$120 million gap we are facing in our Fiscal Year 2018 operating budget. The attached plan identifies savings of approximately \$60 million from the FY18 operating budget, and approximately \$13 million in current revenue savings from the FY17-22 Capital Improvements Program (CIP). As discussed during our recent briefing on the Fiscal Plan to Council, this shortfall is not a projected shortfall, but rather a real loss of income tax revenue, and therefore we must reduce expenditures to close the budget gap.

Please keep in mind that if this gap is not closed now in FY18, it will place the current budget further out of balance and exacerbate an already difficult FY19. As difficult as the reductions in the attached savings plan may be, additional reductions or savings in FY18 will be necessary to close the \$120 million gap. Executive staff continue to find possible solutions (all of which will be very difficult). I will keep the Council apprised of these measures. I remain committed to submitting an FY19 Recommended Operating Budget that maintains our agreed to reserve levels and ensures our long-term fiscal stability. To do so requires many difficult choices.

Based on updated estimates from the Department of Finance, FY18 revenues are projected to be \$95 million lower than originally anticipated. This shortfall is driven primarily by lower than expected income tax revenues, though we are also experiencing lower than projected revenues from the energy tax and transfer and recordation taxes. The November income tax distribution from the State of Maryland was approximately \$80 million lower than anticipated, and estimates for future distributions have been revised downward as well. We must also recognize a \$25 million budget shortfall from FY17 which increases the FY18 gap to \$120 million.

Despite indicators that suggest strong economic growth, change in taxpayer behavior in the context of proposed changes to the Federal tax code is a key contributing factor in the shortfall seen to date. Illustrating this point, is the fact that the top 50 taxpayers in Montgomery County recognized about 50% less capital gains income in tax year 2016 than they did in the previous year. In addition to the \$95 million shortfall in FY18 and the \$25 million shortfall from FY17, the updated revenue forecasts indicate a shortfall of \$86 million in FY19. The proposed FY18 Savings Plan will reduce costs in the current year and contribute to the effort to avoid a current year budget deficit.

Isiah Leggett, County Executive  
January 2, 2018  
Page 2

I do not expect that our fiscal difficulties will disappear in FY19, and in fact we may find that our revenues are further reduced by a number of factors beyond our control. The recently passed Federal tax legislation could have a negative impact on our revenues. The legislation's full impact on our revenues and our economy, requires complex analysis that the Department of Finance will be conducting. There are other significant pressures that are likely to impact County finances, including continued student enrollment increases, possible cutbacks in both Federal and State funding, and collective bargaining negotiations. With this reality in mind, I have focused my recommended reductions on those that are long term, rather than one-time quick fixes. This requires some difficult decisions. I hope that you will support this approach since it is critical to the County's long-term fiscal health.

The attached savings plan recommends total savings of approximately \$60 million from the FY18 operating budget. I recommend a reduction in County government expenditures of about \$28 million as outlined in the attached plan. The savings initiatives identified for County government include some reductions to services, though we have minimized reductions to the most critical and basic services. I am assuming that the outside agencies receiving County funding will participate as well. I have not defined where these reductions would be taken, but instead I have provided a general target. Their respective boards are in the best position to identify the reductions that would have the least service impacts. The reduction targets for the other County agencies are as follows:

Montgomery County Public Schools (MCPS): \$25.0 million  
Montgomery College: \$5.2 million  
Maryland-National Capital Park and Planning Commission (MNCPPC): \$2.6 million

In addition, MCPS is asked to continue to review its various fund balances and costs to determine if additional savings are possible.

I am also recommending savings of about \$13.5 million in current revenue from the CIP. This includes approximately \$3.0 million for MCPS, \$3.2 million for Montgomery College, \$1.2 million for M-NCPPC, \$600,000 for the Housing Opportunities Commission, and \$5.5 million for County government. County government's reduction in current revenue funding for FY18 was approximately 21% of the total FY18 current revenue budget allocation. In contrast, I am recommending a reduction of 15% for each of the outside agencies' FY18 current revenue. These current revenue reductions are critical to closing the gap and if not taken, will directly impact funding for FY19.

My savings plan recommendations that are within the CIP and are administered by outside agencies are reflected in affordability project description forms in order to provide them with maximum flexibility. I believe the respective governing bodies of these agencies are in the best position to determine where these reductions should be taken. As requested by Council staff, OMB will provide separately any project description forms for outside agency projects with current revenue so that they can be considered as part of the County Council's public hearing process for CIP amendments.



Isiah Leggett, County Executive  
January 2, 2018  
Page 3

I understand the difficulty that this fiscal situation presents, and I appreciate your consideration of these proposed reductions. If there are specific actions in this plan that the Council is unwilling to approve, I ask that you identify alternative savings initiatives of equal value and of a long-term nature, so that the overall proposed dollar value of savings can be achieved for FY18. It is important to note that at the time of Council approval, there will be less than six months remaining in the fiscal year.

As such, we will need to act quickly to approve and implement the savings plan. Prompt action will allow us to maximize the savings that can be achieved. It is also important to note that any deficit experienced at the end of FY18 will need to be addressed in FY19 budget development. This would be in addition to the \$86 million shortfall already projected for FY19.

I appreciate the Council's willingness to collaborate on this important matter and the expedited scheduling of consideration and approval of the plan. My staff is available to assist the Council in its review of the attached proposal. Thank you for your support of our efforts to minimize the impact of these reductions on our most important services while preserving the fiscal health of the County government.

Executive Recommended FY18 Savings Plan		
Agency	Approved FY18 Budget	Savings Plan Reduction
MCG	1,618,516,292	27,827,660
MCPS	2,368,655,562	25,000,000
College	262,759,376	5,255,188
MNCPPC	131,547,071	2,630,941
<b>Total</b>	<b>4,381,478,301</b>	<b>60,713,789</b>
<b>Notes:</b> 1. Amounts above include only the operating budget, excluding debt service and retiree health insurance. 2. The County Executive's Recommended FY18 Savings Plan also includes capital budget current revenue reductions of \$13.5 million, including \$5.5 million from County government, \$600,000 from the Housing Opportunities Commission, and \$7.3 million from other outside agencies.		

IL:df

Attachment: Recommended FY18 Savings Plan for Montgomery County government and the other tax supported County agencies

## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Tax-Supported - MCG</b>				
<b><u>General Fund</u></b>				
Agriculture	989,195	-19,784	0	-2.00
Board of Appeals	541,752	-10,835	0	-2.00
Board of Elections	8,213,700	-80,000	0	-0.97
Circuit Court	12,066,554	-241,331	0	-2.00
Community Engagement Cluster	3,772,050	-75,441	0	-2.00
Consumer Protection	2,364,597	-47,292	0	-2.00
Correction and Rehabilitation	66,716,261	-675,000	0	-1.01
County Attorney	6,319,482	-132,126	0	-2.09
County Council	11,651,722	-303,755	0	-2.61
County Executive	5,947,305	-188,100	0	-3.16
Emergency Management and Homeland Security	1,317,571	-26,351	0	-2.00
Environmental Protection	2,907,343	-58,000	0	-1.99
Ethics Commission	429,607	-8,592	0	-2.00
Finance	14,446,096	-288,922	0	-2.00
General Services	30,965,577	-358,583	0	-1.16
Health and Human Services	234,084,840	-4,360,777	-11,625	-1.86
Housing and Community Affairs	7,538,618	-150,772	0	-2.00
Human Resources	8,355,091	-167,102	0	-2.00
Human Rights	1,242,813	-24,856	0	-2.00
Inspector General	1,071,872	-21,437	0	-2.00
Intergovernmental Relations	1,125,673	-22,513	0	-2.00
Legislative Oversight	1,661,695	-33,234	0	-2.00
Management and Budget	4,730,931	-94,619	0	-2.00
Merit System Protection Board	367,688	-7,354	0	-2.00
Non-Departmental Accounts (Select NDAs)	39,765,233	-2,236,238	0	-5.62
Police	275,474,370	-3,816,340	0	-1.39
Procurement	4,512,962	-90,259	0	-2.00
Public Information	5,079,351	-101,587	0	-2.00
Public Libraries	42,437,576	-850,919	0	-2.01
Sheriff	23,366,446	-238,526	0	-1.02
State's Attorney	17,188,455	-213,064	0	-1.24
Technology Services	43,022,058	-860,441	0	-2.00
Transportation	49,809,920	-996,198	0	-2.00
Zoning and Administrative Hearings	689,591	-13,792	0	-2.00
<b>General Fund Total:</b>	<b>930,173,995</b>	<b>-16,814,140</b>	<b>-11,625</b>	<b>-1.81</b>
<b><u>Special Funds</u></b>				
Fire	214,862,420	-2,610,458	0	-1.21
Recreation	37,687,311	-755,897	-2,115	-2.01
Mass Transit	132,226,957	-2,759,889	-115,350	-2.09
Bethesda Urban District	3,174,943	-13,006	0	-0.41
Silver Spring Urban District	3,498,672	-10,793	0	-0.31
Wheaton Urban District	2,016,434	-29,285	0	-1.45
<b>Special Funds Total:</b>	<b>393,466,737</b>	<b>-6,179,328</b>	<b>-117,465</b>	<b>-1.57</b>
<b>Tax-Supported Total:</b>	<b>1,323,640,732</b>	<b>-22,993,468</b>	<b>-129,090</b>	<b>-1.74</b>

## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Non-Tax Supported - MCG</b>				
<u>Enterprise Funds</u>				
Liquor	65,161,319	-1,853,885	1,500,000	-2.85
<b>Enterprise Funds Total:</b>	<b>65,161,319</b>	<b>-1,853,885</b>	<b>1,500,000</b>	<b>-2.85</b>
<u>Special Funds</u>				
Cable TV	16,071,604	-321,432	0	-2.00
<b>Special Funds Total:</b>	<b>16,071,604</b>	<b>-321,432</b>	<b>0</b>	<b>-2.00</b>
<u>Internal Service Funds</u>				
Motor Pool Internal Service Fund	80,056,028	-1,287,965	0	-1.61
<b>Internal Service Funds Total</b>	<b>80,056,028</b>	<b>-1,287,965</b>	<b>0</b>	<b>-1.61</b>
<b>Non-Tax Supported Total:</b>	<b>161,288,951</b>	<b>-3,463,282</b>	<b>1,500,000</b>	<b>-2.15</b>
<b>MCG Total:</b>	<b>1,484,929,683</b>	<b>-26,456,750</b>	<b>1,370,910</b>	<b>-1.78</b>

### Tax Supported - Outside Agencies

Montgomery County Public Schools	2,368,655,562	-25,000,000	0	-1.06
Montgomery College	262,759,376	-5,255,188	0	-2.00
Maryland-National Capital Park and Planning	131,547,071	-2,630,941	0	-2.00

# **RECOMMENDED FY18 CIP CURRENT REVENUE SAVINGS PLAN REDUCTIONS**

Project	FY18 Savings Plan Amount (\$Millions)	Comments
MCG: Facility Planning	\$0.125	Reduction will result in minimal delays due to large unencumbered balance remaining.
Technology Modernization	\$0.025	Represents Recreation funds no longer needed
Street Tree Preservation	\$0.200	FY18 funding was increased to \$4 million compared to \$3 million usual funding. Represents only a 5% reduction in this increased level of funding
Facility Planning: Transportation	\$0.250	Delays in projects would be minimal. Given backlog of projects that have been planned but unfunded, these deferrals are not expected to delay construction of any new projects in planning.
Traffic, Signal System Modernization	\$1.200	Recognizes past implementation delays
ATMS	\$1.200	Recognizes past implementation delays.
Bus Fleet Replacement	\$2.027	Recognizes cost savings due to new bus contract pricing
21st Century Libraries	\$0.347	Recognizes past implementation delays
DHCA Facility Planning	\$0.125	Minor delays in three studies
HOC - Demolition CIP	\$0.600	HOC has agreed to be reimbursed in FY20
<b>Total MCG/HOC CR Savings Plan Reductions</b>	<b>6.099</b>	

<b>Total Approved FY18 CR - MCG Only</b>	<b>\$25.966</b>
<b>Percent of total MCG only Approved funding in cuts above</b>	<b>21.2%</b>

Outside Agencies	15% Reductions	Comments
MNCPPC - all CR	\$1.180	
MCPS (excluding Relocatables)	\$3.019	Total Technology Spending, including Recordation Tax averages \$25M/year
College	\$3.168	
<b>Total Outside Agencies</b>	<b>\$7.367</b>	
<b>TOTAL DEC SAVINGS PLAN REDUCTIONS</b>	<b>\$13.466</b>	

Note: Council staff has asked OMB to provide PDFs for outside agency projects with current revenue that could be amended to meet the above-savings plan reduction target.

## MCPS Affordability Reconciliation (P056516)

Category                    Montgomery County Public Schools  
 Sub Category            Miscellaneous Projects  
 Administering Agency   Public Schools (AAGE18)  
 Planning Area            Countywide

Date Last Modified            7/6/16  
 Required Adequate Public Facility   No  
 Relocation Impact            None  
 Status                            Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	-3,019	0	0	-3,019	0	-3,019	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current Revenue: General:</b>	<b>-3,019</b>		<b>-3,019</b>			<b>-3,019</b>					

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18
Supplemental Appropriation Request	
Transfer	
Cumulative Appropriation	
Expenditure / Encumbrances	0
Unencumbered Balance	0

Date First Appropriation	FY 15
First Cost Estimate	
Current Scope	FY01
Last FY's Cost Estimate	0

### Description

This project reconciles the Board of Education's request with the County Executive's recommendation. Fiscal constraints lead the Executive to adjust the annual amounts to be affordable within the CIP. The Executive's recommendation maintains all funding at the approved FY13 and FY14 levels and makes reductions in FY15 through FY18. The Executive reached the FY14 funding level by recommending maintaining the Facility Planning, Planned Life Cycle Asset Replacement, and Heating, Ventilation, Air Conditioning projects FY14 funding at the level previously approved by the County Council. By beginning the reductions in FY15, the Board of Education will have more time to determine how to revise the school construction schedule to conform to the recommended funding levels. This recommended reduction reflects 2.38% of the total Montgomery County Public School Capital funding for these four years.

### Fiscal Note

FY18 reductions are related to an FY18 savings plan.

## College Affordability Reconciliation (P661401)

Category                    Montgomery College  
 Sub Category            Higher Education  
 Administering Agency   Montgomery College (AAGE15)  
 Planning Area            Countywide

Date Last Modified            5/9/16  
 Required Adequate Public Facility   No  
 Relocation Impact            None  
 Status                            Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	-3,169	0	0	-3,169	0	-3,169	0	0	0	0	0
<b>Total</b>	<b>-3,169</b>	<b>0</b>	<b>0</b>	<b>-3,169</b>	<b>0</b>	<b>-3,169</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding: CR General</b>	<b>-3,169</b>			<b>-3,169</b>		<b>-3,169</b>					

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	-3,169
Supplemental Appropriation Request		
Transfer		
Cumulative Appropriation		
Expenditure / Encumbrances		0
Unencumbered Balance		0

Date First Appropriation	
First Cost Estimate	
Current Scope	0
Last FY's Cost Estimate	0

#### Cost Change

The expenditure data in this project was zeroed out and applied to various College projects, as approved by the County Council. Montgomery College (A15) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

#### Fiscal Note

FY18 reductions are related to an FY18 savings plan.

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DISCUSSION

Office of the Superintendent of Schools  
MONTGOMERY COUNTY PUBLIC SCHOOLS  
Rockville, Maryland

January 9, 2018

**REVISED**

MEMORANDUM

To: Members of the Board of Education

From: Jack R. Smith, Superintendent of Schools

Subject: Monthly Financial Report for November 2017

This financial report reflects the actual financial condition of Montgomery County Public Schools (MCPS) for Fiscal Year (FY) 2018 as of November 30, 2017, and projections through June 30, 2018, based on program requirements and estimates made by primary and secondary account managers. A summary of the financial condition is provided and the attached tables and charts include additional details as follows:

- Attachment 1 presents budgeted and projected revenues along with a brief explanation for change.
- Attachment 2 details expenditure information by state category and object of expense. The report displays authorized (budgeted) expenditures, actual year-to-date expenditures and encumbrances, and the projected year-end balance including a brief explanation.
- Attachment 3 details by state category, the cumulative expenditures and encumbrances, projected expenditures, and projected surplus or deficit.
- Attachment 4 compares financial monitoring projections by month for FY 2016 through FY 2018.
- Attachment 5 details by state category, expenditures and encumbrances by month and the percentage of the category's budget.

**Summary of MCPS Fiscal Condition and End-of-Year Projection**

The MCPS Operating Budget appropriation approved by the Board of Education for FY 2018 totaled \$2,519,280,021. This was an increase of \$61,807,260 (2.5 percent) more than the FY 2017 Operating Budget. This includes \$2,186,180 for a supplemental appropriation for Head Start expansion and \$22,783,303 of MCPS fund balance used for the FY 2018 Operating Budget. As a result of additional savings realized at the end of FY 2017,

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the beginning fund balance in FY 2018 is \$3,675,993. At this time, budgeted revenues for FY 2018 are now projected to have a deficit of \$270,000, which is \$270,000 less than the previous month's report. Expenses are projected to have a surplus of \$15,600,000, an increase of \$3,100,000 from the previous month's report. Based on revenue and expenditure projections as of September 30, 2017, along with the beginning fund balance, the FY 2018 fund balance at year-end is estimated to be \$19,005,993, as displayed in the following table.

FY 2017 End of Year Fund Balance	\$26,459,296
Amount Used to Fund FY 2018 Budget	22,783,303
Start of FY 2018 Fund Balance	3,675,993
FY 2018 Revenue Surplus/Deficit as of 11/30/17	(270,000)
FY 2018 Projected Expenditure Surplus as of 11/30/17	15,600,000
FY 2018 Projected End-of-Year Fund Balance	\$19,005,993

#### **MCPS Employees Group Insurance Trust Fund Balance Update**

The MCPS Employees Group Insurance Trust Fund began FY 2018 with a \$10.9 million surplus for active employees and a \$13.6 million surplus for retired employees, for a net surplus of \$24.5 million in the fund. The FY 2018 Operating Budget was developed to reduce the fund balance to approximately \$21 million, or a 4.5 percent reserve level by the end of FY 2018. Decisions to reduce the balance are reflected in the overall budget appropriation in the Trust Fund, as the amount of appropriation was reduced from FY 2017 to FY 2018, and reflects the County Council directed use of \$5 million of fund balance be used for current health care expenditures.

However, the combination of trends in active employee claims continuing to be lower than projected, a slighter higher than anticipated number of vacancies, the decision to no longer pay stop-loss reinsurance, and the savings incurred from consolidating to one carrier have resulted in additional fund balance in the trust fund. While a portion of this balance is a one-year savings, it still is important to acknowledge the balance and to reflect it in next year's budget to do our part in helping the county balance its budget. In County Executive Isiah Leggett's memorandum of January 2, 2018, regarding the County FY 2018 Savings Plan, he requested that MCPS examine funds for potential savings for the FY 2019 budget.

JRS:ND:TPK:jp

Attachments

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**MONTGOMERY COUNTY PUBLIC SCHOOLS**  
**FY 2018 Monthly Financial Report and Year-end Projections**  
**As of November 30, 2017**

ATTACHMENT 1

**REVENUE**

Source	FY 2018 Original Budget	Revised Budget (a)	Projection		Current Report Variance Over (Under) Revised Budget	Explanation for Change
			As of 11/30/2017	As of 10/31/2017		
County	\$ 1,663,280,683	\$ 1,663,280,683	\$ 1,663,280,683	\$ 1,663,280,683	\$ -	
State	679,114,840	679,114,840	678,844,840	679,114,840	(270,000)	Revenue from the state for non public placements is reduced by \$270,000 due to revised enrollment projection.
Federal	150,000	150,000	150,000	150,000	-	
Other	3,326,736	3,326,736	3,326,736	3,326,736	-	
Appropriated fund balance	22,783,303	31,045,755 (b)	31,045,755	31,045,755	-	
Subtotal	2,368,655,562	2,376,918,014	2,376,648,014	2,376,918,014	(270,000)	
Food Services	54,213,534	54,422,479	54,422,479	54,422,479	-	
Real Estate Management	3,932,647	3,953,207	3,953,207	3,953,207	-	
Field Trip	2,313,743	2,313,743	2,313,743	2,313,743	-	
Entrepreneurial Activities	4,090,053	4,091,704	4,091,704	4,091,704	-	
Instructional Television	1,697,504	1,697,716	1,697,716	1,697,716	-	
Supported Projects	82,190,798	96,417,760 (c)	96,417,760	96,417,760	-	
Total	\$ 2,517,093,841	\$ 2,539,814,623	\$ 2,539,544,623	\$ 2,539,814,623	\$ (270,000)	

**Notes:**

- (a) Revised budget includes carryover of prior-year encumbrances.
- (b) Includes \$8,493,820 for prior-year encumbrances.
- (c) Includes \$12,040,782 carried forward from FY 2017 and a supplemental appropriation of \$2,186,180 for expansion of the Head Start Program.
- (d) A supplemental appropriation of \$724,031 was approved by the Board of Education for the Teacher Induction, Retention, and Advancement (TIRA) Pilot grant.
- (e) A supplemental appropriation of \$683,946 was approved by the Board for Comprehensive School Safety Initiative Program Grant.

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**MONTGOMERY COUNTY PUBLIC SCHOOLS**  
**FY 2018 Monthly Financial Report and Year-end Projections**  
**As of November 30, 2017**

**EXPENDITURES**

Category	Authorized Expenditures	Actual Year-to-Date Expenditures 11/30/2017	Expenditures and Encumbrances 11/30/2017	Projected Expenditures 6/30/2018	Current Report Projected Year-end Balance	Prior Report Projected Year-end Balance	Change Compared to Prior Month	Explanation
<b>01 Administration</b>	<b>\$92,657,208</b>	<b>\$18,798,410</b>	<b>\$43,406,277</b>	<b>\$9,150,931</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>	
Salaries and Wages	37,107,760	12,724,737	34,301,137					
Contractual Services	13,792,331	5,499,087	7,744,486					
Supplies and Materials	743,134	356,655	496,486					
Other	476,533	188,779	287,966					
Equipment	537,451	29,151.00	576,202					
<b>02 Michigan Administration</b>	<b>\$145,952,567</b>	<b>\$50,584,917</b>	<b>\$143,428,187</b>	<b>\$2,524,380</b>	<b>\$1,200,000</b>	<b>\$1,000,000</b>	<b>\$200,000</b>	The projected surplus of \$1,200,000, an increase of \$200,000 from the month of October, is a result of additional savings due to higher than anticipated lapse and turnover and the implantation of expenditure restrictions.
Salaries and Wages	145,517,515	50,312,616	143,028,639					
Contractual Services	822,895	135,033	202,065					
Supplies and Materials	231,040	100,294	114,093					
Other	381,116	36,974	83,390					
Equipment								
<b>03 Instructional Salaries</b>	<b>\$968,813,046</b>	<b>\$278,549,488</b>	<b>\$927,342,680</b>	<b>\$32,970,366</b>	<b>\$9,900,000</b>	<b>\$8,500,000</b>	<b>\$1,400,000</b>	The projected surplus of \$9,900,000, an increase of \$1,400,000 from the month of October, is a result of additional savings for non-position accounts due to expenditure restrictions, and higher than anticipated lapse and turnover.
Salaries and Wages	968,813,046	278,549,488	927,342,680					
<b>04 Textbooks and Supplies</b>	<b>\$24,877,968</b>	<b>\$11,914,490</b>	<b>\$14,196,820</b>	<b>\$10,481,148</b>	<b>\$500,000</b>	<b>\$200,000</b>	<b>\$300,000</b>	The projected surplus of \$500,000, an increase of \$300,000 from the month of October, is a result of the expenditure restrictions that went into effect in September and lower than anticipated expenditures for supplies and materials.
Supplies and Materials	24,877,968	11,914,490	14,196,820					
<b>05 Other Instructional Costs</b>	<b>\$6,636,554</b>	<b>\$2,640,493</b>	<b>\$4,407,376</b>	<b>\$5,622,207</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$200,000</b>	The projected surplus of \$200,000 is an increase of \$200,000 from last month's projection. The change is the result of the implementation of the expenditure restrictions.
Contractual Services	6,636,554	2,640,493	4,407,376					
Other	4,730,991	1,914,803	2,008,603					
Equipment	1,883,288	507,287	1,212,647					

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**MONTGOMERY COUNTY PUBLIC SCHOOLS**  
**FY 2018 Monthly Financial Report and Year-end Projections**  
**As of November 30, 2017**

**EXPENDITURES**

Category	Authorized Expenditures	Actual Year-to-Date Expenditures 11/30/2017	Expenditures and Encumbrances 11/30/2017	Projected Expenditures 6/30/2018	Current Report Projected Year-end Balance	Prior Report Projected Year-end Balance	Change Compared to Prior Month	Explanation
<b>06 Special Education</b>	<b>\$307,872,340</b>	<b>\$88,051,556</b>	<b>\$291,243,153</b>	<b>\$15,229,187</b>	<b>\$1,200,000</b>	<b>\$1,200,000</b>	<b>\$0</b>	
Salaries and Wages	259,507,829	74,289,973	251,427,145					
Contractual Services	1,078,616	435,992	647,451					
Supplies and Materials	1,281,687	517,122	609,290					
Other	45,940,762	12,762,333	38,698,523					
Equipment	63,446	46,136	60,744					
<b>07 Student Personnel Services</b>	<b>\$41,533,269</b>	<b>\$3,954,219</b>	<b>10,938,718</b>	<b>\$494,538</b>	<b>\$500,000</b>	<b>\$100,000</b>	<b>\$400,000</b>	The projected surplus of \$500,000 is an increase of \$400,000 from last month's projection. The change is the result of higher than anticipated lapse and turnover and the implementation of the expenditure restriction.
Salaries and Wages	11,379,679	3,924,145	10,894,240					
Contractual Services	41,015	25,740	28,790					
Supplies and Materials	15,224	2,429	3,782					
Other	97,338	11,906	11,906					
<b>08 Facilities</b>	<b>\$2,040</b>	<b>\$1,318</b>	<b>\$1,318</b>	<b>\$2,312</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
Salaries and Wages	2,040	-	-					
Supplies and Materials	1,590	1,318	1,318					
<b>09 Student Transportation</b>	<b>\$105,757,683</b>	<b>\$30,426,807</b>	<b>\$89,599,218</b>	<b>\$15,358,465</b>	<b>\$1,000,000</b>	<b>\$800,000</b>	<b>\$200,000</b>	The surplus in this category is projected to be \$1,000,000, which includes an increase of \$200,000 from the month of October. Position and non-position salary balances combined are projected to have a deficit of \$400,000 due to the expectation that all permanent routes will be assigned a FTE bus operator, and with substitute accounts continuing to be projected using prior year trend models. This deficit will be offset by a surplus of \$1.4 million primarily in diesel fuel and parts. Diesel fuel is currently \$1.88 CPG, while the budget is \$2.02 CPG. The expectation is that fuel will drop in price as the winter season approaches, and then increase as the spring and summer seasons approach.
Salaries and Wages	76,743,339	24,079,184	72,537,268					
Contractual Services	1,429,956	650,541	652,806					
Supplies and Materials	10,993,120	3,810,794	3,868,527					
Other	1,425,250	130,228	130,228					
Equipment	15,166,018	1,756,059	12,410,389					

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**MONTGOMERY COUNTY PUBLIC SCHOOLS**  
**FY 2018 Monthly Financial Report and Year-end Projections**  
**As of November 30, 2017**

**EXPENDITURES**

Category	Authorized Expenditures	Actual Year-to-Date Expenditures 11/30/2017	Expenditures and Encumbrances 11/30/2017	Projected Expenditures 6/30/2018	Current Report Projected Year-end Balance	Prior Report Projected Year-end Balance	Change Compared to Prior Month	Explanation
10 Operation of Plant & Equipment	\$138,582,403	\$47,264,167	\$100,942,921	\$37,039,482	\$1,000,000	\$600,000	\$400,000	The surplus in this category is projected to be \$1,000,000, an increase of \$400,000 from last month's projection. Position balances are projected to have a surplus of \$1.4 million, primarily due to 76.0 vacancies. Early projections for utilities indicate a deficit of \$400,000 with the expectation that the winter season will be colder than last fiscal year. However, if the winter season is mild similar to last fiscal year, projections for utilities will end up in surplus.
Salaries and Wages	82,643,858	29,939,708	79,758,162					
Contractual Services	3,201,975	1,730,261	2,317,101					
Supplies and Materials	5,217,017	1,365,140	3,402,074					
Other	46,290,849	14,049,864	14,406,950					
Equipment	1,228,704	179,194	1,058,634					
11 REIMBURSEMENT	\$37,039,482	\$12,892,052	\$31,697,432	\$5,342,030	\$0	\$0	\$0	
Salaries and Wages	25,322,705	8,439,306	22,900,582					
Contractual Services	2,992,635	1,456,270	3,270,893					
Supplies and Materials	3,537,705	1,585,583	2,209,830					
Other	3,675,063	1,174,296	2,255,533					
Equipment	1,511,355	236,617	1,060,594					
12 REVENUE	\$669,402,096	\$240,745,835	\$240,767,868	\$328,634,226	\$0	\$0	\$0	
Other	569,402,096	240,745,835	240,767,868					
14 Community Services	175,525	175,142	175,142	383	-	-	-	
Subtotal	\$2,376,918,014	\$788,430,785	1,901,568,359	\$462,849,855	\$15,600,000	\$12,500,000	\$3,100,000	
61 Food Services	54,422,479	19,991,945	35,017,364	19,405,115			-	
51 Real Estate Management	3,953,207	1,291,992	2,609,654	1,343,553			-	
71 Field Trip	2,313,743	585,666	801,332	1,512,411			-	
81 Entrepreneurial Activities	4,091,704	1,205,806	1,682,647	2,409,057			-	
37 Instructional Television	1,697,716	586,756	1,347,358	350,358			-	
Supported Projects	96,417,760	27,518,282	61,816,108	34,601,852			-	
Total	\$2,539,814,623	\$839,611,033	2,004,842,820	\$522,471,803	\$15,600,000	\$12,500,000	\$3,100,000	

**MC**  
**MONTGOMERY**  
**COLLEGE**

Current Revenue - Prior Year Reductions

Project	Fiscal Year	MC Request	Council Final Action	County Share of Reductions in MC Request	Prior Year Reduction in Appropriated Funds (Disappropriation)	Total Reductions
Information Technology	FY11	\$ 11,100,000	\$ 2,914,000	\$ (8,186,000)		\$ (8,186,000)
Network Infrastructure & Support Systems	FY11	\$ 2,000,000	\$ 1,000,000	\$ (1,000,000)	\$ (533,000)	\$ (1,533,000)
Network Operating Center	FY11	\$ 2,000,000	\$ 1,000,000	\$ (1,000,000)	\$ (146,000)	\$ (1,146,000)
Student Learning Support Systems	FY11	\$ 1,600,000	\$ 700,000	\$ (900,000)	\$ (1,000,000)	\$ (1,900,000)
Information Technology	FY12	\$ 10,795,000	\$ 10,395,000	\$ (400,000)		\$ (400,000)
Information Technology	FY14	\$ 8,500,000	\$ 8,244,000	\$ (256,000)		\$ (256,000)
Information Technology	FY15	\$ 8,500,000	\$ 8,006,000	\$ (494,000)		\$ (494,000)
Information Technology (FY16 Savings Plan)	FY17	\$ 8,500,000	\$ 3,450,000	\$ (5,050,000)	\$ -	\$ (5,050,000)
Network Infrastructure Support System (FY16 Savings Plan)	FY17	\$ 1,800,000	\$ 350,000	\$ (1,450,000)	\$ -	\$ (1,450,000)
<b>Total</b>		<b>\$ 54,795,000</b>	<b>\$ 36,059,000</b>	<b>\$ (18,736,000)</b>	<b>\$ (1,679,000)</b>	<b>\$ (20,415,000)</b>

FY18 Proposed Savings Plan Reduction	\$ (2,263,000)
Total Prior Year Reductions in Current Revenue	\$ (20,415,000)
Grand Total of Reductions FY11-FY18	<u>\$ (22,678,000)</u>

Note: Additional reductions have been made to the information technology project. Major standalone projects with information technology furniture and equipment is funded through the information technology capital project, which results in competing with IT computer replacements.

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GO Committee #1  
January 18, 2018

## MEMORANDUM

January 16, 2018

TO: Government Operations and Fiscal Policy (GO) Committee

FROM: Gene Smith, Legislative Analyst 

SUBJECT: FY18 Savings Plan

The GO Committee will review budget items under its jurisdiction related to the Executive's recommended FY18 Savings Plan (see ©1-9). The table below details the budgets that will be reviewed today and the Council staff responsible. Both Council and Executive staff will be available to answer any questions from the Committee.

Budget	Recommended Reduction	Percent of approved FY18 appropriation	Council staff
Board of Elections	\$80,000	1.0%	Mihill
Community Engagement Cluster	\$75,441	2.0%	Arthur
County Attorney	\$132,126	2.1%	Arthur
County Council	\$303,755	2.6%	M. Berry
County Executive	\$188,100	3.2%	Arthur
Ethics Commission	\$8,592	2.0%	Arthur
Finance	\$288,922	2.0%	Sesker
Human Resources	\$167,102	2.0%	Price
Inspector General	\$21,437	2.0%	Smith
Intergovernmental Relations	\$22,513	2.0%	Arthur
Legislative Oversight	\$33,234	2.0%	Cihlar
Management and Budget	\$94,619	2.0%	Sesker
Merit System Protection Board	\$7,354	2.0%	Arthur
Procurement	\$90,259	2.0%	Price
Public Information	\$101,587	2.0%	Arthur
Technology Services	\$860,441	2.0%	Toregas
Cable Television Communication Plan	\$321,432	2.0%	Toregas
NDA – Leases	\$205,500	1.0%	Smith
NDA – Device Client Management	\$1,000,000	12.7%	Toregas
<b>Total</b>	<b>\$4,002,414</b>	<b>2.4%</b>	

The Executive recommends reductions in two projects from the Capital Improvements Program (CIP) in the FY18 Savings Plan under the Committee's jurisdiction.

<b>CIP Project</b>	<b>Recommended Reduction</b>	<b>Council staff</b>
MCG: Facility Planning	\$125,000	Price
Technology Modernization	\$25,000	Toregas
<b>Total</b>	<b>\$150,000</b>	

#### Manageable Items

Council staff believes that the items listed below are manageable and recommends approval.

<b>Source of Reduction</b>	<b>Reduction Amount</b>
<b>Board of Elections</b>	
Projected OE Cost Savings	\$80,000
<b>Community Engagement Cluster</b>	
Turnover Savings – OCP Community Outreach Manager	\$32,000
Turnover Savings – Program Manager I – OCP/Gilchrist Center	\$13,441
Administration – Copier Maintenance	\$1,500
Administration – General Office Supplies	\$1,500
Administration – Education/Vocation Supplies	\$7,000
Administration – Central Dup-Printing	\$5,000
Administration – Cellular Phone Line Charges	\$5,000
Administration – Metropolitan Area Travel	\$10,000
<b>County Attorney</b>	
Increase Lapse – Administrative Specialist II	\$85,178
Increase Lapse – ESI – Assistant County Attorney III	\$46,948
<b>County Council</b>	
Cost reduction from staff changes	\$226,905*
<b>County Executive</b>	
Lapse Savings	\$188,100
<b>Ethics Commission</b>	
Reduction in other professional services ( <i>See Note #3 below</i> )	\$8,592
<b>Finance</b>	
Increase chargebacks for property tax billing ( <i>See Note #4 below</i> )	\$116,327
Lapse savings	\$172,595
<b>Human Resources</b>	
Consultant Services	\$150,000
Miscellaneous Expenses	\$13,450
Office Supplies	\$3,652
<b>Inspector General</b>	
Deferred engagement of subject matter expert	\$21,437
<b>Intergovernmental Relations</b>	
Professional services – Federal consultant services	\$22,513

<b>Legislative Oversight</b>	
Lapse Savings	\$26,234
Reductions in consultant services and training	\$7,000
<b>Management and Budget</b>	
Increased lapse and turnover savings	\$80,819
Chargeback to White Flint Redevelopment Program CIP	\$13,800
<b>Merit System Protection Board</b>	
Training reduction	\$2,354
Consultant services	\$5,000
<b>Procurement</b>	
Recruit an entry level PAA hire	\$8,975
Reduce the number of computer rentals	\$3,000
Reduce the number of general office supplies	\$1,000
Reduce the number of computer software licenses	\$8,000
Reduce the number of other supplies and materials	\$4,000
Reduce the number of outside production reports	\$3,000
Reduce the number of outside overnight mail/courier deliveries	\$2,089
Reduce the number of professional meetings hosted	\$8,000
Eliminate the number of advertising/contract solicitations assisted by PRO	\$1,000
Lapse a part-time Procurement Specialist II	\$51,195
<b>Public Information</b>	
Projected unused interpreter service	\$34,000
Temporary office clerical	\$27,000
Other education – training	\$38,087
Professional memberships	\$2,500
<b>Technology Services</b>	
Increase lapse	\$860,441
<b>Cable Television Communications Plan</b>	
Vacant position lapse	\$321,432
<b>NDA - Leases</b>	
Savings of 1% on budgeted lease expenses	\$205,500
<b>NDA – Device Client Management</b>	
Delay equipment purchases ( <i>See Note #5 below</i> )	\$1,000,000
<b>CIP – Technology Modernization</b>	
Represents recreation funds no longer needed	\$25,000
<b>CIP – MCG: Facility Planning</b>	
Reduction from large unencumbered balance remaining	\$125,000
<b>Total</b>	<b>\$4,075,564</b>

\* The recommended reduction of \$76,850 (projected contractor OE savings) is unrelated and should not be included.



The following are highlights from the list of manageable items:

- 1) Lapse or turnover savings account for \$2,105,288 or 53.3% of the above reductions.<sup>1</sup> Based on information provided by the departments, the lapsed positions will not impact operational activities for FY18.
- 2) Reductions in operating expenses, including contracting services, account for \$654,174 or 16.6% of the above reductions.
- 3) The Ethics Commission will not reimburse the Department of Technology Services for certain services to achieve the recommended savings. The reduction is not expected to impact technology services for the Ethics Commission in FY18.
- 4) Finance will bill other funds at the same per line cost that it charges for municipal billing.<sup>2</sup> The effect will be to reduce the FY18 fund balances for the relevant funds. The affected funds will still end FY18 with fund balances that are consistent with the fiscal policy.
- 5) The \$1,000,000 reduction in the Device Client Management NDA is the largest reduction considered by the GO Committee. The reduction is expected to impact the replacement of 800-900 computers, assuming an average cost of \$1,100 per computer.<sup>3</sup>

This packet contains:

	<u>Circle #</u>
Executive memo	1
Savings Plan Analysis	4
Recommended FY18 CIP reductions	6
PDF – MCG: Facility Planning	7
PDF – Technology Modernization	8

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<sup>1</sup> Lapse savings are achieved by vacant positions in a department. Turnover savings are achieved by a department hiring a staff at a lower compensation level than the previous staff.

<sup>2</sup> The other funds are leaf vacuuming, solid waste, and water quality.

<sup>3</sup> The 800-900 computers are a combination of desktops and laptops.



OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

January 2, 2018

TO: Hans Riemer, Council President

FROM: Isiah Leggett, County Executive *Timothy L. Fipertine (for)*

SUBJECT: FY18 Savings Plan

Attached please find my Recommended FY18 Savings Plan for Montgomery County government and the other tax-supported County agencies to help close the \$120 million gap we are facing in our Fiscal Year 2018 operating budget. The attached plan identifies savings of approximately \$60 million from the FY18 operating budget, and approximately \$13 million in current revenue savings from the FY17-22 Capital Improvements Program (CIP). As discussed during our recent briefing on the Fiscal Plan to Council, this shortfall is not a projected shortfall, but rather a real loss of income tax revenue, and therefore we must reduce expenditures to close the budget gap.

Please keep in mind that if this gap is not closed now in FY18, it will place the current budget further out of balance and exacerbate an already difficult FY19. As difficult as the reductions in the attached savings plan may be, additional reductions or savings in FY18 will be necessary to close the \$120 million gap. Executive staff continue to find possible solutions (all of which will be very difficult). I will keep the Council apprised of these measures. I remain committed to submitting an FY19 Recommended Operating Budget that maintains our agreed to reserve levels and ensures our long-term fiscal stability. To do so requires many difficult choices.

Based on updated estimates from the Department of Finance, FY18 revenues are projected to be \$95 million lower than originally anticipated. This shortfall is driven primarily by lower than expected income tax revenues, though we are also experiencing lower than projected revenues from the energy tax and transfer and recordation taxes. The November income tax distribution from the State of Maryland was approximately \$80 million lower than anticipated, and estimates for future distributions have been revised downward as well. We must also recognize a \$25 million budget shortfall from FY17 which increases the FY18 gap to \$120 million.

Despite indicators that suggest strong economic growth, change in taxpayer behavior in the context of proposed changes to the Federal tax code is a key contributing factor in the shortfall seen to date. Illustrating this point, is the fact that the top 50 taxpayers in Montgomery County recognized about 50% less capital gains income in tax year 2016 than they did in the previous year. In addition to the \$95 million shortfall in FY18 and the \$25 million shortfall from FY17, the updated revenue forecasts indicate a shortfall of \$86 million in FY19. The proposed FY18 Savings Plan will reduce costs in the current year and contribute to the effort to avoid a current year budget deficit.

Isiah Leggett, County Executive  
January 2, 2018  
Page 2

I do not expect that our fiscal difficulties will disappear in FY19, and in fact we may find that our revenues are further reduced by a number of factors beyond our control. The recently passed Federal tax legislation could have a negative impact on our revenues. The legislation's full impact on our revenues and our economy, requires complex analysis that the Department of Finance will be conducting. There are other significant pressures that are likely to impact County finances, including continued student enrollment increases, possible cutbacks in both Federal and State funding, and collective bargaining negotiations. With this reality in mind, I have focused my recommended reductions on those that are long term, rather than one-time quick fixes. This requires some difficult decisions. I hope that you will support this approach since it is critical to the County's long-term fiscal health.

The attached savings plan recommends total savings of approximately \$60 million from the FY18 operating budget. I recommend a reduction in County government expenditures of about \$28 million as outlined in the attached plan. The savings initiatives identified for County government include some reductions to services, though we have minimized reductions to the most critical and basic services. I am assuming that the outside agencies receiving County funding will participate as well. I have not defined where these reductions would be taken, but instead I have provided a general target. Their respective boards are in the best position to identify the reductions that would have the least service impacts. The reduction targets for the other County agencies are as follows:

Montgomery County Public Schools (MCPS): \$25.0 million  
Montgomery College: \$5.2 million  
Maryland-National Capital Park and Planning Commission (MNCPPC): \$2.6 million

In addition, MCPS is asked to continue to review its various fund balances and costs to determine if additional savings are possible.

I am also recommending savings of about \$13.5 million in current revenue from the CIP. This includes approximately \$3.0 million for MCPS, \$3.2 million for Montgomery College, \$1.2 million for M-NCPPC, \$600,000 for the Housing Opportunities Commission, and \$5.5 million for County government. County government's reduction in current revenue funding for FY18 was approximately 21% of the total FY18 current revenue budget allocation. In contrast, I am recommending a reduction of 15% for each of the outside agencies' FY18 current revenue. These current revenue reductions are critical to closing the gap and if not taken, will directly impact funding for FY19.

My savings plan recommendations that are within the CIP and are administered by outside agencies are reflected in affordability project description forms in order to provide them with maximum flexibility. I believe the respective governing bodies of these agencies are in the best position to determine where these reductions should be taken. As requested by Council staff, OMB will provide separately any project description forms for outside agency projects with current revenue so that they can be considered as part of the County Council's public hearing process for CIP amendments.

Isiah Leggett, County Executive  
January 2, 2018  
Page 3

I understand the difficulty that this fiscal situation presents, and I appreciate your consideration of these proposed reductions. If there are specific actions in this plan that the Council is unwilling to approve, I ask that you identify alternative savings initiatives of equal value and of a long-term nature, so that the overall proposed dollar value of savings can be achieved for FY18. It is important to note that at the time of Council approval, there will be less than six months remaining in the fiscal year.

As such, we will need to act quickly to approve and implement the savings plan. Prompt action will allow us to maximize the savings that can be achieved. It is also important to note that any deficit experienced at the end of FY18 will need to be addressed in FY19 budget development. This would be in addition to the \$86 million shortfall already projected for FY19.

I appreciate the Council's willingness to collaborate on this important matter and the expedited scheduling of consideration and approval of the plan. My staff is available to assist the Council in its review of the attached proposal. Thank you for your support of our efforts to minimize the impact of these reductions on our most important services while preserving the fiscal health of the County government.

Executive Recommended FY18 Savings Plan		
Agency	Approved FY18 Budget	Savings Plan Reduction
MCG	1,618,516,292	27,827,660
MCPS	2,368,655,562	25,000,000
College	262,759,376	5,255,188
MNCPPC	131,547,071	2,630,941
<b>Total</b>	<b>4,381,478,301</b>	<b>60,713,789</b>
<b>Notes:</b> 1. Amounts above include only the operating budget, excluding debt service and retiree health insurance. 2. The County Executive's Recommended FY18 Savings Plan also includes capital budget current revenue reductions of \$13.5 million, including \$5.5 million from County government, \$600,000 from the Housing Opportunities Commission, and \$7.3 million from other outside agencies.		

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Attachment: Recommended FY18 Savings Plan for Montgomery County government and the other tax supported County agencies

## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Tax-Supported - MCG</b>				
<b><u>General Fund</u></b>				
Agriculture	989,195	-19,784	0	-2.00
Board of Appeals	541,752	-10,835	0	-2.00
Board of Elections	8,213,700	-80,000	0	-0.97
Circuit Court	12,066,554	-241,331	0	-2.00
Community Engagement Cluster	3,772,050	-75,441	0	-2.00
Consumer Protection	2,364,597	-47,292	0	-2.00
Correction and Rehabilitation	66,716,261	-675,000	0	-1.01
County Attorney	6,319,482	-132,126	0	-2.09
County Council	11,651,722	-303,755	0	-2.61
County Executive	5,947,305	-188,100	0	-3.16
Emergency Management and Homeland Security	1,317,571	-26,351	0	-2.00
Environmental Protection	2,907,343	-58,000	0	-1.99
Ethics Commission	429,607	-8,592	0	-2.00
Finance	14,446,096	-288,922	0	-2.00
General Services	30,965,577	-358,583	0	-1.16
Health and Human Services	234,084,840	-4,360,777	-11,625	-1.86
Housing and Community Affairs	7,538,618	-150,772	0	-2.00
Human Resources	8,355,091	-167,102	0	-2.00
Human Rights	1,242,813	-24,856	0	-2.00
Inspector General	1,071,872	-21,437	0	-2.00
Intergovernmental Relations	1,125,673	-22,513	0	-2.00
Legislative Oversight	1,661,695	-33,234	0	-2.00
Management and Budget	4,730,931	-94,619	0	-2.00
Merit System Protection Board	367,688	-7,354	0	-2.00
Non-Departmental Accounts (Select NDAs)	39,765,233	-2,236,238	0	-5.62
Police	275,474,370	-3,816,340	0	-1.39
Procurement	4,512,962	-90,259	0	-2.00
Public Information	5,079,351	-101,587	0	-2.00
Public Libraries	42,437,576	-850,919	0	-2.01
Sheriff	23,366,446	-238,526	0	-1.02
State's Attorney	17,188,455	-213,064	0	-1.24
Technology Services	43,022,058	-860,441	0	-2.00
Transportation	49,809,920	-996,198	0	-2.00
Zoning and Administrative Hearings	689,591	-13,792	0	-2.00
<b>General Fund Total:</b>	<b>930,173,995</b>	<b>-16,814,140</b>	<b>-11,625</b>	<b>-1.81</b>
<b><u>Special Funds</u></b>				
Fire	214,862,420	-2,610,458	0	-1.21
Recreation	37,687,311	-755,897	-2,115	-2.01
Mass Transit	132,226,957	-2,759,889	-115,350	-2.09
Bethesda Urban District	3,174,943	-13,006	0	-0.41
Silver Spring Urban District	3,498,672	-10,793	0	-0.31
Wheaton Urban District	2,016,434	-29,285	0	-1.45
<b>Special Funds Total:</b>	<b>393,466,737</b>	<b>-6,179,328</b>	<b>-117,465</b>	<b>-1.57</b>
<b>Tax-Supported Total:</b>	<b>1,323,640,732</b>	<b>-22,993,468</b>	<b>-129,090</b>	<b>-1.74</b>

## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Non-Tax Supported - MCG</b>				
<u>Enterprise Funds</u>				
Liquor	65,161,319	-1,853,885	1,500,000	-2.85
Enterprise Funds Total:	65,161,319	-1,853,885	1,500,000	-2.85
<u>Special Funds</u>				
Cable TV	16,071,604	-321,432	0	-2.00
Special Funds Total:	16,071,604	-321,432	0	-2.00
<u>Internal Service Funds</u>				
Motor Pool Internal Service Fund	80,056,028	-1,287,965	0	-1.61
Internal Service Funds Total	80,056,028	-1,287,965	0	-1.61
Non-Tax Supported Total:	161,288,951	-3,463,282	1,500,000	-2.15
MCG Total:	1,484,929,683	-26,456,750	1,370,910	-1.78

### Tax Supported - Outside Agencies

Montgomery County Public Schools	2,368,655,562	-25,000,000	0	-1.06
Montgomery College	262,759,376	-5,255,188	0	-2.00
Maryland-National Capital Park and Planning	131,547,071	-2,630,941	0	-2.00

# **RECOMMENDED FY18 CIP CURRENT REVENUE SAVINGS PLAN REDUCTIONS**

Project	FY18 Savings Plan Amount (\$Millions)	Comments
MCG: Facility Planning	\$0.125	Reduction will result in minimal delays due to large unencumbered balance remaining.
Technology Modernization	\$0.025	Represents Recreation funds no longer needed
Street Tree Preservation	\$0.200	FY18 funding was increased to \$4 million compared to \$3 million usual funding. Represents only a 5% reduction in this increased level of funding
Facility Planning: Transportation	\$0.250	Delays in projects would be minimal. Given backlog of projects that have been planned but unfunded, these deferrals are not expected to delay construction of any new projects in planning.
Traffic Signal System Modernization	\$1.200	Recognizes past implementation delays
ATMS	\$1.200	Recognizes past implementation delays.
Bus Fleet Replacement	\$2.027	Recognizes cost savings due to new bus contract pricing
21st Century Libraries	\$0.347	Recognizes past implementation delays
DHCA Facility Planning	\$0.125	Minor delays in three studies
HOC - Demolition CIP	\$0.600	HOC has agreed to be reimbursed in FY20
<b>Total MCG/HOC CR Savings Plan Reductions</b>	<b>6.099</b>	

<b>Total Approved FY18 CR - MCG Only</b>	<b>\$25.966</b>
<b>Percent of total MCG only Approved funding in cuts above</b>	<b>21.2%</b>

Outside Agencies	15% Reductions	Comments
MNCPPC - all CR	\$1.180	
MCPS (excluding Relocatables)	\$3.019	Total Technology Spending, including Recordation Tax averages \$25M/year
College	\$3.168	
<b>Total Outside Agencies</b>	<b>\$7.367</b>	
<b>TOTAL DEC SAVINGS PLAN REDUCTIONS</b>	<b>\$13.466</b>	

Note: Council staff has asked OMB to provide PDFs for outside agency projects with current revenue that could be amended to meet the above savings plan reduction target.

## Facility Planning: MCG (P508768)

Category General Government  
 Sub Category County Offices and Other Improvements  
 Administering Agency General Services (AAGE29)  
 Planning Area Countywide

Date Last Modified 5/19/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	9,907	8,173	249	1,485	297	148	260	260	260	260	0
Land	87	87	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	7	7	0	0	0	0	0	0	0	0	0
Construction	237	237	0	0	0	0	0	0	0	0	0
Other	222	222	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>10,460</b>	<b>8,726</b>	<b>249</b>	<b>1,485</b>	<b>297</b>	<b>148</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	9,825	8,081	249	1,485	297	148	260	260	260	260	0
G.O. Bonds	625	625	0	0	0	0	0	0	0	0	0
Solid Waste Disposal Fund	20	20	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>10,460</b>	<b>8,726</b>	<b>249</b>	<b>1,485</b>	<b>297</b>	<b>148</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	210
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		9,335
Expenditure / Encumbrances		8,845
Unencumbered Balance		490

Date First Appropriation	FY 87
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	10,535

### Description

This project provides for general government facility planning studies for a variety of projects under consideration in the CIP. In addition, facility planning serves as a transition stage for a project between the master plan or conceptual stage and its inclusion as a stand-alone project in the CIP. Prior to the establishment of a stand-alone project, Montgomery County develops a Program of Requirements (POR) that outlines the general and specific features required on the project. Selected projects range in type including: new buildings, renovation of existing buildings, stormwater management, and recycling centers. Facility planning is a decision making process that includes the determination of the purpose of and need for a candidate project, a rigorous investigation of non-County sources of funding, and an estimate of the cost of the design and an estimated range of the cost of construction of the project. Facility planning represents planning and preliminary design and develops a POR in advance of full programming of a project in the CIP. Depending upon the results of a facility planning determination of purpose and need, a project may or may not proceed to design and construction. For a full description of the facility planning process, see the CIP Planning Section.

### Cost Change

Increase is due to the addition of studies for a Bethesda CBD Recreation Center and Aquatic Center in Takoma Park.

### Justification

Facility planning costs for projects which ultimately become stand-alone projects are included here. These costs will not be reflected in the resulting individual project.

### Other

The study proposals under this program are developed in conjunction with program departments, the Department of General Services, the Office of Management and Budget (OMB), and consultants to ensure accurate program requirements. Planning studies are underway or to be completed in FY17 or FY18 are listed on the next page. This list includes projects that will potentially be considered for inclusion as stand alone projects in the FY21-22 CIP. Other projects not listed may be planned under urgent situations. Planning for future fire stations will be considered if response time or population data warrant such a need.

### Fiscal Note

Funds may also be used to explore opportunities in the event a private developer expresses interest in County property. Reductions are related to an FY18 savings plan.

### Disclosures

Expenditures will continue indefinitely.

### Coordination

Department of Environmental Protection, Department of General Services, Department of Correction and Rehabilitation, Department of Fire and Rescue Services, Department of Police, Department of Health and Human Services, Department of Recreation, Department of Public Libraries, Circuit Court, Office of Management and Budget, Commission on People with Disabilities, Montgomery County Pedestrian Safety Advisory Committee



## Technology Modernization -- MCG (P150701)

Category General Government  
 Sub Category County Offices and Other Improvements  
 Administering Agency County Executive (AAGE03)  
 Planning Area Countywide

Date Last Modified 9/21/16  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	134,328	117,027	12,665	4,636	4,636	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	56	0	56	0	0	0	0	0	0	0	0
<b>Total</b>	<b>134,384</b>	<b>117,027</b>	<b>12,721</b>	<b>4,636</b>	<b>4,636</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	1,615	1,340	275	0	0	0	0	0	0	0	0
Current Revenue: General	67,412	65,549	1,863	0	0	0	0	0	0	0	0
Federal Aid	741	0	0	741	741	0	0	0	0	0	0
Land Sale	2,634	2,634	0	0	0	0	0	0	0	0	0
Recreation Fund	620	578	42	0	0	0	0	0	0	0	0
Recordation Tax Premium	2,623	2,623	0	0	0	0	0	0	0	0	0
Short-Term Financing	58,739	44,303	10,541	3,895	3,895	0	0	0	0	0	0
<b>Total</b>	<b>134,384</b>	<b>117,027</b>	<b>12,721</b>	<b>4,636</b>	<b>4,636</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Maintenance				2,802	467	467	467	467	467	467	
Productivity Improvements				-29,148	-700	-3,472	-6,244	-6,244	-6,244	-6,244	
Program-Staff				858	143	143	143	143	143	143	
Program-Other				10,374	1,054	1,864	1,864	1,864	1,864	1,864	
<b>Net Impact</b>				<b>-15,114</b>	<b>964</b>	<b>-998</b>	<b>-3,770</b>	<b>-3,770</b>	<b>-3,770</b>	<b>-3,770</b>	

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		134,409
Expenditure / Encumbrances		130,806
Unencumbered Balance		3,803

Date First Appropriation	FY 07	
First Cost Estimate		
Current Scope	FY 17	134,409
Last FY's Cost Estimate		134,409

### Description

This project provides for the replacement, upgrade, and implementation of IT initiatives that will ensure ongoing viability of key processes, replace outdated and vulnerable systems, and produce a high return in terms of customer service and accountability to our residents. Major new IT systems that have been completed through this project include the Enterprise Resource Planning (ERP) Financial and Human Resources modules, foundation phase of the 311/Constituent Relationship Management (CRM), Electronic Time reporting (MCTime), and related Business Process Review (BPR). Planning activities for the Department of Health and Human Services (HHS) technology modernization of key systems and processes are underway. The Budgeting module of the ERP system (Hyperion) and additional self-service functionality is currently underway and the workforce component of the Hyperion System has been completed. The ERP project was implemented to modernize Core Business Systems to improve the efficiency, effectiveness, and responsiveness of the County Government. In addition, modernization of the County's Tax Assessment Billing System is underway. This system is used to annually calculate and bill County residents for County and municipal property taxes, solid waste fees, water quality fees, Washington Suburban Sanitary Commission (WSSC) fees, and other fees, taxes, and related credits. The HHS program provides for the development and implementation of an Enterprise Integrated Case Management (EICM) system as part of a larger Process and Technology Modernization (PTM) program that will move the department from a traditional agency-centric model of practice to a more effective client-centered model of practice. As part of this initiative, the EICM project will upgrade obsolete IT systems and information processes to avoid duplication of data entry, reduce ineffective coordination of services, and minimize inefficiencies resulting from legacy systems. The Active Network (ActiveNet) upgrade for the Department of Recreation, Community Use of Public Facilities (CUPF), and the Maryland-National Capital Park and Planning (M-NCPPC) involves the replacement of the existing CLASS registration and payment system. The Gilchrist Center is also in need of a platform to register its clients for programs and activities. Implementation involves analysis and realignment of business practices and procedures, system configuration, web-site designs; redesign/testing of ERP interfaces; and new Accounts Receivable functions. An Interagency Governance Committee comprised of managers from each participating department/agency will make decisions balancing the needs of each department.

## Technology Modernization -- MCG (P150701)

### Cost Change

The cost decrease is due to shifting the FY17 funding in Current Revenue to the HHS Operating budget.

### Justification

According to a 2004 ranking of major existing technology systems based on their current health and relative need for upgrade or replacement, the County's then current core business systems (ADPICS, FAMIS, BPREP, and HRMS) were ranked as Priority #1, which means obsolete or vulnerable critical system in immediate risk of failure. These at-risk systems were replaced with a state of the art ERP system which provides a common database supporting financials, procurement, budget, and HR/payroll, and includes system-wide features for security, workflow, and reporting, and up-to-date technology architecture. Tax Assessment Billing System: The current system is over 30 years old, is only internally supported, and is used for the collection of over \$2 billion in revenues annually. Health and Human Services EICM: This technology modernization effort will ensure ongoing viability of key processes, replace outdated and vulnerable systems, create staff operating efficiencies, and produce a high return in terms of customer service and accountability to our residents. Related plans and studies include the Information Technology Interagency Funding and Budgeting Committee's report of September 30, 2003, the Montgomery County Government FY06 IT Budget Overview prepared by Department of Technology Services, and the FY14 Process and Technology Modernization Readiness Assessment conducted by the Gartner consulting group. Recreation, CUPF, and M-NCPPC: The Active Network announced that they will release one more version upgrade of CLASS, scheduled for first quarter of 2014. After this release, there will be no further development of the CLASS software and maintenance/support will be phased out of the CLASS software (ending by December, 2017). A feasibility study determined that the Active Network's browser based application, ActiveNet, is the only software with sufficient functionality and processing capability to meet the needs of a joint registration and facility management system in a single database for Recreation, CUPF, MNCPPC, and the Gilchrist Center. The system will also improve customer service by providing a one-stop access point.

### Other

The Technology Modernization - MCG project is intended to serve as an ongoing resource for future IT modernization and related process engineering to the County Government's business systems beyond the currently defined project scope. Future projects may include the following: CRM - Citizen Relationship Management Phase II: This initiative will extend the service to municipalities in the County and other County agencies (e.g. Board of Education, M-NCPPC, Montgomery College). This initiative will proceed based upon interest from these organizations and agreement on funding. Objectives include creation of a Citizen Relationship Management (CRM) program to develop or convert automated capabilities for all appropriate County services including: Case Management Events, Management Field Services, Grants Management, Help Desk Solutions, Point of Sales, Resident Issue Tracking System, Work Order Processing System, ERP - Enterprise Resource Planning, Business Intelligence/Data Warehouse Development, Loan Management, Property Tax Billing and Collection, Public Access to Contractor Payments, Upgrade to Oracle E-Business/Kronos/Siebel, and Enhancements to comply with evolving Payment Card Industry (PCI) mandates.

### Fiscal Note

Project funding includes short-term financing for integrator services and software costs. The Operating Budget Impact (OBI) estimates have been reduced to reflect the full accounting of ERP operating costs in the Operating budget. ERP: Funding through FY15 and FY16 estimated is now adjusted to reflect actual transfer by the Board of Investment Trustees (BIT) as Contributions and from the Department of Liquor Control and the Group Insurance Fund to the General Fund as Current Revenue: General. HHS: Due to delays in the State's process for seeking federal reimbursements for capital IT upgrades, Federal Aid is only assumed in FY17. HHS will continue to seek federal aid as the State updates its process. If the State is continuously unsuccessful to receive federal reimbursements, short-term financing will be used as an alternative funding source. ActiveNet: \$645,000 will be appropriated from the Current Revenue: Recreation Fund in FY15 for the ActiveNet upgrade; Recreation will charge CUPF and M-NCPPC for their share of the project's expenditures based on a proportionate share of each party's use of ActiveNet. FY18 reductions are related to an FY18 savings plan.

### Coordination

MCG efforts are coordinated with applicable agencies during the project planning, requirements gathering, and requests for proposal (RFP) phases: Offices of the County Executive, Office of the County Council, Department of Finance, Department of Technology Services, Office of Procurement, Office of Human Resources, Office of Management and Budget, Department of Health and Human Services, Department of Recreation, Community Use of Public Facilities, and the Maryland-National Capital Park and Planning Commission, Gilchrist Center or CEC, all MCG Departments and Offices, Maryland Department of Human Resources, Maryland Department of Health and Mental Hygiene.

**THIS IS A COMBINATION OF THE MEMOS FOR THE JANUARY 18 and JANUARY 22  
HHS COMMITTEE MEETINGS**

**M E M O R A N D U M**

**TO:** Health and Human Services Committee

**FROM:** Linda McMillan, Senior Legislative Analyst  
Vivian Yao, Legislative Analyst  
Jean Arthur, Legislative Analyst  
Gene Smith, Legislative Analyst

**SUBJECT: FY18 Savings Plan**

At this session, the Committee will review elements of the Executive's recommended FY18 Savings Plan that are under its jurisdiction. See ©1-3 for the Executive's January 2 transmittal and related information. The Committee will focus on the Executive's recommendations for the following budgets:

<b>Budget</b>	<b>©#</b>	<b>Recommended Reduction</b>	<b>Original FY18 General Fund Appropriation</b>	<b>% of Original Tax Supported Appropriation</b>
Human Rights	9	\$24,856	\$1,242,813	2.0%
Public Libraries	10	\$850,919	\$42,437,576	2.0%
Health and Human Services	7	\$4,360,777	\$234,084,840	1.9%
<b>Total</b>				

**1. Human Rights**

**Item #83 Increase Lapse (\$24,856)**

The Executive is recommending a Saving Plan reduction of \$24,856 in additional lapse for the Office of Human Rights. The Office of Human Rights says that it will be able to achieve these savings without impacting current services.

**The HHS Committee concurs with the Executive's recommendation.**

## **2. Public Libraries**

### **Item #113 Lapse (\$850,919)**

(Item is mislabeled in document as Turnover Savings)

The approved FY18 appropriation for Public Libraries is \$42,437,576. For the FY18 Savings Plan, the Executive recommends a reduction to the budget for Public Libraries of \$850,919 or 2.0% of the approved FY18 appropriation. The entire reduction is achieved by the department lapsing 21 positions for the remainder of FY18. All but one of the positions are part-time, and the lapsed positions will not impact public service hours at any branch.

**The HHS Committee concurs with the Executive's recommendation.**

### **CIP 21<sup>st</sup> Century Libraries (\$347,000)**

The Executive is recommending a \$347,000 reduction in the 21<sup>st</sup> Century Libraries Project from the Capital Improvements Program (CIP) for Public Libraries (PDF attached at ©17). Public Libraries notes that it will need to defer some activities from FY18 to FY19 due to this reduction. Those delayed activities include: 1) purchasing and installing Smart TVs in library meeting rooms; 2) offering the 3D printing project; 3) expanding the availability of AWE Early Literacy tablets for children to all locations; 4) postponing plans to install digital signage in several facilities; and 5) purchasing a replacement for an outdated events management system. The FY18 Savings Plan will impact about five months of FY18; therefore, these delayed activities are not anticipated to significantly impact the overall implementation of this project.

**The HHS Committee concurs with the Executives recommendation.**

## **3. Department of Health and Human Services**

The Executive is recommending 45 Savings Plan reduction items totaling \$4,360,777. There are reductions in each of the service areas. While this is equal to about 1.9% of the General Fund appropriations, there are expenditures in the General Fund portion of the budget that are backed by State revenues and Federal Financial Participation. This places some additional limitations on what reductions will result in a savings to county resources. The following is a review of the recommendations by service area. There is a table summarizing the reduction. Where Council staff has noted "discuss" or "restore" there is further discussion following the table.

Where contracts are reduced, the table notes whether it is a projected savings or a cut to the contract. In the case of a projected savings, the contract will not be amended but, as the savings are to be accrued, the contractor will not be able to propose repurposing any surplus funds. In some instances, particularly with the tutoring and mentoring contracts in Children, Youth and Family Services, the contractor will be required to provide a new, reduced budget and the contract will be amended.

## Administration and Support

Item #	Section	Item	Amount	Total amount of contract	HHS COMM
		Director's Office - Planning, Accountability, and Customer Services Consulting Services (partnership for Actional Learning Sustainability). DHHS is delaying a contract with the University of Maryland to provide research assistance as needed in different service areas.			
34	Admin	NO impact to current services.	(15,000)	15,000	Concur
		Office of Chief Operating Officer - Budget Team Contract. Funding that was previously used for a knowledge contract. NO impact to current			
36	Admin	services.	(36,000)	36,000	Concur
		Office of Chief Operating Officer - IT Contracts. This is a one-time savings that results from encumbering funding for contracts until October rather than April or May in FY18. In FY19 DHHS will require full-year funding and will encumber contracts that run from October			
37	Admin	2018 to October 2019. NO impact on services.	(966,284)	NA	Concur
		Office of Community Affairs - African American Health Program (AAHP) McFarland & Associates Contract. Projected year end surplus. NOT			
38	Admin	expected to impact current program.	(17,371)	1,256,847	Reject
		Office of Community Affairs - Asian American Health Initiative (AAHI) PCC Contract. Projected year end surplus. NOT expected to impact			
70	Admin	current program.	(42,243)	532,681	Concur
		Office of Community Affairs - Latino Health Initiative (LHI) - Ama Tu Vida Campaign. This			
71	Admin	eliminates funding for the campaign this year.	(10,000)	10,000	Reject
		Office of Community Affairs - PCC contract for Leadership Institute for Equity and the Elimination of Disparities. There is currently a			
72	Admin	vacancy and this is the projected savings.	(12,000)	106,848	Concur

Item #	Section	Item	Amount	Total amount of contract	HHS COMM
73	Admin	Office of Community Affairs - CASA de Maryland contract for employment, training, and supportive services). This about a 2% reduction to this contract. It is expected to reduce the number that can be served by 15 - from 950 to 935.	(17,561)	825,006	Reject
69		Additional Personnel Lapse Savings. Original FY18 budget assumed \$7,695,532 in personnel lapse. With savings plan amount total lapse will be \$9,095,451. This is a 18% increase in the assumed lapse. DHHS indicates some of this additional lapse has already accrued.	(1,399,919)		revise to (\$1,324,652) adjust to fill Dentist and Food Security positions

#### Discussion Item:

#### Lapse

The DHHS FY18 original budget assumes \$7,695,532 in personnel lapse. If an average FTE is about \$90,000, then DHHS would be required to have an average of about 85 positions vacant for the full year. The Executive is proposing an additional \$1,399,919 in lapse. At \$90,000 per FTE, this would be about another 15 FTEs for a full-year (30 FTEs if it is only accrued in a half year).

The HHS Committee has previously had extensive discussions about the impact of budgeted lapse on service delivery, particularly in its discussion of income eligibility positions. DHHS has told Council staff that certain categories of positions will not be subject to a freeze. They include the new positions for the Safe Space Program, School Health Services, Child Welfare Services, Adult Protective Services, the VITA position, and certain income eligibility specialists. Positions that are backed by State funding will move forward before those that are fully County funded. DHHS has said that some of the additional lapse has already been achieved because, for example, there was a delay in hiring the Safe Space program workers and some new positions, such as the Dentist/Clinical Director have been delayed.

Council staff asked DHHS to respond to the following questions about this lapse and specific positions that were added for FY18.

#### Questions:

1. How much of the additional lapse has already been accrued?
2. What are DHHS' plans for the following positions:
  - Working Parents Assistance Program – Administrative Specialist

- Dentist to serve as Clinical Director and provider of dental services
- Contract Monitoring Unit – Senior Financial Specialist
- Program Manager for food security program

**The HHS Committee agreed that the Dentist/Clinical Director and the Program Manager for the food security program are Council priorities and should be filled during FY18. The Committee recommends adjusting the lapse by \$75,267 (to -\$1,324,652) to fund these positions.**

### **Aging and Disability Services**

Item #	Section	Item	Amount	Total amount of contract	HHS COMM
					Reject \$25,000 of funding to My Turn and \$30,000 for camps
59	A&D	Community Support Network - Summer Camps. Eliminate \$1,000 scholarships for up to 30 children with autism who are served through the Autism Waiver. Reduce funding for purchase of services for the My Turn program by \$55,000.	(85,000)	117,192	
61	A&D	Community Support Network - Sign Language Contract. This is a projected surplus. NO service impact.	(35,660)	70,660	Concur
63	A&D	Community Support Network - Emergency Shelter Services. This is a projected surplus. DHHS also notes that there is some State funding available for this purpose. NO service impact.	(15,000)	15,000	Concur
65	A&D	Community Support Network - Emergency Nursing Services contract. This is a projected surplus. NO service impact.	(15,000)	25,000	Concur

### **Discussion Item:**

### **Summer Camp and My Turn Program Funding**

The Executive has recommended an \$85,000 reduction to the Community Support Network that is made up of two items: \$30,000 which will reduce summer camp scholarships to children who

are served under the Medicaid Waiver and a \$55,000 reduction to the funds available to purchase services and equipment for children in the My Turn Program who are not served by the Medicaid Waiver and have limited ability to access services. Council staff understands that the \$55,000 reduction would leave \$75,000 in funds available which is just over the \$72,000 spent in FY17. **The HHS Committee recommends rejecting the \$30,000 from eliminating summer camp scholarships and rejecting \$25,000 of the \$55,000 savings from the My Turn Program. This results in savings of \$30,000.**

### **Behavioral Health and Crisis Services**

Item #	Section	Item	Amount	Total amount of contract	HHS COMM
74	BHCS	Shared Psychiatrist for County Outpatient Mental Health Clinics. Council has approved this funding for three years but the Department has not been able to contract with a psychiatrist or psychiatric nurse for services. NO impact to current services.	(220,000)	220,000	Concur
75	BHCS	Shelter Plus Care Contract (Case Management Services). This contract is no longer in use. There are other existing contracts in both BHCS and Special Needs Housing. NO service impact expected.	(42,000)	42,000	Concur
76	BHCS	Carrect RX Contract (Drugs and Medicine). This is a projected surplus. NO service impact expected.	(40,000)	140,874	Concur
77	BHCS	Psychiatrist contract for ACCESS/Crisis Center. This is projected surplus based on vacancies in current contracts for services.	(18,995)	147,854	Reject
78	BHCS	Mental Health Court expansion. This is the amount approved by the Council in November and will prevent the Mental Health Court from expanding capacity to 100.	(190,516)	190,516	Reduce savings plan amount to \$86,134 to allow expansion to move forward in FY18



## Discussion Items:

### Crisis Center/ACCESS Psychiatric Funding

This is a currently projected surplus because DHHS has not had responses from providers and current contractual staff does not have capacity to provide additional hours. Rather than assume this will be savings, Council staff recommended the funds remain available so that DHHS can continue to seek providers and has the ability fund any hours needed. **The HHS Committee recommends rejecting this savings in order to maintain flexibility.**

### Mental Health Court

The Council approved this Special Appropriation in November to allow the Mental Health Court to expand from serving 50 clients to serving 100 clients. At its fall briefing, the joint PS and HHS Committee heard from the District and Circuit Courts and DHHS that the Mental Health Court was at capacity and that there are defendants who need this structure and the associated services to address the underlying problems causing criminal behavior. This is one of the County's efforts to better treat people through less expensive community based services than, in this case, the cost of incarceration.

**The HHS Committee said the expansion of this program is a priority for the Council and recommends reducing the savings by \$104,382, to (\$86,134) to allow the expansion to begin in the last quarter of FY18.**

### Children, Youth, and Family Services and School Health Services

Item #	Section	Item	Amount	Total amount of contract	HHS COMM Reduce savings to
35	CYF	Centro Nia Pre-K Contract - There has been a delay in implementing the program expansion and DHHS estimates this amount as the 30% of the new funding to account for the delay. DHHS does not believe this reduces the number of children that will be served.	(102,600)	969,547	\$79,638. No impact on number of children served
39	CYF	Family Services Inc., Early Childhood Staffing Contract. This is projected surplus. NO service impact expected.	(3,000)	154,346	Concur

Item #	Section	Item	Amount	Total amount of contract	HHS COMM
40	CYF	High School Wellness Center Operating Expense funds. Reduction to supplies, printing, and office needs for the Wellness Centers. NO service impact expected.	(10,904)	10,904	Concur
41	CYF	National Center for Children and Families (NCCF) Respite Program. The outcome of the program was not as intended and the contract is being terminated. This is the projected remainder of the funding.	(51,558)	126,429	Concur
42	CYF	EveryMind - Regional Youth Services (RYS) contract. This is projected surplus. NO service impact expected.	(2,000)	2,640,739	Concur
43	CYF	Family Services, Inc., Regional Youth Services (RYS) contract. This is the projected surplus. NO service impact expected.	(4,500)	1,472,606	Concur
44	CYF	YMCA Youth and Family Services - Linkages to Learning. This is the projected surplus. NO service impact expected.	(22,500)	1,382,732	Concur
45	CYF	City of Rockville - Regional Youth Services (RYS) contract. This is the projected surplus. NO service impact expected.	(2,500)	59,416	Concur
46	CYF	YMCA Youth and Family Services - Regional Youth Services (RYS) contract. This is the projected surplus. NO service impact expected.	(10,500)	10,500	Concur
47	CYF	Washington Youth Foundation - Tutoring contract. This is a 5% reduction to the contract and will require a contract amendment. Reduced services expected but not known.	(2,402)	49,008	Reject
48	CYF	Washington Youth Foundation - Mentoring contract. This is a 5% reduction to the contract and will require a contract amendment. Reduced services expected but not known.	(3,556)	72,541	Reject
49	CYF	Family Learning Solutions contract. This is a 5% reduction to the contract and will require a contract amendment. Reduced services expected but not known.	(2,777)	56,657	Reject

Item #	Section	Item	Amount	Total amount of contract	HHS COMM
51	CYF	George B Thomas Learning Academy contract. This is a 5% reduction to the contract and will require a contract amendment. Reduced services expected but not known.	(48,276)	984,832	Reject
53	CYF	Maryland Vietnamese Mutual Tutoring contract. This is a 5% reduction to the contract and will require a contract amendment. Reduced services expected but not known.	(3,627)	72,541	Reject
54	CYF	State Child Care Supplement. This is projected surplus based on history that only 85% of subsidies issued are returned for payment. Anyone who is eligible and requests this supplement will receive it. Final savings may be more or less.	(126,070)	1,020,240	Concur (2-1; Council member Rice opposed)
56	CYF	Center for Adoption Support and Education (CASE) Post-Adoption Services. Projection based on historical spending.	(25,000)	207,278	Reject
66	PHS	School Health Services (SHS) - Cardinal Health Purchase Order. The program will purchase fewer medications. Families may have to purchase low cost prescriptions at a pharmacy.	(10,000)	50,000	Reject
67	PHS	SHS Catholic University of America Purchase Order. This is projected surplus. NO service impact is expected.	(20,000)	457,048	Concur

### Discussion Items:

#### Centro Nia

The Executive is recommending a reduction of \$102,600 to the CentroNia PreK contract. For FY18, the Council approved \$342,000 to expand community-based Pre-K services to 40 three and four-year-olds delivered by Centro Nia. The Department reports that the reduction is a projected surplus, and as such, would not result in a contract amendment or a service reduction. The surplus results from delays in building out additional classroom space to accommodate the expanded services, which are anticipated to start up this month.

Council staff understands that concerns have been raised by Centro Nia about the amount of the funding reduction and whether it may have an impact on the number of children the program will be able to serve. **At the January 18 session, the HHS Committee requested Council staff and DHHS reach out to Centro Nia to discuss the estimated savings. At the January 22 session, Council staff reported that Centro Nia believes there will be a \$79,638 surplus (not \$102,600) and that this will not impact the number of children that will be served.**

**The HHS Committee recommends a revised Savings Plan amount of \$79,638.**

### **State Child Care Supplemental**

The Executive recommends a \$126,070 reduction to the total FY18 funding of \$1,020,240 for supplemental payments to participants in the State Child Care Subsidy Program (SCCSP). The supplement is intended to bring the total (State and County) subsidy payments for the lowest income families in line with amounts provided in the Working Parents Assistance (WPA) program.

The Executive reports underutilization of the supplemental payments as the reason for the savings, and despite efforts to reach out to these lowest income families, anticipates that \$126,070 will not be spent out in FY18. The Department reports that approximately 85% of supplement vouchers issued by the County are returned for payment. Thus, the reduction is not anticipated to have a service impact.

Although amounts for the SCCSP Supplement have been underspent, Council staff notes that there continues to be a significant wait list of 480 children in 326 families for the County's Working Parents Assistance (WPA) program. The Department reports that there are no children ages 0-5 on the waitlist.<sup>1</sup>

**At the January 18 session, Council staff recommended that because of the significant unmet demand for child care subsidies through the WPA program, the Council should not take the savings recommended for the SCCSP Supplement, and instead request that the Executive redirect the anticipated surplus to remove children off the WPA waitlist.** Council staff estimated that the surplus could potentially serve 40 additional children for the remainder of the year, given the average monthly subsidy of \$620 between September - November. Given typical program churn, historical underspending, and close management of program spending, these new children can be served in FY19 even within a same services budget.

Council staff requested the following information; however, none of it was made available prior to the Committee meeting.

- Total voucher amounts issued/awarded for FY17 and FY18 for the SCCSP Supplement and WPA programs
- Total amounts used for FY17 and FY18 for the SCCSP Supplement and WPA programs; and
- Utilization rates for FY17 and FY18 for the SCCSP Supplement and WPA programs;

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<sup>1</sup> The Council approved increased funding of \$2,000,000 in FY18 for the WPA program targeted at children ages 0-5.

- The number of children who have dropped out the of the WPA program in FY16, FY17 and FY18 to date; and
- The average monthly number of children served and number of children vouchered for FY17 and FY18 for the WPA program.

**At the January 22 session, the HHS Committee heard that the County Executive will not redirect funds from the Savings Plan to the WPA waitlist.** He believes that discussion of expanding a program in the context of a savings plan for FY18 is imprudent since it would place additional fiscal pressure on the FY19 operating budget. His position is that changes in the funding level for WPA should be considered in the context of the FY19 budget discussions.

**The HHS Committee noted that they had just heard in the Joint HHS and Education Committee session about the ongoing demand for child care. However, the Committee concurred 2-1 (Councilmember Rice opposed) with the Executive's recommendation for the Savings Plan as the Executive said he will not redirect the funds. Councilmember Rice stated his interest in using the surplus funds for a special appropriation for children on the wait list for WPA emphasizing what the Joint Committee had just heard. Councilmember Leventhal stated his agreement with the Savings Plan item, but noted he does so without any prejudice regarding a special appropriation.**

### Public Health Services

Item #	Section	Item	Amount	Total amount of contract	HHS COMM
50	PHS	CD & E: Drugs and Medicine for Treatment of an Outbreak. The Department has this appropriation in case there is a need to purchase medicine during the outbreak of a contagious disease. It was not used in FY17 and has not been used in FY18 to date. During the H1N1 outbreak drugs were provided by the CDC. NO impact on services.	(49,000)	54,650	Concur
52	PHS	Chief's Office - Temporary Office Clerical	(10,000)	15,000	Concur
55	PHS	Dental Services Contract with Dentist and Dental Hygienist (revenue lost = \$11,625). The impact of this and Item #57 is that about 153 clinets would not receive dental treatment and 695 clients would not receive dental prophylactic services. Currently, clients are waiting up to 11 weeks to see a dentist and and 9 weeks to see a hygienist. Increase in wait time could be 3 to 4 weeks.	(38,980)	786,671	Reject

Item #	Section	Item	Amount	Total amount of contract	HHS COMM
57	PHS	Dental Services - Primary Care Coalition (PCC) Dental Assistant. This is not an impact to the Montgomery Cares dental Clinics. It would eliminate services that support the County dental clinics. PCC has told Council staff that to reach these savings at this point in the fiscal year they would have to eliminate 2 filled positions.	(40,000)	379,057	Reject
58	PHS	Maternity Partnership - As of December this program has 6% fewer clients enrolled than in December 2016. This reduction is based on projected surplus. DHHS has confirmed that NO ONE WILL BE TURNED AWAY from the program because of the savings plan.	(165,635)	1,455,061	Concur
60	PHS	Montgomery Cares - PCC Behavioral Health Services. This is a projected FY18 surplus. NO impact on services is expected.	(18,411)	1,010,331	Concur
62	PHS	Montgomery Cares - PCC Personnel Savings. This is projected surplus because of previous and current vacancies. However, PCC has shared with Council staff that two currently vacant positions, a Data Analyst and a Provider Services Manager, are critical to the ongoing operations of Montgomery Cares. There have good candidates for the positions when they are unfrozen.	(175,715)	914,887	Concur - DHHS will allow PCC to hire a data analyst in FY18
64	PHS	Montgomery Cares - Preventive Screenings. This is likely to result in 35 fewer colonoscopies and 100 fewer mammograms. This is not a reduction to these as diagnostic tests, only as preventive screenings. This is part of the contract category of specialty services.	(43,320)	1,138,565	Reject

## Discussion Items:

### Dental Services

The Savings Plan includes two items totaling \$78,980 that would reduce the capacity of the County Dental Clinics for both hygienist and dentist services. The Council has increased funding for

dental services in the last two budgets, both at the recommendation of the Montgomery Cares Advisory Board, because of the increasing evidence of the link between dental health and other diseases, and the lack of dental services for the uninsured, those on Medicaid and Medicare, and the underinsured. The Montgomery Cares Advisory Board has considered information that while there has been a 96% increase in the clients served since FY12, there are wait lists of 11 to 12 weeks for a dentist and 9 to 10 weeks for a hygienist.

**The HHS Committee recommends rejecting the two Savings Plan items that would reduce dental services and agreed the County should see as many clients as possible under the original FY18 approved funding.**

### **Maternity Partnership**

The HHS Committee concurred with the savings after receiving assurances that no one needing the program will be turned away because the Savings Plan item is approved.

### **Montgomery Cares – Primary Care Visits**

This is not a Savings Plan item. The Committee discussed that it is possible that Montgomery Cares will exceed the number of primary care visits funded by the approved budget (68,000) by as many as 4,000 visits. In other years, money might be redirected from other categories so no one will be turned away. As with Maternity Partnership, the County's policy has been not to turn anyone away from primary care. Director Ahluwalia said that current policy is still in place and that if there is a expectation that it may need to change, DHHS will let the Council know before any change is made.

### **Special Needs Housing**

Item #	Section	Item	Amount	Total amount of contract	HHS COMM
68	SNH	Reduce Emergency Housing Assistance. Because it is taking longer to place people in permanent supportive housing than assumed in the original FY18 budget, there is capacity in the HIF to fund this \$189,397 and allow a reduction in the amount spent in the DHHS budget. There is no additional burden on the HIF. NO expected impact to services.	(189,397)	NA	Concur

#### **4. Follow-up on Gang Prevention and Intervention - Catholic Charities Contract**

At its December session, the joint PS and HHS Committee reviewed the need for different approaches to preventing young people from gang involvement. The Committee discussed different proposals and the particular need for services and supports for families that are reunifying with a child. The Committee also discussed the specific attributes of funding a program with Catholic Charities as a way to involve the faith community. The joint Committee asked the Executive for his recommendation.

**While not stated in the Savings Plan, the HHS Committee was informed that the Savings Plan for DHHS allows \$50,000 to be spent for a contract with Catholic Charities for a gang prevention/family reunification program. When ready, it will come to the Council as an amendment to the non-competitive contract award authorization.**





OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

January 2, 2018

TO: Hans Riemer, Council President

FROM: Isiah Leggett, County Executive

*Timothy L. Fipertine (for)*

SUBJECT: FY18 Savings Plan

Attached please find my Recommended FY18 Savings Plan for Montgomery County government and the other tax-supported County agencies to help close the \$120 million gap we are facing in our Fiscal Year 2018 operating budget. The attached plan identifies savings of approximately \$60 million from the FY18 operating budget, and approximately \$13 million in current revenue savings from the FY17-22 Capital Improvements Program (CIP). As discussed during our recent briefing on the Fiscal Plan to Council, this shortfall is not a projected shortfall, but rather a real loss of income tax revenue, and therefore we must reduce expenditures to close the budget gap.

Please keep in mind that if this gap is not closed now in FY18, it will place the current budget further out of balance and exacerbate an already difficult FY19. As difficult as the reductions in the attached savings plan may be, additional reductions or savings in FY18 will be necessary to close the \$120 million gap. Executive staff continue to find possible solutions (all of which will be very difficult). I will keep the Council apprised of these measures. I remain committed to submitting an FY19 Recommended Operating Budget that maintains our agreed to reserve levels and ensures our long-term fiscal stability. To do so requires many difficult choices.

Based on updated estimates from the Department of Finance, FY18 revenues are projected to be \$95 million lower than originally anticipated. This shortfall is driven primarily by lower than expected income tax revenues, though we are also experiencing lower than projected revenues from the energy tax and transfer and recordation taxes. The November income tax distribution from the State of Maryland was approximately \$80 million lower than anticipated, and estimates for future distributions have been revised downward as well. We must also recognize a \$25 million budget shortfall from FY17 which increases the FY18 gap to \$120 million.

Despite indicators that suggest strong economic growth, change in taxpayer behavior in the context of proposed changes to the Federal tax code is a key contributing factor in the shortfall seen to date. Illustrating this point, is the fact that the top 50 taxpayers in Montgomery County recognized about 50% less capital gains income in tax year 2016 than they did in the previous year. In addition to the \$95 million shortfall in FY18 and the \$25 million shortfall from FY17, the updated revenue forecasts indicate a shortfall of \$86 million in FY19. The proposed FY18 Savings Plan will reduce costs in the current year and contribute to the effort to avoid a current year budget deficit.

Isiah Leggett, County Executive  
January 2, 2018  
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I do not expect that our fiscal difficulties will disappear in FY19, and in fact we may find that our revenues are further reduced by a number of factors beyond our control. The recently passed Federal tax legislation could have a negative impact on our revenues. The legislation's full impact on our revenues and our economy, requires complex analysis that the Department of Finance will be conducting. There are other significant pressures that are likely to impact County finances, including continued student enrollment increases, possible cutbacks in both Federal and State funding, and collective bargaining negotiations. With this reality in mind, I have focused my recommended reductions on those that are long term, rather than one-time quick fixes. This requires some difficult decisions. I hope that you will support this approach since it is critical to the County's long-term fiscal health.

The attached savings plan recommends total savings of approximately \$60 million from the FY18 operating budget. I recommend a reduction in County government expenditures of about \$28 million as outlined in the attached plan. The savings initiatives identified for County government include some reductions to services, though we have minimized reductions to the most critical and basic services. I am assuming that the outside agencies receiving County funding will participate as well. I have not defined where these reductions would be taken, but instead I have provided a general target. Their respective boards are in the best position to identify the reductions that would have the least service impacts. The reduction targets for the other County agencies are as follows:

Montgomery County Public Schools (MCPS): \$25.0 million  
Montgomery College: \$5.2 million  
Maryland-National Capital Park and Planning Commission (MNCPPC): \$2.6 million

In addition, MCPS is asked to continue to review its various fund balances and costs to determine if additional savings are possible.

I am also recommending savings of about \$13.5 million in current revenue from the CIP. This includes approximately \$3.0 million for MCPS, \$3.2 million for Montgomery College, \$1.2 million for M-NCPPC, \$600,000 for the Housing Opportunities Commission, and \$5.5 million for County government. County government's reduction in current revenue funding for FY18 was approximately 21% of the total FY18 current revenue budget allocation. In contrast, I am recommending a reduction of 15% for each of the outside agencies' FY18 current revenue. These current revenue reductions are critical to closing the gap and if not taken, will directly impact funding for FY19.

My savings plan recommendations that are within the CIP and are administered by outside agencies are reflected in affordability project description forms in order to provide them with maximum flexibility. I believe the respective governing bodies of these agencies are in the best position to determine where these reductions should be taken. As requested by Council staff, OMB will provide separately any project description forms for outside agency projects with current revenue so that they can be considered as part of the County Council's public hearing process for CIP amendments.

Isiah Leggett, County Executive  
January 2, 2018  
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I understand the difficulty that this fiscal situation presents, and I appreciate your consideration of these proposed reductions. If there are specific actions in this plan that the Council is unwilling to approve, I ask that you identify alternative savings initiatives of equal value and of a long-term nature, so that the overall proposed dollar value of savings can be achieved for FY18. It is important to note that at the time of Council approval, there will be less than six months remaining in the fiscal year.

As such, we will need to act quickly to approve and implement the savings plan. Prompt action will allow us to maximize the savings that can be achieved. It is also important to note that any deficit experienced at the end of FY18 will need to be addressed in FY19 budget development. This would be in addition to the \$86 million shortfall already projected for FY19.

I appreciate the Council's willingness to collaborate on this important matter and the expedited scheduling of consideration and approval of the plan. My staff is available to assist the Council in its review of the attached proposal. Thank you for your support of our efforts to minimize the impact of these reductions on our most important services while preserving the fiscal health of the County government.

Executive Recommended FY18 Savings Plan		
Agency	Approved FY18 Budget	Savings Plan Reduction
MCG	1,618,516,292	27,827,660
MCPS	2,368,655,562	25,000,000
College	262,759,376	5,255,188
MNCPPC	131,547,071	2,630,941
<b>Total</b>	<b>4,381,478,301</b>	<b>60,713,789</b>
<b>Notes:</b> 1. Amounts above include only the operating budget, excluding debt service and retiree health insurance. 2. The County Executive's Recommended FY18 Savings Plan also includes capital budget current revenue reductions of \$13.5 million, including \$5.5 million from County government, \$600,000 from the Housing Opportunities Commission, and \$7.3 million from other outside agencies.		

IL:df

Attachment: Recommended FY18 Savings Plan for Montgomery County government and the other tax supported County agencies

## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Tax-Supported - MCG</b>				
<b><u>General Fund</u></b>				
Agriculture	989,195	-19,784	0	-2.00
Board of Appeals	541,752	-10,835	0	-2.00
Board of Elections	8,213,700	-80,000	0	-0.97
Circuit Court	12,066,554	-241,331	0	-2.00
Community Engagement Cluster	3,772,050	-75,441	0	-2.00
Consumer Protection	2,364,597	-47,292	0	-2.00
Correction and Rehabilitation	66,716,261	-675,000	0	-1.01
County Attorney	6,319,482	-132,126	0	-2.09
County Council	11,651,722	-303,755	0	-2.61
County Executive	5,947,305	-188,100	0	-3.16
Emergency Management and Homeland Security	1,317,571	-26,351	0	-2.00
Environmental Protection	2,907,343	-58,000	0	-1.99
Ethics Commission	429,607	-8,592	0	-2.00
Finance	14,446,096	-288,922	0	-2.00
General Services	30,965,577	-358,583	0	-1.16
Health and Human Services	234,084,840	-4,360,777	-11,625	-1.86
Housing and Community Affairs	7,538,618	-150,772	0	-2.00
Human Resources	8,355,091	-167,102	0	-2.00
Human Rights	1,242,813	-24,856	0	-2.00
Inspector General	1,071,872	-21,437	0	-2.00
Intergovernmental Relations	1,125,673	-22,513	0	-2.00
Legislative Oversight	1,661,695	-33,234	0	-2.00
Management and Budget	4,730,931	-94,619	0	-2.00
Merit System Protection Board	367,688	-7,354	0	-2.00
Non-Departmental Accounts (Select NDAs)	39,765,233	-2,236,238	0	-5.62
Police	275,474,370	-3,816,340	0	-1.39
Procurement	4,512,962	-90,259	0	-2.00
Public Information	5,079,351	-101,587	0	-2.00
Public Libraries	42,437,576	-850,919	0	-2.01
Sheriff	23,366,446	-238,526	0	-1.02
State's Attorney	17,188,455	-213,064	0	-1.24
Technology Services	43,022,058	-860,441	0	-2.00
Transportation	49,809,920	-996,198	0	-2.00
Zoning and Administrative Hearings	689,591	-13,792	0	-2.00
<b>General Fund Total:</b>	<b>930,173,995</b>	<b>-16,814,140</b>	<b>-11,625</b>	<b>-1.81</b>
<b><u>Special Funds</u></b>				
Fire	214,862,420	-2,610,458	0	-1.21
Recreation	37,687,311	-755,897	-2,115	-2.01
Mass Transit	132,226,957	-2,759,889	-115,350	-2.09
Bethesda Urban District	3,174,943	-13,006	0	-0.41
Silver Spring Urban District	3,498,672	-10,793	0	-0.31
Wheaton Urban District	2,016,434	-29,285	0	-1.45
<b>Special Funds Total:</b>	<b>393,466,737</b>	<b>-6,179,328</b>	<b>-117,465</b>	<b>-1.57</b>
<b>Tax-Supported Total:</b>	<b>1,323,640,732</b>	<b>-22,993,468</b>	<b>-129,090</b>	<b>-1.74</b>

## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Non-Tax Supported - MCG</b>				
<u><b>Enterprise Funds</b></u>				
Liquor	65,161,319	-1,853,885	1,500,000	-2.85
<b>Enterprise Funds Total:</b>	<b>65,161,319</b>	<b>-1,853,885</b>	<b>1,500,000</b>	<b>-2.85</b>
<u><b>Special Funds</b></u>				
Cable TV	16,071,604	-321,432	0	-2.00
<b>Special Funds Total:</b>	<b>16,071,604</b>	<b>-321,432</b>	<b>0</b>	<b>-2.00</b>
<u><b>Internal Service Funds</b></u>				
Motor Pool Internal Service Fund	80,056,028	-1,287,965	0	-1.61
<b>Internal Service Funds Total</b>	<b>80,056,028</b>	<b>-1,287,965</b>	<b>0</b>	<b>-1.61</b>
<b>Non-Tax Supported Total:</b>	<b>161,288,951</b>	<b>-3,463,282</b>	<b>1,500,000</b>	<b>-2.15</b>
<b>MCG Total:</b>	<b>1,484,929,683</b>	<b>-26,456,750</b>	<b>1,370,910</b>	<b>-1.78</b>

### Tax Supported - Outside Agencies

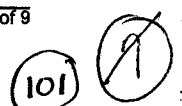
Montgomery County Public Schools	2,368,655,562	-25,000,000	0	-1.06
Montgomery College	262,759,376	-5,255,188	0	-2.00
Maryland-National Capital Park and Planning	131,547,071	-2,630,941	0	-2.00

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b><u>Tax-Supported</u></b>			
<b>General Fund</b>			
<b>Agriculture</b>			
1	Reduced UME State Payment	-19,784	0
Agriculture Total:		-19,784	0
<b>Board of Appeals</b>			
2	Printing - Central Duplicating Services	-6,623	0
3	Mail - Central Duplicating Services	-2,660	0
4	Motor Pool	-200	0
5	Miscellaneous Operating Expenses	-1,352	0
Board of Appeals Total:		-10,835	0
<b>Board of Elections</b>			
6	Projected OE Cost Savings	-80,000	0
Board of Elections Total:		-80,000	0
<b>Circuit Court</b>			
7	Arbitration Services	-73,000	0
8	Interpreter Services	-168,331	0
Circuit Court Total:		-241,331	0
<b>Community Engagement Cluster</b>			
9	Turnover Savings - OCP Community Outreach Manager	-32,000	0
10	Turnover savings - Program Manager I - OCP/Gilchrist Center	-13,441	0
11	Administration - Copier Maintenance	-1,500	0
12	Administration - General Office Supplies	-1,500	0
13	Administration - Education/Vocation Supplies	-7,000	0
14	Administration - Central Dup-Printing	-5,000	0
15	Administration - Cellular Phone Line Charges	-5,000	0
16	Administration - Metropolitan Area Travel	-10,000	0
Community Engagement Cluster Total:		-75,441	0
<b>Consumer Protection</b>			
17	Lapse Executive Administrative Aide Position	-47,292	0
Consumer Protection Total:		-47,292	0
<b>Correction and Rehabilitation</b>			
18	Increase savings through lapsing vacant positions	-500,000	0
19	Reduce Staff Training	-175,000	0
Correction and Rehabilitation Total:		-675,000	0
<b>County Attorney</b>			

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
20	Increase Lapse - (Administrative Specialist II position)	-85,178	0
21	Increase Lapse - (ESI - Assistant County Attorney III)	-46,948	0
<b>County Attorney Total:</b>		<b>-132,126</b>	<b>0</b>
<b>County Council</b>			
22	Cost reduction from staff changes	-226,905	0
23	Projected Contractor OE savings	-76,850	0
<b>County Council Total:</b>		<b>-303,755</b>	<b>0</b>
<b>County Executive</b>			
24	Lapse Savings	-188,100	0
<b>County Executive Total:</b>		<b>-188,100</b>	<b>0</b>
<b>Emergency Management and Homeland Security</b>			
25	Reduction of OEMHS Computers and other equipment Repair/Maintenance	-20,000	0
26	Reduction of OEMHS Temporary Para-Professional Services	-6,351	0
<b>Emergency Management and Homeland Security Total:</b>		<b>-26,351</b>	<b>0</b>
<b>Environmental Protection</b>			
27	Additional Lapse	-58,000	0
<b>Environmental Protection Total:</b>		<b>-58,000</b>	<b>0</b>
<b>Ethics Commission</b>			
28	Reduction in Other Professional Services	-8,592	0
<b>Ethics Commission Total:</b>		<b>-8,592</b>	<b>0</b>
<b>Finance</b>			
29	Increase Chargebacks for Property Tax Billing & Collection Services - Solid Waste, Water Quality, Leaf Vacuuming	-116,327	0
30	Lapse Savings from Vacant Positions	-172,595	0
<b>Finance Total:</b>		<b>-288,922</b>	<b>0</b>
<b>General Services</b>			
31	Libraries Deferred Maintenance	-150,000	0
32	Recreation Deferred Maintenance	-100,000	0
33	Turnover Savings	-108,583	0
<b>General Services Total:</b>		<b>-358,583</b>	<b>0</b>
<b>Health and Human Services</b>			
34	DO - Planning Accounting and Customer Service Consulting Services (Partnership for Action Learning Sustainability)	-15,000	0
35	CYF - CentroNia PreK contract	-102,600	0
36	OCOO - Budget Team Contract	-36,000	0
37	OCOO - IT Contracts	-966,284	0
38	OCA - African American Health Program McFarland and Associates, Inc., Contract	-17,371	0
39	CYF - Family Services Inc. Early Childhood Staffing contract	-3,000	0



## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
40	CYF - High School Wellness Center OE funds	-10,904	0
41	CYF - NCCF (National Center for Children and Families) Respite Program	-51,558	0
42	CYF - EveryMind Regional Youth Services (RYS) contract	-2,000	0
43	CYF - Family Services, Inc. Regional Youth Services (RYS) contract	-4,500	0
44	CYF - YMCA Youth and Family Services	-22,500	0
45	CYF - City of Rockville Regional Youth Services (RYS) contract	-2,500	0
46	CYF - YMCA Youth and Family Services	-10,500	0
47	CYF - Washington Youth Foundation Tutoring contract	-2,402	0
48	CYF - Washington Youth Foundation Mentoring contract	-3,556	0
49	CYF - Family Learning Solutions contract	-2,777	0
50	PHS-CD&E: Drugs and Medicine for Treatment of an Outbreak	-49,000	0
51	CYF - George B. Thomas Sr. Learning Academy contract	-48,276	0
52	PHS-Chief's Office: Temporary Office Clerical	-10,000	0
53	CYF - Maryland Vietnamese Mutual Tutoring contract	-3,627	0
54	CYF - State Child Care Supplement	-126,070	0
55	PHS-Dental Services Contract with Dentist and Dental Hygienist	-38,980	-11,625
56	CYF - Center for Adoption Support and Education (CASE) Post-Adoption Services contract	-25,000	0
57	PHS-Dental Services PCC Dental Assistant	-40,000	0
58	PHS-Maternity Partnership	-165,635	0
59	A&D - Community Support Network , Summer Camps	-85,000	0
60	PHS-Montgomery Cares PCC Behavioral Health Services	-18,411	0
61	A&D - Community Support Network, Sign Language contract	-35,660	0
62	PHS-Montgomery Cares PCC Personnel Savings	-175,715	0
63	A&D - Community Support Network, Emergency Shelter Services	-15,000	0
64	PHS-Montgomery Cares Preventive Screenings	-43,320	0
65	A&D - Community Support Network, Emergency Nursing Services contract	-15,000	0
66	PHS-SHS Cardinal Health Purchase Order	-10,000	0
67	PHS-SHS Catholic University of America Purchase Order	-20,000	0
68	SNH - Reduce Emergency Housing Assistance	-189,397	0
69	Additional Personnel Lapse Savings	-1,399,919	0
70	OCA - Asian American Health Program Primary Care Coalition Contract	-42,243	0
71	OCA - Latino Health Initiative Ama Tu Vida Campaign	-10,000	0
72	OCA - Primary Care Coalition Contract (Leadership Institute for Equity and the Elimination of Disparities)	-12,000	0
73	OCA - CASA de Maryland Contract (Employment, Training and Supportive Services)	-17,561	0
74	BHCS - Shared Psychiatrists for County Outpatient Mental Health Clinics	-220,000	0
75	BHCS - Shelter Plus Care Contract (Case Management Services)	-42,000	0
76	BHCS - CorrectRX Contract (Drugs & Medicine)	-40,000	0
77	BHCS - Psychiatrist contract budget for ACCESS/Crisis Center	-18,995	0
78	BCHS - Mental Health Court	-190,516	0

**Health and Human Services Total:            -4,360,777            -11,625**

### Housing and Community Affairs



## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
79	Partial Lapse of Vacant Positions	-150,772	0
<b>Housing and Community Affairs Total:</b>		<b>-150,772</b>	<b>0</b>
<b>Human Resources</b>			
80	Consultant Services	-150,000	0
81	Miscellaneous Expenses	-13,450	0
82	Office Supplies	-3,652	0
<b>Human Resources Total:</b>		<b>-167,102</b>	<b>0</b>
<b>Human Rights</b>			
83	Increase Lapse	-24,856	0
<b>Human Rights Total:</b>		<b>-24,856</b>	<b>0</b>
<b>Inspector General</b>			
84	Deferred Engagement of Subject Matter Expert	-21,437	0
<b>Inspector General Total:</b>		<b>-21,437</b>	<b>0</b>
<b>Intergovernmental Relations</b>			
85	Professional Services - Federal Consultant Services	-22,513	0
<b>Intergovernmental Relations Total:</b>		<b>-22,513</b>	<b>0</b>
<b>Legislative Oversight</b>			
86	Lapse Savings	-26,234	0
87	Reductions in Consultant Services and Training	-7,000	0
<b>Legislative Oversight Total:</b>		<b>-33,234</b>	<b>0</b>
<b>Management and Budget</b>			
88	Increased lapse and turnover savings	-80,819	0
89	Chargeback to White Flint Redevelopment Program CIP (P151200)	-13,800	0
<b>Management and Budget Total:</b>		<b>-94,619</b>	<b>0</b>
<b>Merit System Protection Board</b>			
90	Training Reduction	-2,354	0
91	Consultant Services	-5,000	0
<b>Merit System Protection Board Total:</b>		<b>-7,354</b>	<b>0</b>
<b>Police</b>			
92	Liquidate Prior Year Purchase Orders	-80,017	0
93	Increase Lapse based on analysis by OMB and Police	-1,523,340	0
94	Increase Lapse due to position exemption process	-763,500	0
95	Implementation Delays in Next Generation 911	-770,000	0
96	Reduce Contract Security Hours of Council Office Building by Four Hours per Day	-67,977	0
97	Reduce Contract Security Spending to Reflect One Fewer Guard Than Budgeted Posted at COB	-86,054	0
98	Adjust January recruit class size to reflect lower attrition in department	-525,452	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b>Police Total:</b>		<b>-3,816,340</b>	<b>0</b>
<b>Procurement</b>			
99	Recruit an Entry Level PAA Hire	-8,975	0
100	Reduce the Number of Computer Rentals	-3,000	0
101	Reduce the Number of General Office Supplies	-1,000	0
102	Reduce the Number of Computer Software Licenses	-8,000	0
103	Reduce the Number of Other Supplies and Materials	-4,000	0
104	Reduce the Number of Outside Production Reports	-3,000	0
105	Reduce the Number of Outside Overnight Mail/Courier Deliveries	-2,089	0
106	Reduce the Number of Professional Meetings Hosted	-8,000	0
107	Eliminate the Number of Advertising/Contract Solicitations Assisted by the Office of Procurement	-1,000	0
108	Lapse a Part Time Procurement Specialist II	-51,195	0
<b>Procurement Total:</b>		<b>-90,259</b>	<b>0</b>
<b>Public Information</b>			
109	Projected Unused Interpreter Service	-34,000	0
110	Temporary Office Clerical	-27,000	0
111	Other Education - Training	-38,087	0
112	Professional Memberships	-2,500	0
<b>Public Information Total:</b>		<b>-101,587</b>	<b>0</b>
<b>Public Libraries</b>			
113	Turnover Savings	-850,919	0
<b>Public Libraries Total:</b>		<b>-850,919</b>	<b>0</b>
<b>Sheriff</b>			
114	Keep Principal Administrative Aide position open through end of FY18	-50,205	0
115	Keep Client Assistance position open through end of FY18	-73,885	0
116	Reduce January 2018 Academy class size by 3 recruits	-114,436	0
<b>Sheriff Total:</b>		<b>-238,526</b>	<b>0</b>
<b>State's Attorney</b>			
117	Delay Hiring Two Senior Legal Assistant Positions	-24,812	0
118	Turnover Savings	-125,852	0
119	Increase Lapse	-62,400	0
<b>State's Attorney Total:</b>		<b>-213,064</b>	<b>0</b>
<b>Technology Services</b>			
120	Increase Lapse	-860,441	0
<b>Technology Services Total:</b>		<b>-860,441</b>	<b>0</b>
<b>Transportation</b>			
121	Lapse and Turnover Savings	-996,198	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
Transportation Total:		-996,198	0
<b>Zoning and Administrative Hearings</b>			
122	Reduction in Consultant Fees	-13,792	0
Zoning and Administrative Hearings Total:		-13,792	0
General Fund Total:		-14,577,902	-11,625
<b>Fire</b>			
<b>Fire and Rescue Service</b>			
123	Hyattstown Engine 709	-899,000	0
124	Hillandale Tower 724	-494,000	0
125	Germantown Engine 729	-499,000	0
126	Four Person Staffing on Takoma Park Engine 702	-450,000	0
127	Allocate 10% reduction to LFRDs and MCVFRA	-268,458	0
Fire and Rescue Service Total:		-2,610,458	0
Fire Total:		-2,610,458	0
<b>Recreation</b>			
<b>Recreation</b>			
128	Aquatics OE Reduction	-15,000	0
129	Reduce the Distribution of Recreation Guides	-25,000	0
130	Countywide Programs OE Reduction	-49,371	0
131	Community Centers Reduction to OE	-112,239	0
132	Reduce Health & Wellness Program	-60,000	0
133	Administration Reduction to OE	-10,876	0
134	PLAR Reduction to OE	-100,000	0
135	Increase Lapse - Principal Admin Aide Position	-28,119	0
136	Youth Development OE Reduction	-68,305	0
137	Reduce Senior Transportation	-42,250	-2,115
138	Turnover Savings	-63,400	0
139	Reduction of Seasonal Staffing in Facilities	-62,111	0
140	Align budget with spending - Therapeutics and Senior programming within Regional Areas	-41,300	0
141	Lapse Vacant Positions	-77,926	0
Recreation Total:		-755,897	-2,115
Recreation Total:		-755,897	-2,115
<b>Bethesda Urban District</b>			
<b>Urban Districts</b>			
142	Turnover savings - Program Specialist II	-13,006	0
Urban Districts Total:		-13,006	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
Bethesda Urban District Total:		-13,006	0
<b>Silver Spring Urban District</b>			
<b>Urban Districts</b>			
143	Safe Team - other communication services	-5,000	0
144	Clean Team - Other equipment repair/maintenance	-1,000	0
145	Streetscape Maintenance - equipment repair/maintenance	-4,793	0
Urban Districts Total:		-10,793	0
Silver Spring Urban District Total:		-10,793	0
<b>Wheaton Urban District</b>			
<b>Urban Districts</b>			
146	Turnover Savings - Wheaton UDPSA	-14,645	0
147	Turnover Savings II - Wheaton UDPSA	-14,640	0
Urban Districts Total:		-29,285	0
Wheaton Urban District Total:		-29,285	0
<b>Mass Transit</b>			
<b>Transit Services</b>			
148	Bus Fleet Replacement Savings	-2,027,141	0
149	Defer start up of Limited Stop Ride On Service on US 29	-732,748	-115,350
Transit Services Total:		-2,759,889	-115,350
Mass Transit Total:		-2,759,889	-115,350
<b>Tax-Supported Total:</b>		<b>-20,757,230</b>	<b>-129,090</b>

### Non-Tax Supported

#### **Cable TV**

##### **Cable Television Communications Plan**

150	Vacant Position Lapse	-321,432	0
Cable Television Communications Plan Total:		-321,432	0
Cable TV Total:		-321,432	0

#### **Liquor**

##### **Liquor Control**

151	Retail Store Remodels	-779,660	0
152	Liquidate FY18 Purchase Orders	-157,613	0
153	Personnel Savings	-350,000	0
154	Reduce OE for Supplies and Materials to align with paperless processes	-250,000	0

1000

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
155	Master Lease 3 Delivery Trucks	-316,612	0
156	FY18 Revised Revenue Estimate	0	1,500,000
Liquor Control Total:		-1,853,885	1,500,000
Liquor Total:		-1,853,885	1,500,000
Non-Tax Supported Total:		-2,175,317	1,500,000
MCG Total:		-22,932,547	1,370,910

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b><u>Tax-Supported</u></b>			
<b>Montgomery County Public Schools</b>			
157	FY18 Savings Plan	-25,000,000	0
	<b>Montgomery County Public Schools Total:</b>	<b>-25,000,000</b>	<b>0</b>
	<b>Current Fund MCPS Total:</b>	<b>-25,000,000</b>	<b>0</b>
<b>Montgomery College</b>			
158	FY18 Savings Plan	-5,255,188	0
	<b>Montgomery College Total:</b>	<b>-5,255,188</b>	<b>0</b>
	<b>Current Fund MC Total:</b>	<b>-5,255,188</b>	<b>0</b>
<b>Maryland-National Capital Park and Planning Commission</b>			
159	FY18 Savings Plan	-2,630,941	0
	<b>Maryland-National Capital Park and Planning Commission Total:</b>	<b>-2,630,941</b>	<b>0</b>
	<b>Park Fund Total:</b>	<b>-2,630,941</b>	<b>0</b>

**COUNTY EXECUTIVE'S RECOMMENDED FY18 SAVINGS PLAN  
MONTGOMERY COUNTY GOVERNMENT - NDA and ISF SAVINGS**

NDA/FUND	AMOUNT	DESCRIPTION
NDA - Leases	-205,500	Savings of 1% on budgeted lease expenses
NDA - MCEDC	-900,000	Estimated ending fund balance in FY19
Motor Pool ISF	-1,000,000	Delay half of automobile replacements planned for the rest of FY18
Motor Pool ISF	-287,965	Hold current vacancies open through the end of FY18
NDA - Device Client Management	-1,000,000	Delay equipment purchases
NDA - Housing Opportunities Commission	-130,738	Reduce contribution to HOC by 2% in FY18
<b>TOTAL</b>	<b>-3,524,203</b>	

**RECOMMENDED FY18 CIP CURRENT REVENUE SAVINGS PLAN REDUCTIONS**

Project	FY18 Savings Plan Amount (\$Millions)	Comments
MCG: Facility Planning	\$0.125	Reduction will result in minimal delays due to large unencumbered balance remaining.
Technology Modernization	\$0.025	Represents Recreation funds no longer needed
Street Tree Preservation	\$0.200	FY18 funding was increased to \$4 million compared to \$3 million usual funding. Represents only a 5% reduction in this increased level of funding
Facility Planning: Transportation	\$0.250	Delays in projects would be minimal. Given backlog of projects that have been planned but unfunded, these deferrals are not expected to delay construction of any new projects in planning.
Traffic Signal System Modernization	\$1.200	Recognizes past implementation delays
ATMS	\$1.200	Recognizes past implementation delays.
Bus Fleet Replacement	\$2.027	Recognizes cost savings due to new bus contract pricing
21st Century Libraries	\$0.347	Recognizes past implementation delays
DHCA Facility Planning	\$0.125	Minor delays in three studies
HOC - Demolition CIP	\$0.600	HOC has agreed to be reimbursed in FY20
<b>Total MCG/HOC CR Savings Plan Reductions</b>	<b>6.099</b>	

<b>Total Approved FY18 CR - MCG Only</b>	<b>\$25.966</b>
<b>Percent of total MCG only Approved funding in cuts above</b>	<b>21.2%</b>

Outside Agencies	15% Reductions	Comments
MNCPPC - all CR	\$1.180	
MCPS (excluding Relocatables)	\$3.019	Total Technology Spending, including Recordation Tax averages \$25M/year
College	\$3.168	
<b>Total Outside Agencies</b>	<b>\$7.367</b>	
<b>TOTAL DEC SAVINGS PLAN REDUCTIONS</b>	<b>\$13.466</b>	

Note: Council staff has asked OMB to provide PDFs for outside agency projects with current revenue that could be amended to meet the above savings plan reduction target.



## 21st Century Library Enhancements Level Of Effort (P711503)

Category: Culture and Recreation  
 Sub Category: Libraries  
 Administering Agency: General Services (AAGE29)  
 Planning Area: Countywide

Date Last Modified: 11/17/14  
 Required Adequate Public Facility: No  
 Relocation Impact: None  
 Status: Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	825	8	92	725	100	25	150	150	150	150	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	3,723	45	350	3,328	450	178	675	675	675	675	0
Other	4,105	505	0	3,600	450	450	675	675	675	675	0
<b>Total</b>	<b>8,653</b>	<b>558</b>	<b>442</b>	<b>7,653</b>	<b>1,000</b>	<b>653</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	8,284	189	442	7,653	1,000	653	1,500	1,500	1,500	1,500	0
G.O. Bonds	225	225	0	0	0	0	0	0	0	0	0
Short-Term Financing	144	144	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>8,653</b>	<b>558</b>	<b>442</b>	<b>7,653</b>	<b>1,000</b>	<b>653</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	1,000
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		2,000
Expenditure / Encumbrances		597
Unencumbered Balance		1,403

Date First Appropriation	FY 15
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	9,000

#### Description

This level of effort project is intended to maintain and keep technology current in existing libraries by updating technology and technology support systems. When appropriate, upgrades will be coordinated with Library Refurbishment project work.

#### Estimated Schedule

Project started in FY15 and work will progress on an as needed basis.

#### Cost Change

Cost increase is due to addition of FY21 and FY22 expenditures.

#### Justification

This funding will allow the Department of Public Libraries, Department of General Services, and Department of Technology Services to respond to customer demands and library trends that require changes in the equipment and related furnishings of library buildings. This includes provision of new equipment such as tablet and laptop vending devices, media dispensing units, modifying service desks to provide single points of service or modernizing furniture to allow tablet arms on lounge chairs or erasable/writable surfaces on tables in children's rooms. It will also provide funding to do minor upgrades of electrical and data connections as improvements are made to the services and programs. This project will improve the level of service to the community by keeping the library system more current and responsive to the needs of the community. Rather than the current 30+ year cycle of renovations, funds will be available to modify technology on a much shorter timeframe.

#### Disclosures

Expenditures will continue indefinitely.

#### Coordination


Department of General Services, Department of Public Libraries, Department of Technology Services

#### Fiscal Note

FY18 reductions are related to an FY18 savings plan.

**MEMORANDUM**

January 12, 2018

TO: Planning, Housing, and Economic Development Committee  
FROM: Jeff Zyontz,  Senior Legislative Analyst  
SUBJECT: FY18 Savings Plan

At this session, the Committee will review elements of the Executive's recommended FY18 Savings Plan that are under its jurisdiction. See ©1-8 for the Executive's January 2 transmittal and related information. The Committee will focus on the Executive's recommendations for the following operating budgets:

Operating Budget	Recommended Reduction	% of Approved Appropriation	Analyst
M-NCPPC	\$2,630,941	2.0	Michaelson/Zyontz
Board of Appeals	\$10,835	2.0	Arthur
Office of Zoning and Administrative Hearings	\$13,792	2.0	Arthur
MC Economic Development Corp.	\$900,000	18.0	Smith
Office of Agriculture	\$19,784	2.2	Smith
Housing and Community Affairs	\$150,772	2.0	McMillan
Housing Opportunities Commission	\$130,738	2.0	McMillan
Recreation	\$755,897	2.0	Yao
Urban Districts	\$530,084	0.6	Sesker
<b>Total</b>	<b>\$4,515,071</b>		

In addition to recommended operating budget savings, the Executive has also recommended savings from current revenue used to support the Capital Improvements Program (CIP). These recommended savings would affect 3 departments within the Committee's purview.

In summary, Council staff believes that of the total \$4.5 million in reductions proposed by the Executive for departments and agencies to be considered by the PHED Committee, \$3,063,175 of the reductions are manageable and \$1,040,983 of the reductions involving M-NCPPC and the Montgomery County Economic Development Corporation are not recommended. They are addressed in this memorandum. The Committee

may wish to discuss an additional \$410,913 of Executive recommended savings in the Recreation Department, as they may be problematic to the Council but are recommended by the Executive and Council staff.

<b>Capital Budget</b>	<b>© #</b>	<b>Recommended Reduction</b>	<b>Analyst</b>
M-NCPPC	15	\$1,180,000	Zyontz
Housing and Community Affairs	9	\$125,000	McMillan
Housing Opportunities Commission	10	\$600,000	McMillan
<b>Total</b>		<b>\$1,905,000</b>	

In summary, Council staff believes that all of the total \$1.9 million in CIP current revenue reductions proposed by the Executive for departments and agencies to be considered by the PHED Committee are manageable.

## **M-NCPPC**

The Executive recommends that M-NCPPC reduce expenditures by \$2.63 million from the operating budget and \$1.18 million from current revenue in the CIP. He did not identify any specific reductions. Although the Executive recommended a 2.0% reduction in operating expenditures, excluding debt service and retiree health insurance, the \$2.63 million reduction was based on the M-NCPPC budget that included those items (\$131.5 million). The Planning Board based their proposed savings plan on 2.0% of their approved budget, **excluding debt service and retiree health insurance** (\$2.4 million based on a budget of \$119.5 million). The result is that **the Planning Board's detailed FY18 savings plan is \$240,983 less than the Executive's**. The proposed savings from the Parks Department's CIP project would meet the Executive's \$1.18 million target.

The Planning Board submitted a detailed FY18 savings plan (at ©11-16).

**Council staff concurs that 2% of the approved budget (\$2.4 million) is a manageable reduction for M-NCPPC. This supports the Executive's recommended target percentage but is \$240,983 less than anticipated by the Executive. The Committee may wish to discuss this variance.**

### *Administration Fund (Planning Department and Central Administrative Services)*

Of the \$422,257 in savings from the Planning Department, \$300,000 essentially comes from development review fees that were greater than expected. The fees reduced the need for an assumed tax-funded transfer of \$300,000. Another \$100,000 of savings would be accomplished by a reduced contract with the Center for Smart Growth (University of Maryland). The remaining savings (\$22,275) was budgeted for MRO maintenance contingencies. Central Administrative Services (CAS) is proposed to save \$164,398 by reduced training, delayed studies, reduced professional services, and increased lapse.

### *Parks Department Operating Budget*

The Parks Department would reduce spending by \$1.8 million. The largest portion would come from lapsed salaries (\$1.23 million). One element is the lapse proposed for Park Police. The Department recommends increasing Park Police lapse by \$290,000. (This is 2.0% of the Park Police budget and represents 3.1 positions. There are 4 vacant positions in the Department as of January 11; one is in the process of being filled.) The Committee may wish to question the Department on this subject, but the lapse appears to be reasonable to

Council staff. The second largest savings that affects service delivery is the reduction in the non-native invasive plant program (\$132,000).

#### *Parks Department CIP*

The Planning Board recommends reducing 9 projects to achieve \$1.18 million in savings. The largest reduction is proposed from the minor renovation program in non-local parks (\$530,000). Facility planning for non-local parks would be reduced by \$170,000. Legacy Open Space and small grants and owner assistance would each be reduced by \$100,000. Project description forms are provided on ©16-29.

### **BOARD OF APPEALS**

The Executive recommended that the Board of Appeals reduce expenditures by \$10,835. This amounts to 2.0% of the \$541,752 appropriation. Items with reduced expenditures concern photocopying and other miscellaneous administrative expenditures.

**Council staff believes the recommended reduction is manageable and supports the Executive's recommendation.**

### **OFFICE OF ZONING AND ADMINISTRATIVE HEARINGS (OZAH)**

The Executive recommended that OZAH reduce expenditures by \$10,835. This amounts to 2.0% of the \$689,591 appropriation. The savings are from budgeted consultant fees.

**Council staff believes the recommended reduction is manageable and supports the Executive's recommendation.**

### **MONTGOMERY COUNTY ECONOMIC DEVELOPMENT CORPORATION (MCEDC)**

The Executive recommends reducing the MCEDC appropriation by \$900,000. This amounts to 18.0% of the \$5,007,750 approved appropriation.<sup>1</sup> This recommended reduction is well above the overall Montgomery County Government savings of 1.78% recommended by the Executive. The recommended reduction for MCEDC is based on the analysis that MCEDC will have an excessive fund balance at the end of FY18.<sup>2</sup>

MCEDC planned to create a three-month reserve in FY18 as it transitions from a startup to a stable organization. Because it is a non-profit, it is necessary for MCEDC to maintain an adequate cash balance for unexpected expenditures or delays in expected payments. Council staff believes that a three-month reserve is appropriate and commensurate with similar non-profit organizations. Based on its FY18 budget, MCEDC planned to have a reserve of \$900,000 as it begins FY19. The proposed reduction in MCEDC's FY18 appropriation would require that the organization either reduce operations to achieve its reserve goal or operate with little to no reserve in FY19.

Based on the Council's approved appropriation each fiscal year, the County executes a contract with MCEDC. At the close of the fiscal year, any remaining funds are held in reserve for MCEDC to use in future fiscal years, not returned to the County.<sup>3</sup>

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<sup>1</sup> Currently, County contributions account for all MCEDC's funding.

<sup>2</sup> The note about MCEDC's savings element should read FY18, not FY19.

<sup>3</sup> The Council approves an appropriation for MCEDC, not its operating budget.

For FY18, the contract disburses funds to MCEDC in two equal payments. MCEDC invoiced the County for the second FY18 payment on January 3, but the County has not yet remitted payment. **If the Council approves a reduction for MCEDC in the FY18 Savings Plan, Executive and MCEDC staff must amend the contract and MCEDC must invoice the County for the new amount.**<sup>4</sup>

**Council staff recommends a \$100,000 reduction to MCEDC for the FY18 Savings Plan.** This amount is equivalent to the reduction for other County departments, and MCEDC has indicated it can absorb this reduction. Executive and MCEDC staff would have to amend the FY18 contract to reflect the reduced appropriation.

## **OFFICE OF AGRICULTURE (OAG)**

The Executive recommended that the Office of Agriculture reduce expenditures by \$19,784 or 2.2% of the \$898,195 approved appropriation. To achieve these savings, the OAG would reduce its FY18 payment to the University of Maryland Extension (UME). The UME has two vacant positions that it will keep vacant for the remainder of FY18. This reduction is not expected to impact program and service delivery for the UME.

**Council staff believes the recommended reduction is manageable and supports the Executive's recommendation.**

## **DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS (DHCA) – Operating Budget**

For FY18, the Council appropriated \$7,262,272 in General Funds to the Department of Housing and Community Affairs (not including the Housing Initiative Fund). The Executive recommended savings of \$150,772. This is equal to 2.0% of the Department's budget. The Department has identified additional lapse savings to meet that goal. DHCA continues to fill inspector positions for the enhanced code enforcement effort and recently filled the second position for the Common Ownership Communities program.

**Council Staff believes the recommended reduction is manageable and supports the Executive's recommendation.**

**DHCA staff will not be available on January 17. If the Committee believes that DHCA's participation is necessary to make its recommendation, this topic can be addressed on January 22.**

## **DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS – CIP**

The Executive recommended a reduction of \$125,000 in FY18 current revenue for facility planning (at ©9). Because there is unencumbered fund balance, DHCA can continue to move forward with its highest priority studies, but there may be minor delays in some later studies. The Executive's memo says there will be minor delays in 3 studies. DHCA says that depending on cost, it is also possible that there will be no delay.

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<sup>4</sup> MCEDC provided details about the operations that would be impacted by the recommended \$900,000 reduction on ©30. In addition, Council staff requested that MCEDC provide details about operational impact should the reduction be 2.0%, or about \$100,000 of its appropriation (©31). MCEDC noted that based on a 2.0% reduction it would reduce anticipated reserves in FY18, not suspend any operational activities. Also on ©30, MCEDC identified two underutilized programs that may result in additional savings at the end of FY18. Council staff believes the Committee should evaluate those programs with the Executive's FY19 recommended operating budget.

**Council staff believes the recommended reduction is manageable and supports the Executive's recommendation.**

**DHCA staff will not be available on January 17. If the Committee believes that DHCA's participation is necessary to make its recommendation, this topic can be addressed on January 22.**

#### **HOUSING INITIATIVE FUND (HIF) (in DHHS Savings Plan)**

There is no savings plan reduction recommended for the HIF. However, there is a \$189,397 reduction in the Department of Health and Human Services' Special Needs Housing Fund for emergency housing assistance. Council staff understands that because it is taking longer to place people in permanent supportive housing than assumed in the original FY18 budget, there is capacity in the HIF to fund this \$189,397 and allow a reduction in the amount spent in the DHHS budget. The HHS Committee will review and make a recommendation on this item.

#### **HOUSING OPPORTUNITIES COMMISSION (HOC) – Operating Budget**

The FY18 approved contribution to the Housing Opportunities Commission via funding from the Non-Departmental Account is \$6,536,889. The Executive recommended savings of \$130,738. This represents 2.0% of the HOC budget. The NDA funding is used to support Resident Services and cover the cost of things such as homeowners association and rental license fees. HOC is not able to specify where the reduction will be taken, but will work with the Commission to adjust funding.

**Council staff believes the recommended reduction is manageable and supports the Executive's recommendation.**

#### **HOUSING OPPORTUNITIES COMMISSION – CIP**

The Executive recommended deferring to FY20 \$600,000 of the \$1,300,000 allocated for FY18 to fund the demolition of buildings on its Emory Grove Village property and the Ambassador property (at ©10).

HOC will move forward with the demolitions but has agreed to advance the funds and delay the receipt of this portion of the County money until FY20. Under this new schedule, HOC would receive \$700,000 in FY18, \$600,000 in FY19, and \$600,000 in FY20.

**Council staff believes the recommended reduction is manageable and supports the Executive's recommendation.**

#### **RECREATION**

For FY18, the Council approved a budget of \$37,769,874. The Executive is proposing reductions of \$755,897, which is approximately 1.7% of the Department's local tax-supported budget.<sup>5</sup>

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<sup>5</sup> There are recreation-related items that will be considered by other Committees. A savings plan reduction of \$100,000 in the DGS budget for deferred maintenance for the Department of Recreation will be considered by the Transportation, Infrastructure, Energy, and Environment Committee on January 19.

**Council staff believes the recommended reduction is manageable and supports the Executive's recommendation, but provides some detail here for the reductions and issues that the Council may wish to discuss.** Additional details and the Department's answers to questions are found starting on ©32.

*Youth Coding Initiative – proposed reduction \$96,424*

For FY18, the Council recommended shifting \$150,000 for the Youth Coding Initiative from the Department of Technology Services (DTS) to the Recreation Department and added \$50,000, including the Principal Administrative Aide position, to expand the initiative. The funding was intended primarily for underserved populations. The Executive proposed a reduction of \$96,424 in personnel and operating expenses to the Youth Coding Initiative.

The Department offers STEM opportunities, including some coding activities, through its existing offerings, Excel Beyond the Bell Middle, Excel Beyond the Bell Elementary, and RecExtra. The Department will not begin any new coding opportunities for second semester FY18 and believes that the reduction will have “the least amount of direct impact to young people currently engaged.” In addition, the Principal Administrative Aide position attached to the initiative has not been filled, as the Department has used an administrative support contractor to assist with program implementation.

*Reduce Senior Transportation – proposed reduction \$42,250*

The Executive recommended reducing the Senior Transportation initiative by amending the existing contract with the Jewish Council for the Aging to change the number of buses, suspend Friday transportation, and reduce the number of mini-trips. This is the third reduction since FY17 for this service.

The Department reports that while there will be some impact on senior ridership in targeted areas, it will be able to provide services to its most popular and most frequented senior sites. The current service is underutilized, and the Department will explore other transportation options that will allow seniors to access recreation programming.<sup>6</sup> **The Committee may want to encourage the Department to expand outreach and marketing efforts to ensure that service use is consistent with actual demand.**

*Planned Lifecycle Asset Replacement (PLAR) – proposed reduction \$100,000*

The Department's PLAR budget has been a frequent target of budget reductions and savings plan reductions in the past, despite numerous requests for PLAR funding beyond budgeted amounts and the increasing number of recreation facilities in recent years. Council staff notes that underfunding of maintenance and cleaning have resulted in complaints from users.

*Health & Wellness Program – proposed reduction \$60,000*

The Executive is proposing a \$60,000 reduction out of an \$80,000 total program budget. Approximately \$40,000 of the reduction will be taken out of operating expenses related to the 100 Mile Challenge. The Department is planning a scaled-back event. It will be held in May, with registration capped at 1,000 participants and offering workshops and clinics using volunteers and existing resources.

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The Executive has also recommended a \$125,000 reduction to current revenue for the Facility Planning MCG project, which is scheduled for reviewed by the Government Operations and Fiscal Planning Committee on January 18. Council staff has requested status information on the Bethesda CBD Recreation Center and Aquatic Center in Takoma Park projects in facility planning.

<sup>6</sup> Currently, buses operate at 5%-65% capacity on the lowest ridership day and at 40-80% capacity on the highest ridership day. See ©38 for ridership information.

Approximately \$20,000 of the reduction will come from other events and activities, including workshops and lectures as a part of Move More Montgomery (MMM).

*Community Center Reduction to Operating Expenses – proposed reduction \$112,239*

The proposed reduction will be targeted at facilities that have more ability to absorb reductions and at centralized operating funding allocated within each regional area. The resulting impact will be a reduction in purchases for supplies and equipment and the consolidation of events. Afterschool programs will experience reductions to supplies and materials and special services delivered by contractors.

## URBAN DISTRICTS

For FY18, the Council appropriated a total of \$8,690,049 for the Urban Districts Budget. The Executive is recommending a savings plan reduction of \$53,084, overall a 0.6% reduction to the Council's May appropriation.

Items 142, 146, and 147 (turnover savings at ©6-7) reflect savings already realized as a result of turnover. Items 143 through 145 reflect savings in areas where annual appropriations in FY16 and FY17 have been above actual expenditures.

**Council staff believes the recommended reduction is manageable and supports the Executive recommendation.**

<u>This Packet Contains</u>	<u>Circle #</u>
Executive's Savings Plan Cover Memorandum	1 – 3
Savings Plan Analysis percentage reductions	4 – 5
FY18 Executive's Savings Plan (part)	6 – 7
For Capital Projects – Summary	8
Facility Planning: HCD (Housing and Community Development)	9
Demolition Fund	10
M-NCPPC Savings	11 – 15
Parks PDF Amendments	16 – 29
Details for MCEDC	30 – 31
Detailed Department of Recreation material	32 – 40

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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

January 2, 2018

TO: Hans Riemer, Council President

FROM: Isiah Leggett, County Executive

*Timothy L. Filastine (for)*

SUBJECT: FY18 Savings Plan

Attached please find my Recommended FY18 Savings Plan for Montgomery County government and the other tax-supported County agencies to help close the \$120 million gap we are facing in our Fiscal Year 2018 operating budget. The attached plan identifies savings of approximately \$60 million from the FY18 operating budget, and approximately \$13 million in current revenue savings from the FY17-22 Capital Improvements Program (CIP). As discussed during our recent briefing on the Fiscal Plan to Council, this shortfall is not a projected shortfall, but rather a real loss of income tax revenue, and therefore we must reduce expenditures to close the budget gap.

Please keep in mind that if this gap is not closed now in FY18, it will place the current budget further out of balance and exacerbate an already difficult FY19. As difficult as the reductions in the attached savings plan may be, additional reductions or savings in FY18 will be necessary to close the \$120 million gap. Executive staff continue to find possible solutions (all of which will be very difficult). I will keep the Council apprised of these measures. I remain committed to submitting an FY19 Recommended Operating Budget that maintains our agreed to reserve levels and ensures our long-term fiscal stability. To do so requires many difficult choices.

Based on updated estimates from the Department of Finance, FY18 revenues are projected to be \$95 million lower than originally anticipated. This shortfall is driven primarily by lower than expected income tax revenues, though we are also experiencing lower than projected revenues from the energy tax and transfer and recordation taxes. The November income tax distribution from the State of Maryland was approximately \$80 million lower than anticipated, and estimates for future distributions have been revised downward as well. We must also recognize a \$25 million budget shortfall from FY17 which increases the FY18 gap to \$120 million.

Despite indicators that suggest strong economic growth, change in taxpayer behavior in the context of proposed changes to the Federal tax code is a key contributing factor in the shortfall seen to date. Illustrating this point, is the fact that the top 50 taxpayers in Montgomery County recognized about 50% less capital gains income in tax year 2016 than they did in the previous year. In addition to the \$95 million shortfall in FY18 and the \$25 million shortfall from FY17, the updated revenue forecasts indicate a shortfall of \$86 million in FY19. The proposed FY18 Savings Plan will reduce costs in the current year and contribute to the effort to avoid a current year budget deficit.

Isiah Leggett, County Executive  
January 2, 2018  
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I do not expect that our fiscal difficulties will disappear in FY19, and in fact we may find that our revenues are further reduced by a number of factors beyond our control. The recently passed Federal tax legislation could have a negative impact on our revenues. The legislation's full impact on our revenues and our economy, requires complex analysis that the Department of Finance will be conducting. There are other significant pressures that are likely to impact County finances, including continued student enrollment increases, possible cutbacks in both Federal and State funding, and collective bargaining negotiations. With this reality in mind, I have focused my recommended reductions on those that are long term, rather than one-time quick fixes. This requires some difficult decisions. I hope that you will support this approach since it is critical to the County's long-term fiscal health.

The attached savings plan recommends total savings of approximately \$60 million from the FY18 operating budget. I recommend a reduction in County government expenditures of about \$28 million as outlined in the attached plan. The savings initiatives identified for County government include some reductions to services, though we have minimized reductions to the most critical and basic services. I am assuming that the outside agencies receiving County funding will participate as well. I have not defined where these reductions would be taken, but instead I have provided a general target. Their respective boards are in the best position to identify the reductions that would have the least service impacts. The reduction targets for the other County agencies are as follows:

Montgomery County Public Schools (MCPS): \$25.0 million  
Montgomery College: \$5.2 million  
Maryland-National Capital Park and Planning Commission (MNCPPC): \$2.6 million

In addition, MCPS is asked to continue to review its various fund balances and costs to determine if additional savings are possible.

I am also recommending savings of about \$13.5 million in current revenue from the CIP. This includes approximately \$3.0 million for MCPS, \$3.2 million for Montgomery College, \$1.2 million for M-NCPPC, \$600,000 for the Housing Opportunities Commission, and \$5.5 million for County government. County government's reduction in current revenue funding for FY18 was approximately 21% of the total FY18 current revenue budget allocation. In contrast, I am recommending a reduction of 15% for each of the outside agencies' FY18 current revenue. These current revenue reductions are critical to closing the gap and if not taken, will directly impact funding for FY19.

My savings plan recommendations that are within the CIP and are administered by outside agencies are reflected in affordability project description forms in order to provide them with maximum flexibility. I believe the respective governing bodies of these agencies are in the best position to determine where these reductions should be taken. As requested by Council staff, OMB will provide separately any project description forms for outside agency projects with current revenue so that they can be considered as part of the County Council's public hearing process for CIP amendments.

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Isiah Leggett, County Executive  
January 2, 2018  
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I understand the difficulty that this fiscal situation presents, and I appreciate your consideration of these proposed reductions. If there are specific actions in this plan that the Council is unwilling to approve, I ask that you identify alternative savings initiatives of equal value and of a long-term nature, so that the overall proposed dollar value of savings can be achieved for FY18. It is important to note that at the time of Council approval, there will be less than six months remaining in the fiscal year.

As such, we will need to act quickly to approve and implement the savings plan. Prompt action will allow us to maximize the savings that can be achieved. It is also important to note that any deficit experienced at the end of FY18 will need to be addressed in FY19 budget development. This would be in addition to the \$86 million shortfall already projected for FY19.

I appreciate the Council's willingness to collaborate on this important matter and the expedited scheduling of consideration and approval of the plan. My staff is available to assist the Council in its review of the attached proposal. Thank you for your support of our efforts to minimize the impact of these reductions on our most important services while preserving the fiscal health of the County government.

Executive Recommended FY18 Savings Plan		
Agency	Approved FY18 Budget	Savings Plan Reduction
MCG	1,618,516,292	27,827,660
MCPS	2,368,655,562	25,000,000
College	262,759,376	5,255,188
MNCPPC	131,547,071	2,630,941
<b>Total</b>	<b>4,381,478,301</b>	<b>60,713,789</b>
<b>Notes:</b> 1. Amounts above include only the operating budget, excluding debt service and retiree health insurance. 2. The County Executive's Recommended FY18 Savings Plan also includes capital budget current revenue reductions of \$13.5 million, including \$5.5 million from County government, \$600,000 from the Housing Opportunities Commission, and \$7.3 million from other outside agencies.		

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Attachment: Recommended FY18 Savings Plan for Montgomery County government and the other tax supported County agencies

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## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Tax-Supported - MCG</b>				
<b><u>General Fund</u></b>				
Agriculture	989,195	-19,784	0	-2.00
Board of Appeals	541,752	-10,835	0	-2.00
Board of Elections	8,213,700	-80,000	0	-0.97
Circuit Court	12,066,554	-241,331	0	-2.00
Community Engagement Cluster	3,772,050	-75,441	0	-2.00
Consumer Protection	2,364,597	-47,292	0	-2.00
Correction and Rehabilitation	66,716,261	-675,000	0	-1.01
County Attorney	6,319,482	-132,126	0	-2.09
County Council	11,651,722	-303,755	0	-2.61
County Executive	5,947,305	-188,100	0	-3.16
Emergency Management and Homeland Security	1,317,571	-26,351	0	-2.00
Environmental Protection	2,907,343	-58,000	0	-1.99
Ethics Commission	429,607	-8,592	0	-2.00
Finance	14,446,096	-288,922	0	-2.00
General Services	30,965,577	-358,583	0	-1.16
Health and Human Services	234,084,840	-4,360,777	-11,625	-1.86
Housing and Community Affairs	7,538,618	-150,772	0	-2.00
Human Resources	8,355,091	-167,102	0	-2.00
Human Rights	1,242,813	-24,856	0	-2.00
Inspector General	1,071,872	-21,437	0	-2.00
Intergovernmental Relations	1,125,673	-22,513	0	-2.00
Legislative Oversight	1,661,695	-33,234	0	-2.00
Management and Budget	4,730,931	-94,619	0	-2.00
Merit System Protection Board	367,688	-7,354	0	-2.00
Non-Departmental Accounts (Select NDAs)	39,765,233	-2,236,238	0	-5.62
Police	275,474,370	-3,816,340	0	-1.39
Procurement	4,512,962	-90,259	0	-2.00
Public Information	5,079,351	-101,587	0	-2.00
Public Libraries	42,437,576	-850,919	0	-2.01
Sheriff	23,366,446	-238,526	0	-1.02
State's Attorney	17,188,455	-213,064	0	-1.24
Technology Services	43,022,058	-860,441	0	-2.00
Transportation	49,809,920	-996,198	0	-2.00
Zoning and Administrative Hearings	689,591	-13,792	0	-2.00
<b>General Fund Total:</b>	<b>930,173,995</b>	<b>-16,814,140</b>	<b>-11,625</b>	<b>-1.81</b>
<b><u>Special Funds</u></b>				
Fire	214,862,420	-2,610,458	0	-1.21
Recreation	37,687,311	-755,897	-2,115	-2.01
Mass Transit	132,226,957	-2,759,889	-115,350	-2.09
Bethesda Urban District	3,174,943	-13,006	0	-0.41
Silver Spring Urban District	3,498,672	-10,793	0	-0.31
Wheaton Urban District	2,016,434	-29,285	0	-1.45
<b>Special Funds Total:</b>	<b>393,466,737</b>	<b>-6,179,328</b>	<b>-117,465</b>	<b>-1.57</b>
<b>Tax-Supported Total:</b>	<b>1,323,640,732</b>	<b>-22,993,468</b>	<b>-129,090</b>	<b>-1.74</b>

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## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Non-Tax Supported - MCG</b>				
<u>Enterprise Funds</u>				
Liquor	65,161,319	-1,853,885	1,500,000	-2.85
Enterprise Funds Total:	65,161,319	-1,853,885	1,500,000	-2.85
<u>Special Funds</u>				
Cable TV	16,071,604	-321,432	0	-2.00
Special Funds Total:	16,071,604	-321,432	0	-2.00
<u>Internal Service Funds</u>				
Motor Pool Internal Service Fund	80,056,028	-1,287,965	0	-1.61
Internal Service Funds Total	80,056,028	-1,287,965	0	-1.61
Non-Tax Supported Total:	161,288,951	-3,463,282	1,500,000	-2.15
MCG Total:	1,484,929,683	-26,456,750	1,370,910	-1.78

### Tax Supported - Outside Agencies

Montgomery County Public Schools	2,368,655,562	-25,000,000	0	-1.06
Montgomery College	262,759,376	-5,255,188	0	-2.00
Maryland-National Capital Park and Planning	131,547,071	-2,630,941	0	-2.00



## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
	Transportation Total:	-996,198	0
	<b>Zoning and Administrative Hearings</b>		
122	Reduction in Consultant Fees	-13,792	0
	Zoning and Administrative Hearings Total:	-13,792	0
	General Fund Total:	-14,577,902	-11,625

### Fire

#### Fire and Rescue Service

123	Hyattstown Engine 709	-899,000	0
124	Hillandale Tower 724	-494,000	0
125	Germantown Engine 729	-499,000	0
126	Four Person Staffing on Takoma Park Engine 702	-450,000	0
127	Allocate 10% reduction to LFRDs and MCVFRA	-268,458	0
	Fire and Rescue Service Total:	-2,610,458	0
	Fire Total:	-2,610,458	0

### Recreation

#### Recreation

128	Aquatics OE Reduction	-15,000	0
129	Reduce the Distribution of Recreation Guides	-25,000	0
130	Countywide Programs OE Reduction	-49,371	0
131	Community Centers Reduction to OE	-112,239	0
132	Reduce Health & Wellness Program	-60,000	0
133	Administration Reduction to OE	-10,876	0
134	PLAR Reduction to OE	-100,000	0
135	Increase Lapse - Principal Admin Aide Position	-28,119	0
136	Youth Development OE Reduction	-68,305	0
137	Reduce Senior Transportation	-42,250	-2,115
138	Turnover Savings	-63,400	0
139	Reduction of Seasonal Staffing in Facilities	-62,111	0
140	Align budget with spending - Therapeutics and Senior programming within Regional Areas	-41,300	0
141	Lapse Vacant Positions	-77,926	0
	Recreation Total:	-755,897	-2,115
	Recreation Total:	-755,897	-2,115

### Bethesda Urban District

#### Urban Districts

142	Turnover savings - Program Specialist II	-13,006	0
	Urban Districts Total:	-13,006	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
Bethesda Urban District Total:		-13,006	0
<b>Silver Spring Urban District</b>			
<b>Urban Districts</b>			
143	Safe Team - other communication services	-5,000	0
144	Clean Team - Other equipment repair/maintenance	-1,000	0
145	Streetscape Maintenance - equipment repair/maintenance	-4,793	0
Urban Districts Total:		-10,793	0
Silver Spring Urban District Total:		-10,793	0
<b>Wheaton Urban District</b>			
<b>Urban Districts</b>			
146	Turnover Savings - Wheaton UDPSA	-14,645	0
147	Turnover Savings II - Wheaton UDPSA	-14,640	0
Urban Districts Total:		-29,285	0
Wheaton Urban District Total:		-29,285	0
<b>Mass Transit</b>			
<b>Transit Services</b>			
148	Bus Fleet Replacement Savings	-2,027,141	0
149	Defer start up of Limited Stop Ride On Service on US 29	-732,748	-115,350
Transit Services Total:		-2,759,889	-115,350
Mass Transit Total:		-2,759,889	-115,350
Tax-Supported Total:		-20,757,230	-129,090

### Non-Tax Supported

#### **Cable TV**

##### **Cable Television Communications Plan**

150	Vacant Position-Lapse	-321,432	0
Cable Television Communications Plan Total:		-321,432	0
Cable TV Total:		-321,432	0

#### **Liquor**

##### **Liquor Control**

151	Retail Store Remodels	-779,660	0
152	Liquidate FY18 Purchase Orders	-157,613	0
153	Personnel Savings	-350,000	0
154	Reduce OE for Supplies and Materials to align with paperless processes	-250,000	0

# **RECOMMENDED FY18 CIP CURRENT REVENUE SAVINGS PLAN REDUCTIONS**

Project	FY18 Savings Plan Amount (\$Millions)	Comments
MCG: Facility Planning	\$0.125	Reduction will result in minimal delays due to large unencumbered balance remaining.
Technology Modernization	\$0.025	Represents Recreation funds no longer needed
Street Tree Preservation	\$0.200	FY18 funding was increased to \$4 million compared to \$3 million usual funding. Represents only a 5% reduction in this increased level of funding
Facility Planning: Transportation	\$0.250	Delays in projects would be minimal. Given backlog of projects that have been planned but unfunded, these deferrals are not expected to delay construction of any new projects in planning.
Traffic Signal System Modernization	\$1.200	Recognizes past implementation delays
ATMS	\$1.200	Recognizes past implementation delays.
Bus Fleet Replacement	\$2.027	Recognizes cost savings due to new bus contract pricing
21st Century Libraries	\$0.347	Recognizes past implementation delays
DHCA Facility Planning	\$0.125	Minor delays in three studies
HOC - Demolition CIP	\$0.600	HOC has agreed to be reimbursed in FY20
<b>Total MCG/HOC CR Savings Plan Reductions</b>	<b>6.099</b>	

<b>Total Approved FY18 CR - MCG Only</b>	<b>\$25.966</b>
<b>Percent of total MCG only Approved funding in cuts above</b>	<b>21.2%</b>

Outside Agencies	15% Reductions	Comments
MNCPPC - all CR	\$1.180	
MCPS (excluding Relocatables)	\$3.019	Total Technology Spending, including Recordation Tax averages \$25M/year
College	\$3.168	
<b>Total Outside Agencies</b>	<b>\$7.367</b>	
<b>TOTAL DEC SAVINGS PLAN REDUCTIONS</b>	<b>\$13.466</b>	

Note: Council staff has asked OMB to provide PDFs for outside agency projects with current revenue that could be amended to meet the above savings plan reduction target.

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## Facility Planning: HCD (P769375)

Category: Community Development and Housing  
 Sub Category: Community Development  
 Administering Agency: Housing & Community Affairs (AAGE11)  
 Planning Area: Countywide

Date Last Modified: 12/16/16  
 Required Adequate Public Facility: No  
 Relocation Impact: None  
 Status: Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	4,295	2,747	798	750	125	125	125	125	125	125	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4,295</b>	<b>2,747</b>	<b>798</b>	<b>750</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Community Development Block Grant	893	334	559	0	0	0	0	0	0	0	0
Current Revenue: General	3,102	2,113	239	750	125	125	125	125	125	125	0
Current Revenue: Parking - Montgomery Hill	100	100	0	0	0	0	0	0	0	0	0
Federal Aid	200	200	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4,295</b>	<b>2,747</b>	<b>798</b>	<b>750</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation Request	FY 18	125
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		3,795
Expenditure / Encumbrances		2,747
Unencumbered Balance		1,048

Date First Appropriation	FY 96
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	4,645

### Description

This project provides funds for Department of Housing and Community Affairs (DHCA) facility planning studies for a variety of projects for possible inclusion in the CIP. In addition, facility planning serves as a transition stage for a project between the master plan or conceptual stage and its inclusion as a stand-alone project in the CIP. Prior to the establishment of a stand-alone project, DHCA will develop a Program of Requirements (POR) that outlines the general and specific features required in the project. Selected projects range in type including: land and building acquisition; conversion of surplus schools/ school sites or County-owned land into housing resources; design and construction of street improvements, sidewalks, and other infrastructure improvements in neighborhoods and small commercial area revitalization including streetscaping and circulation along with Central Business District (CBD) revitalization. Facility planning is a decision-making process to determine the purpose and need of a candidate project through a rigorous investigation of the following critical project elements: community revitalization needs analysis; economic, social, environmental, and historic impact analyses; public participation; investigation of non-County sources of funding; and detailed project cost estimates. Depending upon the results of a facility planning determination of purpose and need, a project may or may not proceed to construction. For a full description of the facility planning process, see the CIP Planning Section.

### Cost Change

Increase due to the addition of FY21 and FY22.

### Justification

There is a continuing need for development of accurate cost estimates and an exploration of alternatives for proposed projects. Facility planning costs for all projects which ultimately become stand-alone PDFs are included here. These costs will not be reflected in the resulting individual project. Future individual CIP projects, which result from facility planning, will each reflect reduced planning and design costs.

### Other

The proposals studied under this program will involve the Office of Management and Budget staff, consultants, community groups, and related program area staff, to ensure that completed studies show full costs, program requirements, and have community support.

### Fiscal Note

This project includes \$75,000 in FY13 to develop a program of requirements for a potential Colesville New Hampshire Avenue corridor improvement project between Midland Road and Hollywood Boulevard. FY18 reductions are related to an FY18 savings plan.

### Disclosures

Expenditures will continue indefinitely.

### Coordination

Office of Management and Budget, M-NCPPC, Department of Transportation, Department of General Services, Regional Services Centers

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## Demolition Fund (P091704)

Category Housing Opportunities Commission  
 Sub Category Housing  
 Administering Agency Housing Opportunities Commission (AAGE12)  
 Planning Area Countywide

Date Last Modified 10/19/16  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Planning Stage

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	1,900	0	0	1,900	0	700	600	600	0	0	0
<b>Total</b>	<b>1,900</b>	<b>0</b>	<b>0</b>	<b>1,900</b>	<b>0</b>	<b>700</b>	<b>600</b>	<b>600</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	1,900	0	0	1,900	0	700	600	600	0	0	0
<b>Total</b>	<b>1,900</b>	<b>0</b>	<b>0</b>	<b>1,900</b>	<b>0</b>	<b>700</b>	<b>600</b>	<b>600</b>	<b>0</b>	<b>0</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	1,300
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		0
Expenditure / Encumbrances		0
Unencumbered Balance		0

Date First Appropriation	FY 16
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	1,900

### Description

In an effort to replace some of the County's least sustainable affordable housing, deliver amenities not currently present along with the return of housing to those sites, and embed the new stock of affordable housing within mixed-income communities, the Housing Opportunities Commission (HOC) has vacated its Emory Grove Village property and is beginning the process of vacating its Ambassador property. The entitlement and permitting process for each site will take from two to four years. In the interim, upon vacating these sites, HOC will demolish the existing buildings such that they do not become blights on the surrounding neighborhoods.

### Location

Gaithersburg and Wheaton

### Capacity

Demolition of 216 units

### Estimated Schedule

Demolition of Emory Grove Village will take approximately three months. Demolition of the Ambassador will take approximately five months.

### Justification

Both Emory Grove Village and the Ambassador have physical capital needs that far outweigh their ability to support remediation. As both properties are 100 percent affordable, they have no resources available to fund improvements or demolition. Both properties are located on prominent corners and would remain vacant for a considerable period of time.

### Fiscal Note

The estimated cost of demolition for Emory Grove Village is between \$600,000 and \$800,000 and estimated demolition costs for the Ambassador is between \$1.3 and \$1.5 million. HOC is willing to receive reimbursements for demolition costs in FY20 as part of an FY18 savings plan.

### Coordination

Department of Finance, Department of Housing and Community Affairs, and the Department of Permitting Services. HOC is willing to receive reimbursement for demolition costs in FY20 as part of an FY18 savings plan.

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**MONTGOMERY COUNTY PLANNING BOARD**  
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

January 10, 2018

**MEMORANDUM**

**TO:** The Honorable Hans Reimer  
President, Montgomery County Council

**FROM:** Casey Anderson  
Chair, Montgomery Planning Board

**SUBJECT:** M-NCPPC FY18 Savings Plan

Attached please find our FY18 Savings Plan for the Maryland-National Capital Park and Planning Commission. We are aware that County Executive Leggett's communication to the County Council identified \$2,630,941 as the savings target for the Commission. However, we would like to point out that Mr. Leggett's memo was in error in its description of how this figure was derived. Unlike past savings plan directives, this calculation did, in fact, include debt service and retiree health insurance. We are assuming the savings plan was not intended to apply to debt service and retiree health insurance, therefore the amount of savings properly derived from a 2% calculation would be \$2,389,958. We have provided our response based on this adjusted amount.

In addition to the operating savings that we have been requested to identify, we have also been asked to save \$1,180,000 from the current year of the Capital Improvement Plan.

A summary of all departments – Planning Department, Department of Parks, and Central Administrative Services – is provided, followed by further detail from the Planning Department and the Department of Parks.

**Attachments**

**cc:** Marlene Michaelson, Senior Legislative Analyst, Montgomery County Council  
Jeffrey Zyontz, Senior Legislative Analyst, Montgomery County Council  
Patti Barney, Executive Director, M-NCPPC  
Gwen Wright, Montgomery County Planning Director  
Mike Riley, Montgomery County Director of Parks  
Carl Morgan, CIP Manager, Department of Parks  
John Kroll, Corporate Budget Manager, M-NCPPC

**Maryland-National Capital Park and Planning Commission  
FY18 Savings Plan**

<b>Administration Fund</b>		
Commissioners' Office	- Covered by Planning	
<b>Planning Department</b>		
	Eliminate transfer from Administration Fund to Development Review	
-	Special Revenue Fund	300,000
-	Reduce funding for University of Maryland contract	100,000
-	Reduce funding for MRO facility repairs	22,275
<b>CAS Departments</b>		
	DHRM - we utilized end-of-year savings to prepay online training costs for FY18, therefore the education/training budget can cover the FY18 required savings (bi-county amount of \$98,716)	43,040
-	Merit Board - savings can come from professional services (bi-county amount of \$3,412)	1,706
-	Legal - lapse savings from a Montgomery County only position	28,017
-	Finance - reduce funding for professional services and ERP training (bi-county amount of \$82,173)	35,663
-	Inspector General - lapse savings greater than budgeted	17,337
<b>Non-Departmental</b>		
-	Reclass Marker Savings based on current projected timing of completion	38,635
<b>Total Administration Fund</b>		<b>586,673</b>
<b>Park Fund</b>		
<b>Department of Parks</b>		
-	Lapse savings greater than budgeted; reduced spending on seasonal staff	1,231,000
-	Reduce funding for materials and services for maintenance and construction	68,700
-	Reduce supplies and services for programs	44,300
-	Reduce professional development/training	7,000
-	Defer computer replacements and maintenance services	35,578
-	Reduce contracts for software	13,000
-	Reduce contract and supplies for non-native invasive program	132,000
-	Reduce contract for recycling services	42,000
-	Prepaid debt service for Capital Equipment Internal Service Fund	173,000
<b>Non-Departmental</b>		
-	Reclass Marker Savings based on current projected timing of completion	56,707
<b>Total Park Fund</b>		<b>1,803,285</b>
<b>Capital Projects Fund</b>		
-	Ballfield Initiatives	56,333
-	ADA Compliance NL	49,098
-	Facility Ping NL	169,947
-	Legacy Open Space	100,000
-	PLARNL Minor Renovations	509,734
-	PLARNL Play Equipment	14,994
-	PLARNL Tennis/Muc	5,000
-	Pollution Prevention	54,500
-	Restoration Historic Structures	45,000
-	Roof NL	45,427
-	Small Grants and Donor Assist	100,000
-	Trails Natural Surface	30,000
<b>Total Capital Projects Fund</b>		<b>1,180,033</b>
<b>Total M-NCPPC Savings</b>		<b>3,569,991</b>

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#### Planning Department – FY18 2% Savings Plan

The Planning Department's portion of the FY18 2% savings plan is \$398,183. The Commissioner's Office budget is almost entirely personnel and a 2% savings of \$24,092 would be difficult to achieve. Therefore, the Planning Department has agreed to cover Commissioner's Office reduction which increases the Planning Department's reduction to \$422,275.

The Planning Department is committed to participating in the County's FY18 savings plan as a cooperative partner. We carefully reviewed the current fiscal status of our tax-supported budget to determine how we can accomplish the targeted savings in our FY18 budget while trying to limit the impact on our work program. Implementing this savings plan will not be without pain, however, we feel the non-recommended reductions will still allow the Planning Department to achieve its mission.

<b>Planning Department Savings Description</b>	<b>Amount</b>
Eliminate transfer from Admin Fund to Development Review Special Revenue Fund	\$300,000
Reduce funding for University of MD National Center for Smart Growth contract	\$100,000
Reduce funding for MRO Facility Repairs	\$ 22,275
<b>Total Savings</b>	<b>\$422,275</b>

- Development Review Special Revenue Fund (DR-SRF) – Chargebacks and Transfers Out (300,000)

The DR-SRF was created to collect fees generated from the submission of development applications with the goal to support development review operations through non-tax generated revenues. It was originally anticipated that fees could be adjusted as necessary to recover all costs for the DR-SRF. However, previous economic slowdowns led to a gap between costs incurred and fees received leading to transfers from the tax supported Administration Fund to cover the gap. From FY08-13, the average annual transfer was \$1.4 million.

The Planning Department is happy to report that, in the first six months of FY18, the DR-SRF performed better than estimated, and has met its budgeted revenue goal. For FY18, we suggest not transferring the approved \$300K from the Administration fund to DR-SR. Although this is positive news this year, due to volatility of this fund we express caution for the future and plan to evaluate the status of the fund each year. At this time, we cannot make any commitment regarding the transfer for future years.

- University of Maryland's National Center for Smart Growth Contract (\$100,000)

In 2008, the Planning Department initiated a partnership with the University of Maryland that allows the Planning Department to annually work with the National Center for Smart Growth and with planning students or recent graduates recommended by the Center on a variety of critical work program items and projects. We believe that a continued partnership with the University is in everyone's interest.

In FY18, these contractual staff are helping with research for a future General Plan Update, continued work on the Bikeways Plan Update, and assistance with the Makeover Montgomery 4 conference. The Planning Department suggests reducing the FY18 funding for this contract by \$100K (the full amount budgeted is \$300K) as we are currently using funds encumbered in FY17 to pay for work in part of FY18. The Planning Department stresses that we consider the partnership with UMD as a critical need for the department and that it is imperative to continue to have funds for this partnership in the future years.

- Reduce funding for MRO facility repairs (\$22,275)

The Planning Department suggests reducing the maintenance budget by \$22,275 to meet the savings plan. This will reduce our ability to address unplanned repairs in the aging MRO building. If the MRO building experiences a major system breakdown during FY18, the department may need to request a supplemental appropriation for repairs.

# MONTGOMERY PARKS DEPARTMENT FY18 SAVINGS PLAN

Action	Impact	Savings
Turnover savings and deferred hiring of anticipated vacancies; reduce spending for seasonal staff	<p>Because our operations and Park Police divisions are the largest division within our Department, the majority of the vacancies will occur in these divisions. Therefore, deferring hiring will greatly impact the safety and functionality of our parks and our ability to meet our work program. This will impact:</p> <ul style="list-style-type: none"> <li>Maintenance of the parks which will result in a degraded appearance in the parks such as increased litter, taller grass, deteriorated play and park equipment, non-functioning water fountains, etc</li> <li>Fewer staff to be out in the field to monitor maintenance needs and to attend public meetings</li> <li>Park Police patrols in the parks, the ability to investigate crimes, and community outreach.</li> <li>Reducing seasonal staff will hinder Parks from providing adequate park maintenance and to preparing ballfields in the spring. This will also impact future jobs for youth by not hiring young people in seasonal positions.</li> </ul>	\$1,231,000
Reduce materials and services for maintenance and construction	This will defer the maintenance and renovation of various park amenities that are beyond their useful life. It will also impact horticulture projects, tree plantings and tree preservation.	\$68,700
Reduce supplies and services for programs	This would reduce the quality and number of activating urban park programs and nature programs that Parks can offer.	\$44,300
Reduce professional development/training	This will defer or eliminate management and work related seminars and training which can result in lower employee job satisfaction, lower innovation in the workplace, and increased risk management issues.	\$7,000
Defer computer replacements and maintenance services	This reduction would require employees to use computer equipment which exceeds the adopted replacement cycle, resulting in obsolete hardware and software. This will reduce annual maintenance services to a lower tier level of service or to time and materials support, reducing response time for service and may result in increased cost over time for materials that must now be purchased outside of the contractual coverage.	\$35,578
Reduce contracts for software	This will defer improvements to the Enterprise Asset Management System that is used to make park operations more efficient and also defers improvements to the ePlans System that is used to streamline the park design and construction review process for CIP projects. This will ultimately delay park construction projects and opening of new parks.	\$13,000
Reduce contract and supplies for non-native invasive program	Reducing the contracts and herbicides for the non-native invasive program would cut treatment to the county's highest quality natural areas of parkland allowing the degradation of our natural resources. This setback will allow areas that received some treatment over the past few years to re-grow thus losing the progress made in prior years.	\$132,000
Reduce contract for recycling services	Historically, our Department has used contractor services to handle recycling disposal for selected facilities. The quality of the service that we have received has continued to decline. As a result, we decided to bring this work "in house" and to use our own staff to perform these services. Since we re-purposed an existing position to handle the recycling work and had an existing budget for vehicle purchases, we were able to achieve savings by eliminating the recycling contract.	\$42,000
Debt service for ISF	Available funding from year-end FY17 was used to pay a portion of the capital equipment debt service that would have been due in FY18.	\$173,000
Reclassification marker savings	Reclassification study savings based on current projected timing of the completion of the study.	\$56,707

Total \$1,803,285

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Capital Project	Impact	Savings
ADA COMPLIANCE NL	Delays the renovations of Ridge Road Recreational Park parking area, as well as the overall work program of this capital project.	\$49,000
FACILITY PLNG NL	Delays the Mathew Henson-Wheaton Trail Collector and the overall work program of this capital project.	\$170,000
LEGACY OPEN SPACE	Defers site cleanup, preparation and improvements for public access to Capital View Park which, in turn, delays the overall work program of this capital project	\$100,000
PLARNL MINOR RENOV	Delays renovation projects county-wide. This also delays bridge replacements at the Black Hill Causeway across Little Lake Seneca, bridges along the Sligo Creek Trail, Muddy Branch Stream Valley Park. It also removes funding for spring emergency repair projects.	\$530,000
POLLUTION PREVENTION	Will defer and diminish scope of water quality improvement projects such as those at Wheaton Stables, Sligo Creek Stream Valley Park, Brookside Nature Center, Little Falls and at Cabin John Stream Valley Parks. This will also delay the overall work program of this capital project.	\$55,000
RESTORATION HISTORIC STRUCTURES	Less oversight of rehabilitation consultants, which may result in further project delays, change orders, and cost overruns. Decreased ability to ensure desired historic preservation outcomes and adds to the backlog.	\$45,000
ROOFS NL	Will diminish the scope of the Waters House roof replacement project, and delay the Darby House Roof Replacement and Meadowbrook Stables Roof Assessment. It will allow less room for emergency repairs on existing facilities.	\$101,000
SMALL GRANTS AND DONOR ASSIST	If we receive additional grants requiring match funding, we will need to request supplemental appropriations	\$100,000
TRAILS NATURAL SURFACE	This will reduce the time and ability of staff to design, map, construct and build natural trail projects. Confirm miles.	\$30,000

Total \$1,180,000

# ADA Compliance: Non-Local Parks (P128702)

CR cut: 49k

Category  
Sub Category  
Administering Agency  
Planning Area

M-NCPPC  
Development  
M-NCPPC (AAGE13)  
Countywide

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

5/19/17  
No  
None  
Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	1,095	122	66	907	150	157	150	150	150	150	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	<del>5,053</del> 5,102	564	<del>296</del> 285	4,233	650	<del>743</del> 725	700	700	700	700	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<del>6,147</del> 6,197	686	<del>362</del> 371	5,140	800	<del>900</del> 940	850	850	850	850	0

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	<del>402</del> 431	0	<del>152</del> 161	290	50	<del>0</del> 40	50	50	50	50	0
G.O. Bonds	5,646	686	210	4,750	750	800	800	800	800	800	0
State Aid	100	0	0	100	0	100	0	0	0	0	0
<b>Total</b>	<del>6,147</del> 6,197	686	<del>371</del> 371	5,140	800	<del>940</del> 940	850	850	850	850	0

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	940
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,857
Expenditure / Encumbrances		686
Unencumbered Balance		1,171

Date First Appropriation	FY 12
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	6,107

## Description

This program provides for an on-going comprehensive effort to ensure that all parks and park facilities are built and maintained in compliance with Title II of the Americans with Disabilities Act (ADA) and the ADA Accessibility Guidelines (ADAAG) standards. This program includes both the correction of deficiencies identified by the United States Department of Justice (DOJ) during its proactive Project Civic Access (PCA) assessment of 19 local park facilities, as well as efforts to comply with the revisions to Title II of the ADA, which went into effect on March 15, 2011. This program also includes policy development and advanced technical training for Department of Parks' architects, landscape architects, engineers, construction managers, inspectors, and other staff to ensure that ADA compliance and accessibility are incorporated throughout the park system's planning, design and construction processes in order to ensure that parks and park facilities comply with the new revisions to Title II of the ADA. The new Title II requirements include revisions to the existing 1991 ADAAG and additional standards for facilities not addressed in the 1991 ADAAG including swimming pools, recreational facilities, and playgrounds which collectively is now known as the 2010 ADA Standards for Accessible Design.

## Cost Change

Addition of Bond Bill (\$100,000) in FY18 for MLK Recreational Park. Reduce Current Revenue by \$10,000 in FY18 for fiscal capacity.

## Justification

Montgomery County was selected by the DOJ for a Project Civic Access (PCA) review in 2006. PCA is a proactive, ongoing initiative of the Disability Rights Section (DRS) of the DOJ Civil Rights Division to ensure ADA compliance in local and state governments throughout the country. DOJ has inspected over 112 County facilities, including 19 local parks that fall under the M-NCPPC's jurisdiction. Montgomery County and M-NCPPC entered into a settlement agreement with DOJ on August 16, 2011, that requires the County and M-NCPPC to remediate problems identified by DOJ within a negotiated timeline and place assurances for self-assessing and remediation for the future, including efforts to comply with the new Title II requirements. The agreement further stipulates that M-NCPPC must perform self-evaluations of all parks within its system at the approximate rate of 20% per year. Upon completion of the self-evaluations, M-NCPPC must also submit a final transition plan by August 2016. The transition plan provides a summary of all barriers found, a strategy and timeline for their removal, as well as planning level cost estimates for barrier removal. As of August 2013, self-evaluations have been completed on approximately 45% of the park system. These evaluations report that approximately 14,000 barriers have been identified with a projected planning level cost estimate of \$18-20 million dollars for barrier removal. It is estimated that the final totals will be approximately double the figures mentioned. The estimates indicate that a significant increase in the level-of-effort will be required to comply with the requirements of Title II and the settlement agreement.

## Other

\$50,000 Current Revenue is budgeted for required ADA retrofits to leased properties that cannot be funded with general obligation bonds

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$3,648,000.

## Disclosures

Expenditures will continue indefinitely.



## ADA Compliance: Non-Local Parks (P128702)

M-NCPPC (A13) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

### Coordination

United States Department of Justice, County Attorney's Office, Department of General Services, ADA Compliance: Local Parks, PDF 128701

# Facility Planning: Non-Local Parks (P958776)

CR cut: 170k

Category M-NCPPC  
Sub Category Development  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 10/21/16  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>										
Planning, Design and Supervision	2408	381	397	1,800	300	130,200	300	300	300	0
Land	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2408</b>	<b>381</b>	<b>397</b>	<b>1,800</b>	<b>300</b>	<b>130,200</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>										
Current Revenue: General	2408	381	397	1,800	300	130,200	300	300	300	0
<b>Total</b>	<b>2408</b>	<b>381</b>	<b>397</b>	<b>1,800</b>	<b>300</b>	<b>130,200</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>

2408

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	300
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,078
Expenditure / Encumbrances		381
Unencumbered Balance		697

Date First Appropriation	FY 95
First Cost Estimate	
Current Scope	FY 16
Last FY's Cost Estimate	2,578
Partial Closeout Thru	0
New Partial Closeout	0
Total Partial Closeout	0

### Description

This project funds preparation of park master plans and studies, concept plans, facility plans, detailed design plans for small and phased projects and related plans/studies/analysis, e.g. environmental, feasibility, engineering, and utilities analysis. Facility plans produce wellreasoned project cost estimates based on preliminary design, i.e. thirty percent of final design and construction documents. Preliminary design includes topographic surveys, environmental assessments, traffic studies, site plans, schematic drawings, floor plans, elevations, quantity calculations, and cost estimates, as well as public participation. Facility planning is needed when the variables or options involved in the project do not support reliable independent cost estimating. This project also supports upfront planning activities associated with capital investments that may result from public-private partnerships.

### Justification

2012 Parks, Recreation and Open Space (PROS) Plan, Countywide Park Trails Plan, approved by the Planning Board in July 1998; individual park master plans.

### Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$5,904,000. In FY13 Current Revenue reduced \$50,000 for fiscal capacity.

### Disclosures

Expenditures will continue indefinitely.

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## Legacy Open Space (P018710)

CR at: 100k

Category M-NCPPC  
 Sub Category Acquisition  
 Administering Agency M-NCPPC (AAGE13)  
 Planning Area Countywide

Date Last Modified 5/19/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	92,410	63,587	3,293	19,000	3,000	3,000	3,000	3,000	3,000	4,000	6,530
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	7,590	5,314	2,275	1,345	250	0	250	250	250	250	656
<b>Total</b>	<b>100,000</b>	<b>68,901</b>	<b>3,000</b>	<b>20,345</b>	<b>3,250</b>	<b>3,000</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>4,250</b>	<b>7,186</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	938	938	0	0	0	0	0	0	0	0	0
Current Revenue: General	11,959	9,639	3,150	1,345	250	0	250	250	250	250	655
G.O. Bonds	50,393	26,489	2,373	16,000	2,500	2,500	2,500	2,500	2,500	3,500	5,531
PAYGO	22,007	22,007	0	0	0	0	0	0	0	0	0
POS-Stateside (P&P only)	200	200	0	0	0	0	0	0	0	0	0
Park and Planning Bonds	10,500	5,625	875	3,000	500	500	500	500	500	500	1,000
Program Open Space	4,003	4,003	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>100,000</b>	<b>68,901</b>	<b>3,000</b>	<b>20,345</b>	<b>3,250</b>	<b>3,000</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>4,250</b>	<b>7,186</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	3,095
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		75,719
Expenditure / Encumbrances		68,901
Unencumbered Balance		6,818

Date First Appropriation	FY 01
First Cost Estimate	
Current Scope	FY 16 100,000
Last FY's Cost Estimate	100,000

## Description

The Legacy Open Space initiative identifies open space lands that should be acquired and interpreted because of exceptional natural or cultural value to current and future generations of Montgomery County residents. Legacy Open Space will acquire or obtain easements or make fee-simple purchases on open-space lands of countywide significance. Priorities are updated during each CIP cycle but remain flexible to allow the Montgomery County Planning Board to address development threats, opportunity acquisitions, and joint funding opportunities. The County Council encourages the Commission to seek supplemental appropriations if approved CIP funding is insufficient. Non-County funding sources are expected to contribute significantly to the Legacy Open Space program. Contributions only will appear in the PDF Expenditure and Funding Schedules if the contribution is spent by the County or M-NCPPC. For instance, matching donations from partners in cash or Program Open Space (POS) funds are spent by the County or M-NCPPC and thus are reflected in the schedules above, while donations of land or non-County funded payments that go directly to property owners are not included. The combination of these non-County and County funds have resulted in the successful protection of over 5,000 acres of open space in the County, including over 3,500 acres of new parkland. Almost 500 acres of parkland was received at no cost through dedication and donations by private landowners.

## Cost Change

Shifted \$155,000 in Current Revenue from FY18 to Beyond 6 Years and deferred \$250,000 in GO bonds from FY19, FY20, and FY21 to FY22 for fiscal capacity.

## Justification

The Vision 2030 Strategic Plan for Parks and Recreation in Montgomery County (2010) and the subsequent 2012 Park, Recreation and Open Space (PROS) Plan recommend placing priority on conservation of natural open spaces, protection of heritage resources, providing critical urban open spaces, and expanded interpretive activities in parks. Legacy Open Space: Open Space Conservation in the 21st Century, approved by the Montgomery County Planning Board in October 1999. Legacy Open Space Functional Master Plan adopted by the County Council in July 2001

## Other

M-NCPPC (A13) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

## Fiscal Note

County Finance made PAYGO substitutions for FY13 (\$4,778,911) and for FY14 (\$1,135,872.50).

## Disclosures

## Legacy Open Space (P018710)

Expenditures will continue indefinitely.

M-NCPPC (A13) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

### **Coordination**

Acquisition: Local Parks PDF 767828, Acquisition: Non-Local Parks PDF 998798, ALARF: M-NCPPC PDF 727007, Restoration of Historic Structures PDF 808494, State of Maryland

# Planned Lifecycle Asset Replacement: NL Parks (P968755)

CR cut: 530k

Category  
Sub Category  
Administering Agency  
Planning Area

M-NCPPC  
Development  
M-NCPPC (AAGE13)  
Countywide

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

5/19/17  
No  
None  
Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	1,927	193	142	1,592	245	235	231	231	325	325	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	16,764	1,709	1,227	14,358	2,095	1,565	2,109	2,109	2,975	2,975	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>18,691</b>	<b>1,902</b>	<b>1,369</b>	<b>15,950</b>	<b>2,340</b>	<b>1,800</b>	<b>2,340</b>	<b>2,340</b>	<b>3,300</b>	<b>3,300</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	12,548	1,369	759	10,950	1,040	500	1,740	1,740	2,700	2,700	0
G.O. Bonds	5,976	366	610	5,000	1,300	1,300	600	600	600	600	0
PAYGO	167	167	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>18,691</b>	<b>1,902</b>	<b>1,369</b>	<b>15,950</b>	<b>2,340</b>	<b>1,800</b>	<b>2,340</b>	<b>2,340</b>	<b>3,300</b>	<b>3,300</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	2,330
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		5,611
Expenditure / Encumbrances		1,902
Unencumbered Balance		3,709

Date First Appropriation	
First Cost Estimate	
Current Scope	19,221
Last FY's Cost Estimate	19,231

## Description

This project schedules renovation, modernization, or replacement of aging, unsafe, or obsolete park facilities or components of park facilities in non-local parks. These parks include Regional, Recreational, Stream Valley, Conservation and Special Parks, most of which are over 30 years old. There are five sub-categories of work funded in PLAR NL, and each has a prioritized list of candidate projects, but schedules may change as needs arise. 1. Boundary Markings: provides for survey work to delineate park boundaries. 2. Minor Renovations: provides for infrastructure improvements for a variety of park amenities and infrastructure, such as bridge repairs/replacements. 3. Play Equipment: the life span of most play equipment is 20 years. Changes in safety standards sometimes require replacement at earlier intervals. Amenities included in this project are the play area border and protective surfacing under equipment, as well as benches and trees to shade the play equipment, if needed. 4. Tennis & Multi-Use Court Renovation: the asphalt base and fences generally last 20 years. Work includes fence repairs or replacement, new asphalt base, color-coating of courts, installation of new nets and standards, drainage improvements, and lights as needed. 5. Resurfacing Parking Lots and Paths: pavement and drainage rehabilitation for parking lots, entrance roads and walkways.

## Cost Change

Reduce Current Revenue by \$10,000 in FY18 for fiscal capacity.

## Justification

Over 100 non-local parks and facilities require scheduled renovation in order to maintain a reasonable level of service for park users and avoid costly emergency repairs. Failure to renovate or replace aging park facilities or components on a scheduled basis before the end of their useful life results in decreased levels of service to park users and an overall increase in capital costs as repairs become emergencies.

## Other

Repairs to hiker-biker and natural surface trails and roof replacements are funded through other PDFs.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$1,903,000. In FY14 transferred out \$49,000 of GO Bonds to Cost Sharing NL, #761682. In FY13, disappropriate \$105,000 of State Aid not received; reduce Current Revenue \$50,000 for fiscal capacity. In FY12, transferred \$48,000 to Restoration of Historic Structures. In FY11, \$60,000 was transferred in from Brookside Gardens, PDF #848704. In April 2011, Reduce current revenue by \$75,000 in FY12 for fiscal capacity. In March 2011, Reduce current revenue by \$100,000 in FY12 for fiscal capacity. In December 2010, Reduce current revenue by \$125,000 in FY12 for fiscal capacity. In April 2010, the Council approved a reduction of \$200,000 in Current Revenue in FY11. In January 2010, the Executive recommended and Council approved a reduction of \$100,000 in Current Revenue as part of the FY10 Savings Plan. In FY10, \$375,000 (General Obligation Bonds) was transferred in from Lake Needwood Dam Remediation, PDF #078710 (\$373,000) and Rickman Horse Farm Park, PDF #008722 (\$2,000). In FY09, \$141,000 in current revenue was transferred out to Wheaton Tennis Bubble Renovation, PDF# 078708.

## Disclosures

Expenditures will continue indefinitely.

## Planned Lifecycle Asset Replacement: NL Parks (P968755)

### Coordination

Montgomery County Department of Recreation, Resurfacing Parking Lots and Paths, PDF 998740, Roof Replacement Non-Local, PDF 838882, Trails: Hard Surface Renovation, PDF 888754, Trails: Natural Surface Trails, PDF 858710

## All PLAR: NL - Minor Renovations (SP998708)

CR cut: 530k

Category M-NCPPC  
 Sub Category Development  
 Administering Agency M-NCPPC (AAGE13)  
 Planning Area Countywide

Date Last Modified 6/27/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	1,424	158	80	1,186	148	138	178	178	272	272	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	12,935	1,378	679	10,908	1,342	1,623	1,623	2,489	2,489	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>14,359</b>	<b>1,536</b>	<b>759</b>	<b>12,094</b>	<b>1,490</b>	<b>1,801</b>	<b>1,801</b>	<b>2,761</b>	<b>2,761</b>	<b>0</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	12,002	823	759	10,950	1,040	1,740	1,740	2,700	2,700	0	0
G.O. Bonds	1,311	167	0	1,144	450	61	61	61	61	0	0
PAYGO	546	546	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>13,859</b>	<b>1,536</b>	<b>759</b>	<b>12,094</b>	<b>1,490</b>	<b>1,801</b>	<b>1,801</b>	<b>2,761</b>	<b>2,761</b>	<b>0</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation Request	FY 18	1,480
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		3,785
Expenditure / Encumbrances		1,536
Unencumbered Balance		2,249

Date First Appropriation	FY 99	
First Cost Estimate		
Current Scope	FY 17	14,399
Last FY's Cost Estimate		14,399
Partial Closeout Thru		0
New Partial Closeout		0
Total Partial Closeout		0

## Description

Candidate projects include: Bridge inspections and replacements, and underground fuel tank replacements at maintenance yards.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$20,562,000. FY13 Current Revenue reduced \$50,000 due to fiscal capacity. In FY12, transferred \$48,000 Current Revenue to Restoration of Historic Structures #808494. In April 2011: Reduce current revenue by \$75,000 in FY12 for fiscal capacity. In March 2011: Reduce current revenue by \$100,000 in FY12 for fiscal capacity. In December 2010: Reduce current revenue by \$125,000 in FY12 for fiscal capacity. In April 2010, the Council approved a \$200,000 reduction in Current Revenue funds in FY11. One-time increase in FY09 for storm damage reimbursements from FEMA of \$106,000. In FY09, \$141,000 in current revenue was transferred Wheaton Tennis Bubble Renovation, PDF# 078708.

## Disclosures

Expenditures will continue indefinitely.

## Coordination

Planned Lifecycle Asset Replacement: NL Parks PDF 968755

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# Pollution Prevention and Repairs to Ponds & Lakes (P078701)

CR cut: 55k

Category M-NCPPC  
Sub Category Development  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 5/19/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	1,733	139	709	885	150	135	150	150	150	150	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	<del>5781</del> 5,836	464	2,372	3,000	500	<del>445</del> 500	500	500	500	500	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<del>7,569</del> 7,514	603	3,081	3,885	650	<del>635</del> 580	650	650	650	650	0
<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	<del>2896</del> 2,851	32	1,134	1,785	300	<del>230</del> 285	300	300	300	300	0
G.O. Bonds	2,655	571	34	2,050	300	350	350	350	350	350	0
State Aid	50	0	0	50	50	0	0	0	0	0	0
State ICC Funding (M-NCPPC Only)	1,913	0	1,913	0	0	0	0	0	0	0	0
<b>Total</b>	<del>7,569</del> 7,514	603	3,081	3,885	650	<del>635</del> 580	650	650	650	650	0

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	635
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		4,334
Expenditure / Encumbrances		603
Unencumbered Balance		3,731

Date First Appropriation	FY 07
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	6,984

## Description

This PDF funds continuing efforts to update and maintain our existing facilities to meet today's standards and enhance environmental conditions throughout the park system. M-NCPPC operates 12 maintenance yards (MY) throughout Montgomery County that are regulated as industrial sites under NPDES because bulk materials storage and equipment maintenance have the potential to pollute surface waters. Each MY is subject to NPDES regulations, and must have a Stormwater Pollution Prevention Plans (SWPPPs) in place. SWPPPs are generally a combination of operational efforts and capital projects, such as covered structures for bulk materials and equipment, vehicle wash areas, or stormwater management facilities. In addition, M-NCPPC has identified between 60 and 70 existing farm ponds, lakes, constructed wetlands, irrigation ponds, recreational ponds, nature ponds, and historic dams on park property that do not qualify for funding through Montgomery County's Water Quality Protection program. Based on the results of field inspections, projects are prioritized for design, permitting, and construction. M-NCPPC has entered into a countywide NPDES Phase II Permit with MDE to establish pollution prevention measures to mitigate stormwater runoff that originates on parkland. This new permitting requirement will involve additional efforts to identify untreated areas and develop appropriate Best Management Practices (BMPs) to control stormwater runoff and enhance water quality.

## Cost Change

Reduce Current Revenue by \$15,000 in FY18 for fiscal capacity.

## Justification

The NPDES General Discharge Permit for Stormwater Associated with Industrial Facilities, Permit No. 02 SW issued by the Maryland Department of the Environment (MDE), requires implementation of the SWPPPs at each maintenance yard. The MDE Dam Safety Program requires regular aesthetic maintenance, tri-annual inspection, and periodic rehabilitation of all pond facilities to maintain their function and structural integrity. In 2010, the EPA enacted the NPDES Municipal Separate Storm Sewer System (MS4) Permit.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$6,029,000. In FY16 received an additional \$600k from SHA for ICC Mitigation. State Bond Bill grant of \$50,000 was received in 2015 for West Fairland Local Park. New partial closeout includes FY14 and FY15. In FY14 transferred in FY14, \$40,000 GO bonds to Balfield Improvements, #008720. In FY13, transferred-in \$200,000 GO Bonds from Lake Needwood Modifications #098708.

## Disclosures

Expenditures will continue indefinitely.

M-NCPPC (A13) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

## Coordination

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## Pollution Prevention and Repairs to Ponds & Lakes (P078701)

Montgomery County Department of Permitting Services (MCDPS), Montgomery County Department of Environmental Protection (MCDEP),  
Maryland Department of the Environment, Washington Suburban Sanitary Commission (WSSC)

# Restoration Of Historic Structures (P808494)

CR cut 45k

Category M-NCPPC  
Sub Category Development  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 5/19/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	1674	119	93	136	1,490	250	195	250	250	250	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	1,611	372	544	695	445	50	50	50	50	50	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3,285</b>	<b>465</b>	<b>680</b>	<b>2,185</b>	<b>695</b>	<b>245</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	2,782	217	680	1,885	645	240	250	250	250	250	0
G.O. Bonds	304	49	0	300	50	5	50	50	50	50	0
PAYGO	199	199	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3,285</b>	<b>465</b>	<b>680</b>	<b>2,185</b>	<b>695</b>	<b>245</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	290
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,840
Expenditure / Encumbrances		465
Unencumbered Balance		1,375

Date First Appropriation	FY 80
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	2,945

## Description

The commission owns and is the steward of 117 built structures of historic significance across 43 historic sites and upwards of 400 archaeological resources. This PDF provides baseline funds necessary to repair, stabilize, and renovate some of the top priority historical structures and sites that are located on parkland. This PDF provides for bringing vacant historic buildings to life, defining stabilization and rehabilitation scopes of work, and developing implementation strategies with limited resources a major ongoing effort is to focus few resources on visible properties that satisfy greatest need, to preserve severely decaying structures, and to tell the county's history through the best historic properties. Projects include stabilization or rehabilitation at Jesup Blair House; Seneca (Poole), Darby, and Red Foor Stores; Agriculture History Farm Park; Waters House; and Zeigler Log House. Several projects may require leases of public/private partnerships.

## Estimated Schedule

FY15 emergency stabilization of Jesup Blair House.

## Cost Change

Reduced Current Revenue by \$10,000 for fiscal capacity.

## Justification

2005 Land Preservation, Parks and Recreation Plan, approved by the Planning Board. Area master plans and the County's Historic Preservation Ordinance. From Artifact to Attraction: A Strategic Plan for Cultural Resources in Parks. Cultural resources asset inventory prioritization list.

## Other

Public demand for program is strong: in the most recent PROS Survey, the majority of residents found protection of historic sites to be important and rated this as a high funding priority. Proposed funding will not only provide the funds to preserve historic structures and sites, especially those that can be opened to the public or serve a public need.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$8,048,000. FY14 transfer in of \$30,000 GO bonds from Matthew Henson Trail #500400. MNCPPC received two State Bond Bill grants of \$50k each for Seneca (Poole) Store in 2011 and 2014.

## Disclosures

Expenditures will continue indefinitely.

## Coordination

Montgomery County Historic Preservation Commission, Woodlawn Barn Visitor's Center PDF 098703, Warner Circle Special Park PDF 118703, Maryland Historical Trust, National Park Service, National Trust for Historic Preservation

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# Roof Replacement: Non-Local Pk (P838882)

CR cut: 101k

Category  
Sub Category  
Administering Agency  
Planning Area

M-NCPPC  
Development  
M-NCPPC (AAGE13)  
Countywide

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

5/19/17  
No  
None  
Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	326,247	11	0	328	63	0	63	63	63	63	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	161,099	298	121	1,200	200	200	200	200	200	200	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2,046</b>	<b>309</b>	<b>121</b>	<b>1,528</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	563,667	127	121	328	63	0	63	63	63	63	0
G.O. Bonds	1,382	182	0	1,200	200	200	200	200	200	200	0
<b>Total</b>	<b>2,046</b>	<b>309</b>	<b>209</b>	<b>1,528</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation Request	FY 18	213
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		781
Expenditure / Encumbrances		309
Unencumbered Balance		472

Date First Appropriation	FY 83
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	2,096

## Description

This project provides for roof replacement on buildings and structures in non-local parks, as well as countywide maintenance facilities, Park Police facilities, and selected enterprise facilities that are of historic significance. The PDF also funds periodic roof evaluations and designs.

## Cost Change

Reduce Current Revenue by \$50,000 in FY18 for fiscal capacity.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$4,932,000.

## Disclosures

Expenditures will continue indefinitely.

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# Small Grant/Donor-Assisted Capital Improvements (P058755)

CR cut: 100k

Category  
Sub Category  
Administering Agency  
Planning Area

M-NCPPC  
Development  
M-NCPPC (AAGE13)  
Countywide

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

5/19/17  
No  
None  
Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	656,766	23	293,243	390	10,601	90	60	60	60	60	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	3,229	94	1,375	1,760	240	560	240	240	240	240	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3,885</b>	<b>117</b>	<b>1,668</b>	<b>2,150</b>	<b>250,300</b>	<b>650</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>

<b>3885 FUNDING SCHEDULE (\$000s)</b>											
Contributions	3,074	117	1,357	1,600	200	600	200	200	200	200	0
Current Revenue: General	205,205	0	5,85	250	0,50	0	50	50	50	50	0
Current Revenue: Park and Planning	606	0	306	300	50	50	50	50	50	50	0
<b>Total</b>	<b>3,885</b>	<b>117</b>	<b>1,668</b>	<b>2,150</b>	<b>250,300</b>	<b>650</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	650
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		2,135
Expenditure / Encumbrances		117
Unencumbered Balance		2,018

Date First Appropriation	FY 05
First Cost Estimate	
Current Scope	FY 18 3,985
Last FY's Cost Estimate	3,786

## Description

This project authorizes expenditures for new or existing projects that receive support from non-County government funding sources, e.g. grants, donations, gifts, fund raising projects, and sponsorships. No funds can be expended from this project unless at least 80 percent of the total cost of the project, or the change to an existing project is provided from a non-County government funding source. The funds provided can be expended within this project provided: 1. The capital cost is less than \$100,000; or 2. The capital cost is at least \$100,000, but the project: (a) does not have an Operating Budget Impact (OBI) in excess of 10 percent of the capital cost; and (b) vehicle trips generated by the project do not exceed 25 vehicle trips during the peak one-hour period in the vicinity of the project. The Department must notify the County Council of any grants or donations for projects having a capital cost of at least \$100,000. The Department must submit a PDF for approval by the County Council for all other projects in accordance with the County Council policy on non-County funded capital projects, approved on February 22, 2000.

## Cost Change

Increase in FY18 contributions by \$400,000 to account for donations to Western Grove Urban Park and the Capital Crescent Trail Plaza. Correctly showing a FY15 transfer of \$151,000 in County Current Revenue to Brookside Gardens Master Plan #078702. Reduce Current Revenue by \$50,000 in FY18 for fiscal capacity.

## Justification

Montgomery County Department of Park and Planning Policy and Guidelines on Donations and Public/Private Partnerships, adopted 2003.

## Other

From time to time M-NCPPC is able to generate non-County government funded support for projects with the expectation that the project will be implemented in a timely way as a condition of the support. This project provides the authorization to receive and expend the funds from various sources. In addition, there is often a requirement or need for the Commission to provide matching funds, fund the overhead for the project, e.g. planning, design, and construction management or supervision services, or otherwise contribute to the project. This PDF provides public funding for this limited participation.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$2,165,000.

## Disclosures

Expenditures will continue indefinitely.

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# Trails: Natural Surface & Resource-based Recreation (P858710)

CR cut: 30k

Category M-NCPPC  
Sub Category Development  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 10/21/16  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	125	21	10	94	15	19	15	15	15	15	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	<del>2763</del> 2,763	466	216	2,111	335	<del>406</del> 406	335	335	335	335	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<del>2,888</del> 2,888	487	226	2,205	350	<del>425</del> 425	350	350	350	350	0

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	<del>2335</del> 2,335	437	128	1,800	300	<del>270</del> 270	300	300	300	300	0
G.O. Bonds	448	50	98	300	50	50	50	50	50	50	0
State Aid	105	0	0	105	0	105	0	0	0	0	0
<b>Total</b>	<del>2,888</del> 2,888	487	226	2,205	350	<del>425</del> 425	350	350	350	350	0

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	455
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,063
Expenditure / Encumbrances		487
Unencumbered Balance		576

Date First Appropriation	FY 85
First Cost Estimate	
Current Scope	FY 16
Last FY's Cost Estimate	2,213
Partial Closeout Thru	0
New Partial Closeout	0
Total Partial Closeout	0

## Description

Formerly known as "Trails: Natural Surface Design, Construction, and Renovation," this project is one of the key level-of-effort projects that will support providing access to natural, undeveloped park land. The focus will still be natural surface trails, but it will also help support natural resource-based recreation uses such as bicycling, hiking, running, horseback riding, bird watching, nature photography, wildlife viewing, kayaking, rowing, canoeing, and fishing, as identified in the 2012 Park, Recreation and Open Space (PROS) Plan. This PDF includes planning, design, and construction and reconstruction of natural surface trails. Natural surface trails are usually located in stream valley parks. Surfaces include dirt, wood chip, soil mixtures, and sometimes gravel or stone, supplemented by boardwalk or other elevated surfaces when needed; they are generally narrower than hard surface trails. Work may include grading, drainage, signage, bridges/culverts, edging, realignments, etc. The trails generally do not meet Americans with Disabilities Act (ADA) requirements. The expenditure schedule does not include the value of work done by volunteers to assist with the construction of natural surface trails.

## Cost Change

ADDITION OF BOND BILL APPROPRIATION IN FY18.

## Justification

Improvements address only the highest priority needs for each trail and presume some volunteer assistance for hand labor. Projects in Rock Creek, Rachel Carson, Little Bennett, and Black Hill implement park master plans. This CIP Project implements the natural surface recreational trail component of the Countywide Park Trails Plan and trail recommendations in area master plans. 2015 Countywide Park Trails 2005 Land Preservation, Park and Recreation Plan

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totalled \$3,331,000. MNCPPC WAS AWARDED A STATE BOND BILL OF \$105,000 IN FY16 FOR THE WESTERN PIEDMONT TRAIL CONNECTOR. FY14 transfer out of \$45,000 GO Bonds to Montrose Trail, #038707.

## Disclosures

Expenditures will continue indefinitely.

M-NCPPC (A13) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

## Coordination

Maryland State Parks, Maryland Department of Natural Resources, Montgomery County Department of Transportation, Volunteer Groups

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**What specific programs and services would MCEDC suspend/reduce if its budget was reduced by \$900,000 in FY18? AND, how would this reduction impact service delivery to the businesses in the County?**

As a fiscally responsible nonprofit organization, it is the MCEDC's intent to maintain a reserve of at least three months of operating expenses. Given the startup nature of the organization, we have not yet achieved this goal. However, in FY18, we have identified \$900,000 in potential surplus to go towards the reserve.

### **Reduction of Programs and Services**

If the MCEDC's FY18 contract award is reduced by \$900k, the following planned economic development initiatives for key industries and services would be suspended in order to maintain the reserve. In addition to the initiatives below, the MCEDC would suspend its hiring plan and reduce other areas that directly support job and capital investment creation.

- **Unanticipated Business Development Activities:** Amazon HQ2 second round; marketing and promotion of Silver Spring and Discovery building for new user(s), and other unanticipated business development opportunities that arise
- **Cybersecurity:** The Capital Formation Project is designed to evaluate the structure of a local life-cycle fund. This project was recommended by the Cybersecurity Workgroup.
- **BioHealth:** The MCEDC budget includes a grant to be awarded to a developer to support a public-private small-space wet lab incubator project. This project could accommodate 8 companies with 3-4 jobs per company every 24 months, creating 24-32 high quality jobs with an average salary of \$107,142 every two years.
- **Buy Local Demonstration Project:** The MCEDC budget includes a competitive grant to be awarded to an anchor institution/corporation that implements a meaningful local procurement plan for a variety of products from local vendors for at least 2 years. The MCEDC will work with the buyers/sellers to understand the value-chain bottlenecks, gaps in support that limit production and market linkages.
- **Tech Transfer & Commercialization:** The MCEDC budget includes a competitive grant to support the commercialization of technology coming out of Federal Labs or Universities.
- **Food Production & Processing:** The MCEDC budget includes a grant to be awarded to a company that creates a food manufacturing/commercial kitchen facility; small grants will be allocated for the New Farmer Project. Combined, this initiative would support 10-20 food businesses, with 2-3 jobs per company, as well as 3-4 farmers in the first full year.
- **IT Product Development Project:** The MCEDC budget includes an award for a non-IT company to sponsor its own reverse pitch and then invests in/buy locally developed IT products. The MCEDC is exploring opportunities to work with the Open Innovation Challenge being led by United Solutions and DAI on this initiative.
- **Small Business Innovation Pilot:** The MCEDC budget includes an award to a small business that addresses a public issue using local technology. This award could be matched by the County, MCPS or other local government. This pilot would provide traction (and/or customers) for a local company that demonstrates its project via a governmental entity.

**The Executive has recommended a 2% reduction for most departments in FY18. Would MCEDC need to suspend/reduce any programs and services in FY18 if it experienced a \$100,000 reduction (~2% of the FY18 approved appropriation for MCEDC)? If so, please detail those programs and service.**

The MCEDC can absorb a 2% reduction of the FY18 approved contract award for MCEDC. While this reduction will impact our reserve, it will not result in a major reduction or suspension of services.

In addition, given the County's fiscal challenges, the MCEDC is willing to reimburse the County for unspent funds at the end of FY18 for designated initiatives shifted from county departmental budgets to the MCEDC in its FY2018 budget. As of December 31, the balance of money appropriated in FY18 for shifts from County departmental budgets was \$225,000. This amount includes:

- TEDCO/Life Sciences Grants - \$125,000
- Marketing and Programming in Data Analytics - \$100,000

## Recreation Department FY18 Savings Plan Analysis in Greater Detail

### Manageable

In Council staff's view, the following items are manageable and are recommended for approval (The numbers in the # column refer to detail in the Executive's saving Plan found on © 6.) :

Budget Item	#	CE Rec. Reduction
<b>Aquatics operating expense reduction</b>	128	<b>-\$15,000</b>
<b>Reduce distribution of Recreation Guides</b>	129	<b>-\$25,000</b>
<b>Countywide Programs operating expense reduction</b>	130	<b>-\$49,371</b>
<b>Administration reduction to operating expense</b>	133	<b>-\$10,876</b>
<b>Turnover Savings</b>	138	<b>-\$63,400</b>
<b>Reduction of Seasonal Staffing in Facilities</b>	139	<b>-\$62,111</b>
<b>Align budget with spending – Therapeutics and Senior programming within Regional Areas</b>	140	<b>-\$41,300</b>
<b>Lapse Vacant Positions</b>	141	<b>-\$77,926</b>

### Discussion Items

The following items were proposed by the Executive for savings:

#### 1. Youth Coding Initiative:

- **Increase lapse – Principal Administrative Aide (# 135) -\$28,119**
- **Youth Development operating expense reduction (# 136)-\$68,305**

The Executive is proposing a reduction of \$96,424 in personnel and operating expenses to the Youth Coding Initiative. For FY18, the Council recommending shifting \$150,000 for the Youth Coding Initiative from the Department of Technology Services (DTS) to the Recreation Department and added \$50,000, including the Principal Administrative Aide position, to expand the initiative. The funding was intended primarily for underserved populations.

To date, the Department has used portions of the funding to provide STEM activities including Code Squad, Lego Robotics, Digital Literacy, and Space World. Summer programming took place at Clemente, Argyle, and Lee Middle Schools and the Kid Museum and fall programming at Takoma Park, Silver Spring International, Rocky Hill, and Parkland Middle Schools.

The Department offers STEM opportunities, including some coding activities, through its existing offerings through Excel Beyond the Bell Middle, Excel Beyond the Bell Elementary, and RecExtra. The Department will not begin any new coding opportunities for second semester FY18, and believes that the reduction will have “the least amount of direct impact to young people currently engaged.”



The Department initially worked with an administrative support contractor to assist with the administration of the STEM contracts and other related duties. However, the person did not work out as hoped.

**Council staff recommendation: Concur with the Executive.** The reduction of services for the second semester will be mitigated, at least in part, by the offering of STEM and coding opportunities through Excel Beyond the Bell and RecExtra.

## **2. Reduce Senior Transportation (# 137) -\$42,250**

The Executive is recommending reducing the Senior Transportation initiative by amending the existing contract with the Jewish Council for the Aging to change the number of buses, suspend Friday transportation, and reduce the number of mini trips. This is the third reduction since FY17 for this service.

The Department reports that while there will be some impact on senior ridership in targeted areas, it will be able to provide services to its most popular and most frequented senior sites. There will likely be a scheduling change with fewer buses in service and combined routes, though no stops will be eliminated. The Department will try to minimize the impact of the reduction on seniors' ability to participate in classes or activities of choice by exploring other available transportation options.

Council staff notes Montgomery County Senior Agenda has advocated for affordable and accessible senior transportation. The Department has marketed the program through the Senior webpage on the Department's website, the Recreation Guide, and fliers and other handouts at senior centers and centers offering senior programming.

**Council staff recommendation: Concur with the Executive.** The current service is underutilized<sup>1</sup>, and the Department will explore other transportation options that will allow seniors to access recreation programming. Moving forward, Council staff encourages the Department to expand outreach and marketing for the program to ensure that the demand for services is reflected in actual ridership and efficiently maximize existing services.

## **3. Planned Lifecycle Asset Replacement (PLAR) (# 134) -\$100,000**

The Department's PLAR budget has been a frequent target of budget reductions and savings plan reductions in the past. Each year, the Department has more uses for PLAR funds than the budget allows and prioritizes funding based on availability, impact, and ability to complete before the year's end. The Department proposes to defer PLAR items relating to: landscape bed mulching county-wide; replacing fabric on social hall operable partition wall at the East County Community Center; social hall, game room, classroom, gym painting for Long

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<sup>1</sup> Currently, buses operate at 5%-65% capacity on the lowest ridership day and at 40-80% capacity on the highest ridership day. See © \_\_\_ for ridership info.

Branch, Mid County, Praisner, Lawton, and Potomac Community Centers; and miscellaneous social hall furniture county-wide.

Council staff notes that underfunding of maintenance and cleaning have resulted in complaints from users.

**Council staff recommendation:** Council staff concurs with the Executive to take the reduction to PLAR as a FY18 Savings item, but would not support a permanent reduction to PLAR moving forward given the numerous requests for PLAR funding beyond budgeted amounts and the increasing number of recreation facilities in recent years.

#### **4. Health & Wellness Program (# 132) -\$60,000**

The Executive is proposing a \$60,000 reduction out of an \$80,000 total program budget. Approximately \$40,000 of the reduction will be taken out of 100 Mile Challenge-related operating expenses. A scaled back 100-Mile Challenge event will be held in May with registration capped at 1,000 participants. Last year, 2,000 people registered, but only 600 people turned in participation logs and approximately 3000 people attended the festival. The Department plans to continue 100 Mile Challenge related workshops and clinics using volunteers and existing resources. The Department will also more aggressively seek sponsorships and other community partnerships for the culminating event.

Approximately \$20,000 of the reduction will come from other events and activities, including workshops and lectures as a part of Move More Montgomery (MMM). Operating expenses for MMM summer nutrition education and summer camp programming have already been incurred for FY18; however, previously scheduled winter and spring workshops and lectures will be reduced or eliminated.

**Council staff recommendation:** Concur with the Executive.

#### **5. Community Center Reduction to Operating Expenses (# 131) -\$112,239**

The proposed reduction will be targeted at facilities that have more ability to absorb reductions and at centralized operating funding allocated within each regional area. The resulting impact will be a reduction in purchases for supplies and equipment that are not uniquely a component of Planned Lifecycle Asset Replacement (PLAR).

The item also includes reductions to community events and after school programming at recreation facilities. The Department explains that many events will be consolidated or not conducted this year and afterschool programs will experience reductions to supplies and materials and special services delivered by contractors, e.g., moon bounce, DJ, sports instructors, etc.

**Council staff recommendation:** Concur with the Executive.

**Recreation-related Items to be considered by other Committee**

A savings plan reduction of \$100,000 in the DGS budget for deferred maintenance for the Department of Recreation will be considered by the Transportation, Infrastructure, Energy, and Environment Committee on January 19.

The Executive has also recommended a \$125,000 reduction to current revenue for the Facility Planning MCG project, which is scheduled for reviewed by the Government Operation and Fiscal Planning Committee on January 18. Council staff has requested status information on the Bethesda CBD Recreation Center and Aquatic Center in Takoma Park projects in facility planning.

Montgomery County Recreation

FY18 Savings Plan Follow Up Questions:

- 1. Please identify the impact of the \$112,230 reduction to Community Centers (131), \$62,111 reduction in seasonal staffing in facilities (139), and \$41,300 reduction to align budget for Therapeutics and Senior programming with spending (140). Please identify facilities that will be affected by these reductions, describe the extent will the reductions will affect operating hours or event and activities offered at the centers, and any planned efforts to mitigate this impact on Recreation users**

Reductions will be taken in FY18 of Operating Expenses (OE) within Recreation Community Centers targeting the facilities that have more ability to absorb reductions as well as the centralized operating funding allocated within each regional area. The greatest reductions will be taken in the management areas by region from Area 1, Area 2, Area 3, and the Regional Management allocations. The resulting impact will be a reduction in purchases for supplies and equipment that are not uniquely a component of Planned Lifecycle Asset Replacement (PLAR). Also, this item includes reductions to programming at facilities that include community events after school programming – CLUB adventure and or CLUB Friday. The OE reduction will specifically impact shared expenses for community centers such as special events programming which will include movie nights, family fun nights, Spring community events such as holiday events, End-of-School special events, and Community Days. Many events will be consolidated or not conducted this year. The special events costs that are held will have reduced operating cost – i.e., no moon bounce, reduced times for DJ, and limited food/snack opportunities. This reduction will also impact additional painting, replacement of blinds, carpets and furniture, gym and weight room equipment, and additional cleaning which in the past have supported PLAR expenses.

The \$62,111 PC reduction will remove funding for seasonal front desk staffing within the 9 community centers (Germantown, Damascus, Longwood, Long Branch, Lawton, Wisconsin Place, East County, Marilyn Praisner and Mid County Community Centers) with full-time Rec Coordinators. While there will be some impact to the facilities, efforts will be placed on managing to ensure full coverage and increased coverage during peak hours. This will reduce one seasonal position to half of the allowable 1040 work hours for the remainder of the fiscal year.

When the Wheaton Community Center closed in March of 2016, we maintained the seasonal allocation of \$85,642 and OE allocation of \$11,321 to support the therapeutic recreation programs and activities that had high levels of participation such as karate, fitness classes, and social clubs normally located at the site. Wheaton was centrally located to Inwood House and public transportation; the maintained funding resources were to allow us to continue programming by renting park buildings and or school facilities nearby. As examples - Arcola or Glen Allen Elementary. Additionally, countywide classes could be relocated to other recreation facilities; seasonal staff resources could then be used to extend hours at sites such as Holiday Park. Currently, we have identified \$41,300 that can be set aside to address the savings reduction request (\$32,000 PC and \$9,300 OE). This amount represents funding that will have the least impact on the community while still allowing these residents to be served.

**2. Please explain the rationale for the reductions to youth development (136) and increased lapse for the Principal Administrative Aide position. Please provide an update on efforts to implement the Youth Coding Initiative in FY18, including the enhancement of \$50,000 approved by the Council. How many children were served in FY17 and FY18 to date**

In FY17 the funding for Youth Coding was allocated in DTS' budget.

Recreation already offers STEM opportunities through its existing offerings (*i.e. Excel Beyond the Bell Middle, Excel Beyond the Bell Elementary and RecXtra*). The Youth Coding initiative allowed the department to expand existing opportunities and provide additional outreach to students not otherwise engaged in STEM. The rationale for reductions to Youth Coding is that reductions in this area would allow us to continue to offer existing opportunities, where STEM is currently being offered, without cutting entire programs/school locations where young people are currently engaging/enrolled in after-school opportunities. We will not begin any new coding opportunities for second semester FY18. Overall, reductions to the coding initiative, while not ideal, can be reduced with the least amount of direct impact to young people currently engaged. We will continue to offer existing STEM opportunities which does include some coding opportunities at 7 RecXtra locations (*capacity 200*), 8 EBB Middle Schools (*Capacity 500*), 4 EBB Elementary Schools (*Capacity 480*).

The enhanced FY18 funding provided STEM activities such as Code Squad, Lego Robotics, Digital Literacy, Space World. These activities were scheduled and conducted during the summer and fall months where we worked with and continue to work with providers such as Kid Museum and Panda Programmer using our existing resources.

An administrative support contractor was brought in place initially to assist with the administration of STEM contracts and related administrative duties. however, the person did not work out as we hoped and services were discontinued.

**3. Please describe how the Health & Wellness Program (132) will be affected by the \$60,000 reduction. What is the total budget for the program currently? How will activities and events be impacted by the reduction. Please provide information since FY16 about the numbers of people served by the program and demographics of those served**

The entire budget for the Health and Wellness program was \$80,000. This consists of service delivery of two major components - 1. Summer Nutrition education; and 2. events at summer camp programs. A portion of seasonal staff do site visits to every summer camp program and provide two sessions of nutrition education and fun events associated with wellness. The second component is the 100 Mile Challenge and related workshops and clinics. The Health and Wellness program reduction will primarily impact the culminating event for the 100 Mile Challenge. The event in May will still be held but in a scaled back version. This year for the first year we have several partners - City of Gaithersburg, Montgomery Parks. We will be able to better take advantage of resources they have which in the past we have either had to purchase or rent. Examples of this might include - marketing, advertising, supplies and material - *i.e.* tents, tables chairs, etc. We will also take a more aggressive approach in securing sponsorships and other community partnerships. Last year this event had one sponsor for \$1,000. The event in the past also had no maximum for registration - this year we will cap registration at 1000. While nearly 2000 registered last year we found like new year's resolutions - many registered but didn't

continue the participation and at the end event in May, approximately 600 turned in participation logs and only approximately 300 attended the festival. We believe the event will continue to be successful with the reduced funding. The challenge also has been to provide the variety of workshops and clinics through the winter. We will continue these workshops and clinics through the use of volunteers and existing resources with current instructors, etc. Each of the last two years we have had between 600 and 1200 registrants, with approximately 40 – 65 dogs. 45% of the registrants were from the Silver Spring, Wheaton areas, 35% from the upper county areas and 20% from Bethesda, Potomac. In FY17 we recorded 1,124 registrants/participants for the 100-Mile Challenge. Age group demographics were as follows:

<b>FY 2017</b>	
<b>100-Mile Challenge Participants</b>	
Ages 12 and Under	38
Ages 13 to 21	48
Ages 22 to 54	373
Ages 55 and over	653
No Age Identified	12
<b>TOTAL</b>	<b>1,124</b>

4. **Please explain why the Senior Transportation is proposed for a reduction and how the Department will adjust services with the decrease in funding. Please provide an update on average daily ridership, total number of transports, and % capacity utilization for FY17 and FY18 to date as well as average ridership by day of the week for FY18. Please also describe efforts to market the program to assess actual demand?**

The reduction in Sr transportation is provided to support the overall department savings efforts. The impact of reducing senior transportation by changing the number of buses, suspending Friday transportation, and reducing the number of mini trips offered is feasible following an amendment to the existing contract with JCA. While there will be some impact on senior ridership in targeted areas, we will still be able to provide services to our most popular and most frequented senior sites.

All senior sites will still be provided service, however, there will likely be a scheduling change since we will not use as many buses. We will not eliminate existing stops, but combine routes. A rider will still be able to go to their site of choice, but the trip schedule will change, however, we will make every attempt to ensure that this change will not result in the inability to participate in classes or activities of choice.

This service is advertised and marketed through our existing web site on the Senior webpage, as well as in the published Recreation Guide, handouts, fliers and materials distributed at each senior site as well as neighboring community centers offering senior programming.

As of January 2018, we have noted 176 individual participants across five senior sites. Monthly ridership at the five sites is noted in the chart below:

Montgomery County Recreation  
**FY 2018 Savings Plan Responses**  
*January 2018*

**Ridership between July and December 2017**

Senior Site	July	August	September	October	November	December
Damascus	247	393	364	444	427	212
Holiday Park	373	543	634	638	471	369
Long Branch	391	195	247	258	321	165
MSSC	189	195	265	256	245	261
White Oak	400	223	333	461	503	354
<b>YTD MONTHLY TOTAL</b>	<b>1,600</b>	<b>1,549</b>	<b>1,843</b>	<b>2,057</b>	<b>1,967</b>	<b>1,361</b>

*\*Ridership covers a full trip = trip to and from site*

Chart below reflects ridership by facility indicating highest capacity days, lowest capacity days and percentage of bus full.

**FY18 YTD Senior Transportation Weekly/Daily Ridership by Site**  
**Highest/Lowest Travel Day and Bus Capacity %**

SENIOR SITE	HIGHEST Ridership Day	Bus Capacity (%Full)	Average # Daily Riders	LOWEST Ridership Day	Bus Capacity (%Full)	Average # Daily Riders	Average # Daily Riders	Bus Capacity (%Full)
<b>Damascus</b>	Tuesday	75%	15	Friday	25%	5	10	50%
<b>Holiday Park</b>	Tues & Th	75%	15	Friday	65%	13	14	70%
<b>Long Branch</b>	Monday	50%	10	Friday	5%	1	8	40%
<b>MSSC</b>	Monday	40%	8	Tues & Fri	25%	5	6	30%
<b>White Oak</b>	Tuesday	80%	16	Friday	25%	5	12	60%
			<b>64</b>				<b>29</b>	<b>50</b>

Fridays show the lowest bus capacity for all sites during the standard programming week.

**5. Please provide updates on PLAR requested items and deferred items for FY17 and FY18 to date.**

DEFERRED ITEMS	FY18 Plan
JRP - landscaping services - landscape bed mulching at all buildings (County-wide)	\$ 35,000
Replace fabric on social hall operable partition wall (East County CC)	\$ 20,000
Social hall, game room, classroom, gym painting (Long Branch, Mid County, Praisner, Lawton, Potomac)	\$ 30,000
Douron - Misc. social hall furniture (County-wide)	\$ 15,000
<b>ESTIMATED TOTAL REQUEST</b>	<b>\$ 100,000</b>

FY18 deferred items will be held to support the departmental savings effort.

Montgomery County Recreation  
**FY 2018 Savings Plan Responses**  
January 2018

DEFERRED ITEMS	FY17
Gym Lighting Upgrades	\$ 50,000
Replace Lobby Furnitures	30,000
Painting	50,000
Carpet Replacement	25,000
Gym Floor Refinishing	-
Landscaping	50,000
Millwork Repairs	25,000
Security and Surveillance Upgrades	100,000
Playground Surface Replacement	40,000
Outdoor Pool Whitecoat Replacement	-
<b>ESTIMATED TOTAL REQUEST</b>	<b>\$ 370,000</b>

FY17 noted deferred items represent departmental expenses that are commonly deferred depending on availability of funding, order of impact and ability to complete before year-end.

*Linda Price sent questions regarding proposed reductions to current revenue in Facility Planning CIP project -- including status of Bethesda CBD Recreation Center and Takoma Park Aquatic Center.*



PS COMMITTEE # 1  
January 19, 2018

## MEMORANDUM

January 17, 2018

TO: Public Safety Committee

FROM: Susan J. Farag, Legislative Analyst *SJK*  
Craig Howard, Senior Legislative Analyst *CH*  
*KL* Keith Levchenko, Senior Legislative Analyst

SUBJECT: FY18 Savings Plan

The Committee is to review elements of the Executive's recommended FY18 Savings Plan that are under its jurisdiction. See © 1-14 for the Executive's January 2 transmittal memo and relevant background information. The Council is tentatively scheduled to consider the recommendations on the Savings Plan from all six Committees on January 30.

The Committee will focus on the Executive's recommendations for the following budgets:

Budget	©#	Executive's Recommended Reduction	Percentage of Approved Appropriation	Council Analyst
Circuit Court	6	-\$241,331	2.0%	Susan Farag
Consumer Protection	6	-\$47,292	2.0%	Susan Farag
Correction and Rehabilitation	6	-\$675,000	2.0%	Susan Farag
Emergency Management and Homeland Security	7	-\$26,351	2.0%	Keith Levchenko
Fire and Rescue	11	-\$2,610,458	-1.2%	Susan Farag
Liquor Control	12-13	-\$1,853,885	-2.85%	Craig Howard
Police	9-10	-\$3,816,340	-1.4%	Susan Farag
Sheriff	10	-\$238,526	-1.0%	Susan Farag
State's Attorney	10	-\$213,064	-1.3%	Susan Farag
<b>TOTAL PUBLIC SAFETY:</b>		<b>-\$9,722,247</b>		

## Manageable Items

In Council staff's view, the following items are manageable and are recommended for approval, and reflect savings of \$6,543,812 instead of the CE's recommended \$9,722,247:

Budget Item	© #	CE Recommended Reduction
Circuit Court: Arbitration Services	6	-73,000
Circuit Court: Interpreter Services	6	-\$168,331
Consumer Protection: Lapse Executive Administrative Aide	6	-\$47,292
Correction and Rehabilitation: Reduce Staff Training	6	-\$175,000
Emergency Mgt. and Homeland Security: Reduce Computers/Repair/Maint.	7	-\$20,000
Emergency Mgt. and Homeland Security: Temp. Paraprofessional Services	7	-\$6,351
Police: Liquidate Prior Year Purchase Orders	9	-\$80,017
Police: Increase Lapse based on analysis by OMB and Police	9	-\$1,523,340
Police: Increase Lapse due to position exemption process	9	-\$763,500
Police: Implementation Delay in Next Generation 911	9	-\$770,000
Police: Reduce Contract Security Hours to reflect One Fewer Guard	9	-\$86,054
Police: Adjust January Recruit Class to Reflect Lower Attrition	9	-\$525,452
Sheriff: Keep Principal Administrative Aide position open through FY18	10	-\$50,205
Sheriff: Keep Client Assistance position open through FY18	10	-\$73,885
Sheriff: Reduce January 2018 Academy Class by Three Recruits	10	-\$114,436
State's Attorney: Delay Hiring Two Senior Legal Assistant Positions	10	-\$24,812
State's Attorney: Turnover Savings	10	-\$125,852
State's Attorney: Increase Lapse	10	-\$62,400
Liquor Control: Retail Store Remodels	12	-\$779,660
Liquor Control: Liquidate FY18 Purchase Orders	12	-\$157,613
Liquor Control: Personnel Savings	12	-\$350,000
Liquor Control: Reduce OE for Supplies and Materials to align with paperless processes	12	-\$250,000
Liquor Control: Master Lease for Three Delivery Trucks	13	-\$316,612
<b>Total Reduction:</b>		<b>-\$6,543,812</b>

## Discussion Items

In Council staff's view, the following items require discussion:

### Fire and Rescue Service

The Executive recommends reducing career staffing for three response units.

- Hyattstown Engine 709 (-\$899,000)
- Hillandale Tower 724 (-\$494,000)
- Germantown Engine 729 (-\$499,000)

MCFRS has provided the call/response data for each station and unit.

#### 123 Hyattstown Station

This station is located very close to the Frederick County line. Currently career staffing only supports the engine at Station 9. This reduction would impact three 27/7 positions, which would be redeployed to reduce overtime. In calendar 2017, the station had 189 calls in its first due area. Of those, Engine 709 responded to 162 calls, only two of which were for structure fires. The benchmark goal for response time is 9:45, and in calendar 2017, Engine 709 met that 50% of the time (out of two calls). This is a very low call volume within the system.

#### 124 Hillandale Station

This station is located on New Hampshire Avenue. This reduction would reduce three shift positions on nights and weekends. The staff would be redeployed to Station 15 (Burtonsville) Monday-Friday from 7:00am to 5:00pm. In calendar 2017, this station had 2,743 calls in its first due area. The reduction of a tower (aerial) unit will increase aerial response times in the Colesville area, although there are aerial units in three of the five surrounding stations. The benchmark response time for Hillandale's aerial unit is 11 minutes. In calendar 2017, the unit met this 66.7% of the time.

#### 125 Germantown Station

This station is located in the middle of Germantown. This reduction would impact three 27/7 positions, which would be redeployed to reduce overtime. In calendar 2017, the station had 3,309 calls in its first due area. The reduction of engine staffing at the station will increase engine response times in central Germantown. The benchmark response time for Germantown is 7:15, and in calendar 2017, the unit met this 62.5% of the time. The Germantown station is in a densely populated part of the County, with 6,180.6 people per square mile.

#### 126 Takoma Park Engine 702 (Four Person Staffing)

This staffing increase was added by Council during the FY18 operating budget discussions. It provides a paramedic position to the Engine and requires five FTEs to staff 24 hours a day, seven days a week. The recruits were added to the January recruit class, but the service has not yet been provided. Implementation was planned for April to align with graduation of the current recruit class.

*Council staff is concerned that these unit reductions will result in service impacts to the surrounding communities. While Council staff agrees with MCFRS and OMB that out of all possible apparatus reductions, these selected cuts would minimize impact to the community, Council staff is concerned that response times in the impacted areas would likely be further delayed. **Council staff recommends, at a minimum, restoring Engine 709 at the Germantown Station and the Tower 729 at the Hillandale station. Restoring these units would reduce savings by \$1,093,000.***

#### **127 Allocate 10% reduction to LFRDs and MCVFRA**

This reduction of Emergency Management Services Transport (EMST) Fund distribution to the LFRDs and MCVFRA would require a change in the current law. Current law mandates a 15% annual distribution to the LFRDs. It is Council staff's understanding that these changes could be made with a sunset or other provision to make their effect temporary.

EMST funds are distributed to LFRDs in October and April of each calendar year. The proposed 10% reduction would be withheld from the April distribution. The last report provided to Council in October indicated that \$2,843,419 was allocated to LFRDs in FY17. The unspent unencumbered balance as of June 30, 2017 was \$2,746,925. **Council staff recommends reducing the amount of savings to 2%, or \$53,691, in keeping with the 2% target rate for all agencies. This reduction would reduce savings by \$214,767.** If the LFRDs and MCVFRA voluntarily agree to this (or any cut), no change in the law would be required. The LFRDs accepted a 2% cut for the FY16 savings plan.

The MCVFRA has indicated that if it takes a 2% reduction, it can eliminate the following items that are currently budgeted with EMST funds:

- Two Lucas Devices (\$35,000)
- MCVFRA Administrative Staff (\$9,000)
- MCVFRA Training (\$9,000)
- Sandy Spring VFD Appropriation (\$4,000)

#### **Proposed Alternative Savings**

In Council staff's view, MCFRS cannot take additional savings in personnel cuts. In the past, MCFRS delayed recruit classes to meet savings plan targets; however, the ultimate result of that action was increased overtime expenditures. MCFRS advises that its overtime expenditures for the first half of FY18 are approximately \$12 million. The FY18 approved operating budget includes \$16.226 million in approved overtime.

As an alternative savings, the Committee may wish to consider delaying the implementation of the newly-approved Mobile Integrated Healthcare program within MCFRS. Delaying this program would reduce expenditures by \$355,988 for FY18. While the program is projected to ultimately save money by targeting and resolving issues experienced by high-volume 911 users, it has not yet been implemented and could be delayed until FY19.

## **Correction and Rehabilitation**

**18 Increase Savings by Lapsing Vacant Positions (-\$500,000).** The Executive advises that a portion of the additional lapse savings will be achieved by reassigning correctional officers from security posts at Montgomery County Detention Center (MCDC) and Community Corrections to reduce overtime in secure confinement. The remaining portion will be achieved by managing vacancies. Council staff notes that in past savings plans, DOCR was asked to increase lapse significantly, when certain critical case management, supervisory, or nursing positions were vacant. Council staff advises DOCR can manage the current proposed lapse increase as submitted. *Council staff recommends approval.*

## **Police Department**

**93 Increase Lapse Based on Analysis Done by OMB and Police (-\$1,523,340).** OMB and the Police Department reviewed the Department's average vacancy rate and compared it to the lapse figure that was assumed in the FY18 approved budget. The savings represents the difference based on updated information. *Council staff advises increased lapse should not have any substantive service impacts, and recommends approval as submitted.*

**94 Increase Lapse Due to Position Exemption Process (-\$763,500).** MCPD will only fill the highest-priority vacancies for the remainder of FY18, leaving lower-priority positions vacant. *Council staff advises increased lapse should not have any substantive service impacts, and recommends approval as submitted.*

**95 Implementation Delay in Next Generation 911 (-\$770,000).** Part of the Emergency Communication Center reorganization includes adopting Next Generation 911 protocols that will, among other things, permit the ECC to take text-to-911 messages. Police and Fire have been working with the Metropolitan Washington Council of Governments (MWCOC) for a regional approach to NG911 service. They have now engaged in a cooperative venture with Fairfax County. As a result, there have been delays in contract and acquisition timelines. There is no change to the overall project cost and there is no impact on ECC operations. *Council staff recommends approval.*

**96 Reduce Contract Security Hours at the COB by Four Hours Per Day (-\$67,977)** The FY18 approved operating budget included new security measures at the COB. Two screening stations are in operation from 6am to 10pm Monday through Friday and from 9am to 7pm on weekends and holidays. *Council staff does not recommend this particular reduction. Council will work with the Police Department to adjust hours as appropriate.*

**97 Reduce Contract Security Spending to Reflect Reduction of One Guard at COB (-\$86,054)** This staffing change occurred mid-year and this item reflects the resulting reduction from the FY18 appropriated amount. *Council staff recommends approval.*

**98 Adjust January Recruit Class to Reflect Lower Attrition (-\$525,452).** The budgeted recruit class size is 46 recruits. The proposed Savings Plan reduces it by 10 recruits, to a class size of 36. Both lower-than-anticipated attrition and a larger July graduating class contribute to the reduced need for more recruits. Police recruit classes are sized to both fill vacancies created by attrition as well as new police officer positions added during the process. This reduction in class size does not impact any new police officer positions that were included in the FY18 operating budget. *Council staff specifically asked if this reduction in the recruit class will impact any of the new Police positions that Council added during the FY18 operating budget. Those include five new patrol officers for 4<sup>th</sup> and 5<sup>th</sup> Districts, as well as one new Sergeant in 6<sup>th</sup> District. These positions will not be impacted by the reduced recruit class size. Council staff recommends approval.*

## Department of Liquor Control

**151-156 Background.** The Executive's FY18 savings plan includes non-tax supported expenditure reductions in the Liquor Fund of -\$1,853,885 and a revenue enhancement of \$1,500,000. OMB reports that the net effect of these changes will be to ensure that the FY18 earnings transfer from the Liquor Fund to the General Fund occurs as budgeted. DLC reduced its internal revenue projections in the first quarter of FY18 due to changes in key revenue and wholesale pricing policies. The \$1.5 million revenue enhancement included in the savings plan is based on updated second quarter data. Of note, the enhancement is compared to DLC's revised first quarter estimate as opposed to the budgeted revenue – so it does not represent a \$1.5 million increase over the budgeted total. The expenditure reductions in the Liquor Fund include both personnel and operating savings. The reductions do eliminate \$779,660 for remodeling DLC retail stores and as a result this will not occur in FY18. Combined, the expenditure restrictions and increased revenue will allow DLC to make the entire \$22.7 million transfer to the General Fund as approved in the FY18 budget. *Council staff recommends approval as submitted.*

### **This packet contains**

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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

January 2, 2018

TO: Hans Riemer, Council President

FROM: Isiah Leggett, County Executive

*Timothy L. Fipertine (for)*

SUBJECT: FY18 Savings Plan

Attached please find my Recommended FY18 Savings Plan for Montgomery County government and the other tax-supported County agencies to help close the \$120 million gap we are facing in our Fiscal Year 2018 operating budget. The attached plan identifies savings of approximately \$60 million from the FY18 operating budget, and approximately \$13 million in current revenue savings from the FY17-22 Capital Improvements Program (CIP). As discussed during our recent briefing on the Fiscal Plan to Council, this shortfall is not a projected shortfall, but rather a real loss of income tax revenue, and therefore we must reduce expenditures to close the budget gap.

Please keep in mind that if this gap is not closed now in FY18, it will place the current budget further out of balance and exacerbate an already difficult FY19. As difficult as the reductions in the attached savings plan may be, additional reductions or savings in FY18 will be necessary to close the \$120 million gap. Executive staff continue to find possible solutions (all of which will be very difficult). I will keep the Council apprised of these measures. I remain committed to submitting an FY19 Recommended Operating Budget that maintains our agreed to reserve levels and ensures our long-term fiscal stability. To do so requires many difficult choices.

Based on updated estimates from the Department of Finance, FY18 revenues are projected to be \$95 million lower than originally anticipated. This shortfall is driven primarily by lower than expected income tax revenues, though we are also experiencing lower than projected revenues from the energy tax and transfer and recordation taxes. The November income tax distribution from the State of Maryland was approximately \$80 million lower than anticipated, and estimates for future distributions have been revised downward as well. We must also recognize a \$25 million budget shortfall from FY17 which increases the FY18 gap to \$120 million.

Despite indicators that suggest strong economic growth, change in taxpayer behavior in the context of proposed changes to the Federal tax code is a key contributing factor in the shortfall seen to date. Illustrating this point, is the fact that the top 50 taxpayers in Montgomery County recognized about 50% less capital gains income in tax year 2016 than they did in the previous year. In addition to the \$95 million shortfall in FY18 and the \$25 million shortfall from FY17, the updated revenue forecasts indicate a shortfall of \$86 million in FY19. The proposed FY18 Savings Plan will reduce costs in the current year and contribute to the effort to avoid a current year budget deficit.

Isiah Leggett, County Executive  
January 2, 2018  
Page 2

I do not expect that our fiscal difficulties will disappear in FY19, and in fact we may find that our revenues are further reduced by a number of factors beyond our control. The recently passed Federal tax legislation could have a negative impact on our revenues. The legislation's full impact on our revenues and our economy, requires complex analysis that the Department of Finance will be conducting. There are other significant pressures that are likely to impact County finances, including continued student enrollment increases, possible cutbacks in both Federal and State funding, and collective bargaining negotiations. With this reality in mind, I have focused my recommended reductions on those that are long term, rather than one-time quick fixes. This requires some difficult decisions. I hope that you will support this approach since it is critical to the County's long-term fiscal health.

The attached savings plan recommends total savings of approximately \$60 million from the FY18 operating budget. I recommend a reduction in County government expenditures of about \$28 million as outlined in the attached plan. The savings initiatives identified for County government include some reductions to services, though we have minimized reductions to the most critical and basic services. I am assuming that the outside agencies receiving County funding will participate as well. I have not defined where these reductions would be taken, but instead I have provided a general target. Their respective boards are in the best position to identify the reductions that would have the least service impacts. The reduction targets for the other County agencies are as follows:

Montgomery County Public Schools (MCPS): \$25.0 million

Montgomery College: \$5.2 million

Maryland-National Capital Park and Planning Commission (MNCPPC): \$2.6 million

In addition, MCPS is asked to continue to review its various fund balances and costs to determine if additional savings are possible.

I am also recommending savings of about \$13.5 million in current revenue from the CIP. This includes approximately \$3.0 million for MCPS, \$3.2 million for Montgomery College, \$1.2 million for M-NCPPC, \$600,000 for the Housing Opportunities Commission, and \$5.5 million for County government. County government's reduction in current revenue funding for FY18 was approximately 21% of the total FY18 current revenue budget allocation. In contrast, I am recommending a reduction of 15% for each of the outside agencies' FY18 current revenue. These current revenue reductions are critical to closing the gap and if not taken, will directly impact funding for FY19.

My savings plan recommendations that are within the CIP and are administered by outside agencies are reflected in affordability project description forms in order to provide them with maximum flexibility. I believe the respective governing bodies of these agencies are in the best position to determine where these reductions should be taken. As requested by Council staff, OMB will provide separately any project description forms for outside agency projects with current revenue so that they can be considered as part of the County Council's public hearing process for CIP amendments.

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Isiah Leggett, County Executive  
January 2, 2018  
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I understand the difficulty that this fiscal situation presents, and I appreciate your consideration of these proposed reductions. If there are specific actions in this plan that the Council is unwilling to approve, I ask that you identify alternative savings initiatives of equal value and of a long-term nature, so that the overall proposed dollar value of savings can be achieved for FY18. It is important to note that at the time of Council approval, there will be less than six months remaining in the fiscal year.

As such, we will need to act quickly to approve and implement the savings plan. Prompt action will allow us to maximize the savings that can be achieved. It is also important to note that any deficit experienced at the end of FY18 will need to be addressed in FY19 budget development. This would be in addition to the \$86 million shortfall already projected for FY19.

I appreciate the Council's willingness to collaborate on this important matter and the expedited scheduling of consideration and approval of the plan. My staff is available to assist the Council in its review of the attached proposal. Thank you for your support of our efforts to minimize the impact of these reductions on our most important services while preserving the fiscal health of the County government.

Executive Recommended FY18 Savings Plan		
Agency	Approved FY18 Budget	Savings Plan Reduction
MCG	1,618,516,292	27,827,660
MCPS	2,368,655,562	25,000,000
College	262,759,376	5,255,188
MNCPPC	131,547,071	2,630,941
<b>Total</b>	<b>4,381,478,301</b>	<b>60,713,789</b>
<b>Notes:</b> 1. Amounts above include only the operating budget, excluding debt service and retiree health insurance. 2. The County Executive's Recommended FY18 Savings Plan also includes capital budget current revenue reductions of \$13.5 million, including \$5.5 million from County government, \$600,000 from the Housing Opportunities Commission, and \$7.3 million from other outside agencies.		

IL:df

Attachment: Recommended FY18 Savings Plan for Montgomery County government and the other tax supported County agencies

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## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Tax-Supported - MCG</b>				
<b><u>General Fund</u></b>				
Agriculture	989,195	-19,784	0	-2.00
Board of Appeals	541,752	-10,835	0	-2.00
Board of Elections	8,213,700	-80,000	0	-0.97
Circuit Court	12,066,554	-241,331	0	-2.00
Community Engagement Cluster	3,772,050	-75,441	0	-2.00
Consumer Protection	2,364,597	-47,292	0	-2.00
Correction and Rehabilitation	66,716,261	-675,000	0	-1.01
County Attorney	6,319,482	-132,126	0	-2.09
County Council	11,651,722	-303,755	0	-2.61
County Executive	5,947,305	-188,100	0	-3.16
Emergency Management and Homeland Security	1,317,571	-26,351	0	-2.00
Environmental Protection	2,907,343	-58,000	0	-1.99
Ethics Commission	429,607	-8,592	0	-2.00
Finance	14,446,096	-288,922	0	-2.00
General Services	30,965,577	-358,583	0	-1.16
Health and Human Services	234,084,840	-4,360,777	-11,625	-1.86
Housing and Community Affairs	7,538,618	-150,772	0	-2.00
Human Resources	8,355,091	-167,102	0	-2.00
Human Rights	1,242,813	-24,856	0	-2.00
Inspector General	1,071,872	-21,437	0	-2.00
Intergovernmental Relations	1,125,673	-22,513	0	-2.00
Legislative Oversight	1,661,695	-33,234	0	-2.00
Management and Budget	4,730,931	-94,619	0	-2.00
Merit System Protection Board	367,688	-7,354	0	-2.00
Non-Departmental Accounts (Select NDAs)	39,765,233	-2,236,238	0	-5.62
Police	275,474,370	-3,816,340	0	-1.39
Procurement	4,512,962	-90,259	0	-2.00
Public Information	5,079,351	-101,587	0	-2.00
Public Libraries	42,437,576	-850,919	0	-2.01
Sheriff	23,366,446	-238,526	0	-1.02
State's Attorney	17,188,455	-213,064	0	-1.24
Technology Services	43,022,058	-860,441	0	-2.00
Transportation	49,809,920	-996,198	0	-2.00
Zoning and Administrative Hearings	689,591	-13,792	0	-2.00
<b>General Fund Total:</b>	<b>930,173,995</b>	<b>-16,814,140</b>	<b>-11,625</b>	<b>-1.81</b>
<b><u>Special Funds</u></b>				
Fire	214,862,420	-2,610,458	0	-1.21
Recreation	37,687,311	-755,897	-2,115	-2.01
Mass Transit	132,226,957	-2,759,889	-115,350	-2.09
Bethesda Urban District	3,174,943	-13,006	0	-0.41
Silver Spring Urban District	3,498,672	-10,793	0	-0.31
Wheaton Urban District	2,016,434	-29,285	0	-1.45
<b>Special Funds Total:</b>	<b>393,466,737</b>	<b>-6,179,328</b>	<b>-117,465</b>	<b>-1.57</b>
<b>Tax-Supported Total:</b>	<b>1,323,640,732</b>	<b>-22,993,468</b>	<b>-129,090</b>	<b>-1.74</b>



## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Non-Tax Supported - MCG</b>				
<u>Enterprise Funds</u>				
Liquor	65,161,319	-1,853,885	1,500,000	-2.85
<b>Enterprise Funds Total:</b>	<b>65,161,319</b>	<b>-1,853,885</b>	<b>1,500,000</b>	<b>-2.85</b>
<u>Special Funds</u>				
Cable TV	16,071,604	-321,432	0	-2.00
<b>Special Funds Total:</b>	<b>16,071,604</b>	<b>-321,432</b>	<b>0</b>	<b>-2.00</b>
<u>Internal Service Funds</u>				
Motor Pool Internal Service Fund	80,056,028	-1,287,965	0	-1.61
<b>Internal Service Funds Total</b>	<b>80,056,028</b>	<b>-1,287,965</b>	<b>0</b>	<b>-1.61</b>
<b>Non-Tax Supported Total:</b>	<b>161,288,951</b>	<b>-3,463,282</b>	<b>1,500,000</b>	<b>-2.15</b>
<b>MCG Total:</b>	<b>1,484,929,683</b>	<b>-26,456,750</b>	<b>1,370,910</b>	<b>-1.78</b>

### Tax Supported - Outside Agencies

Montgomery County Public Schools	2,368,655,562	-25,000,000	0	-1.06
Montgomery College	262,759,376	-5,255,188	0	-2.00
Maryland-National Capital Park and Planning	131,547,071	-2,630,941	0	-2.00

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b><u>Tax-Supported</u></b>			
<b>General Fund</b>			
<b>Agriculture</b>			
1	Reduced UME State Payment	-19,784	0
<b>Agriculture Total:</b>		<b>-19,784</b>	<b>0</b>
<b>Board of Appeals</b>			
2	Printing - Central Duplicating Services	-6,623	0
3	Mail - Central Duplicating Services	-2,660	0
4	Motor Pool	-200	0
5	Miscellaneous Operating Expenses	-1,352	0
<b>Board of Appeals Total:</b>		<b>-10,835</b>	<b>0</b>
<b>Board of Elections</b>			
6	Projected OE Cost Savings	-80,000	0
<b>Board of Elections Total:</b>		<b>-80,000</b>	<b>0</b>
<b>Circuit Court</b>			
7	Arbitration Services	-73,000	0
8	Interpreter Services	-168,331	0
<b>Circuit Court Total:</b>		<b>-241,331</b>	<b>0</b>
<b>Community Engagement Cluster</b>			
9	Turnover Savings - OCP Community Outreach Manager	-32,000	0
10	Turnover savings - Program Manager I - OCP/Gilchrist Center	-13,441	0
11	Administration - Copier Maintenance	-1,500	0
12	Administration - General Office Supplies	-1,500	0
13	Administration - Education/Vocation Supplies	-7,000	0
14	Administration - Central Dup-Printing	-5,000	0
15	Administration - Cellular Phone Line Charges	-5,000	0
16	Administration - Metropolitan Area Travel	-10,000	0
<b>Community Engagement Cluster Total:</b>		<b>-75,441</b>	<b>0</b>
<b>Consumer Protection</b>			
17	Lapse Executive Administrative Aide Position	-47,292	0
<b>Consumer Protection Total:</b>		<b>-47,292</b>	<b>0</b>
<b>Correction and Rehabilitation</b>			
18	Increase savings through lapsing vacant positions	-500,000	0
19	Reduce Staff Training	-175,000	0
<b>Correction and Rehabilitation Total:</b>		<b>-675,000</b>	<b>0</b>
<b>County Attorney</b>			

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
20	Increase Lapse - (Administrative Specialist II position)	-85,178	0
21	Increase Lapse - (ESI - Assistant County Attorney III)	-46,948	0
<b>County Attorney Total:</b>		<b>-132,126</b>	<b>0</b>
<b>County Council</b>			
22	Cost reduction from staff changes	-226,905	0
23	Projected Contractor OE savings	-76,850	0
<b>County Council Total:</b>		<b>-303,755</b>	<b>0</b>
<b>County Executive</b>			
24	Lapse Savings	-188,100	0
<b>County Executive Total:</b>		<b>-188,100</b>	<b>0</b>
<b>Emergency Management and Homeland Security</b>			
25	Reduction of OEMHS Computers and other equipment Repair/Maintenance	-20,000	0
26	Reduction of OEMHS Temporary Para-Professional Services	-6,351	0
<b>Emergency Management and Homeland Security Total:</b>		<b>-26,351</b>	<b>0</b>
<b>Environmental Protection</b>			
27	Additional Lapse	-58,000	0
<b>Environmental Protection Total:</b>		<b>-58,000</b>	<b>0</b>
<b>Ethics Commission</b>			
28	Reduction in Other Professional Services	-8,592	0
<b>Ethics Commission Total:</b>		<b>-8,592</b>	<b>0</b>
<b>Finance</b>			
29	Increase Chargebacks for Property Tax Billing & Collection Services - Solid Waste, Water Quality, Leaf Vacuuming	-116,327	0
30	Lapse Savings from Vacant Positions	-172,595	0
<b>Finance Total:</b>		<b>-288,922</b>	<b>0</b>
<b>General Services</b>			
31	Libraries Deferred Maintenance	-150,000	0
32	Recreation Deferred Maintenance	-100,000	0
33	Turnover Savings	-108,583	0
<b>General Services Total:</b>		<b>-358,583</b>	<b>0</b>
<b>Health and Human Services</b>			
34	DO - Planning Accounting and Customer Service Consulting Services (Partnership for Action Learning Sustainability)	-15,000	0
35	CYF - CentroNia PreK contract	-102,600	0
36	OCOO - Budget Team Contract	-36,000	0
37	OCOO - IT Contracts	-966,284	0
38	OCA - African American Health Program McFarland and Associates, Inc., Contract	-17,371	0
39	CYF - Family Services Inc. Early Childhood Staffing contract	-3,000	0

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## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
40	CYF - High School Wellness Center OE funds	-10,904	0
41	CYF - NCCF (National Center for Children and Families) Respite Program	-51,558	0
42	CYF - EveryMind Regional Youth Services (RYS) contract	-2,000	0
43	CYF - Family Services, Inc. Regional Youth Services (RYS) contract	-4,500	0
44	CYF - YMCA Youth and Family Services	-22,500	0
45	CYF - City of Rockville Regional Youth Services (RYS) contract	-2,500	0
46	CYF - YMCA Youth and Family Services	-10,500	0
47	CYF - Washington Youth Foundation Tutoring contract	-2,402	0
48	CYF - Washington Youth Foundation Mentoring contract	-3,556	0
49	CYF - Family Learning Solutions contract	-2,777	0
50	PHS-CD&E: Drugs and Medicine for Treatment of an Outbreak	-49,000	0
51	CYF - George B. Thomas Sr. Learning Academy contract	-48,276	0
52	PHS-Chief's Office: Temporary Office Clerical	-10,000	0
53	CYF - Maryland Vietnamese Mutual Tutoring contract	-3,627	0
54	CYF - State Child Care Supplement	-126,070	0
55	PHS-Dental Services Contract with Dentist and Dental Hygienist	-38,980	-11,625
56	CYF - Center for Adoption Support and Education (CASE) Post-Adoption Services contract	-25,000	0
57	PHS-Dental Services PCC Dental Assistant	-40,000	0
58	PHS-Maternity Partnership	-165,635	0
59	A&D - Community Support Network , Summer Camps	-85,000	0
60	PHS-Montgomery Cares PCC Behavioral Health Services	-18,411	0
61	A&D - Community Support Network, Sign Language contract	-35,660	0
62	PHS-Montgomery Cares PCC Personnel Savings	-175,715	0
63	A&D - Community Support Network, Emergency Shelter Services	-15,000	0
64	PHS-Montgomery Cares Preventive Screenings	-43,320	0
65	A&D - Community Support Network, Emergency Nursing Services contract	-15,000	0
66	PHS-SHS Cardinal Health Purchase Order	-10,000	0
67	PHS-SHS Catholic University of America Purchase Order	-20,000	0
68	SNH - Reduce Emergency Housing Assistance	-189,397	0
69	Additional Personnel Lapse Savings	-1,399,919	0
70	OCA - Asian American Health Program Primary Care Coalition Contract	-42,243	0
71	OCA - Latino Health Initiative Ama Tu Vida Campaign	-10,000	0
72	OCA - Primary Care Coalition Contract (Leadership Institute for Equity and the Elimination of Disparities)	-12,000	0
73	OCA - CASA de Maryland Contract (Employment, Training and Supportive Services)	-17,561	0
74	BHCS - Shared Psychiatrists for County Outpatient Mental Health Clinics	-220,000	0
75	BHCS - Shelter Plus Care Contract (Case Management Services)	-42,000	0
76	BHCS - CorrectRX Contract (Drugs & Medicine)	-40,000	0
77	BHCS - Psychiatrist contract budget for ACCESS/Crisis Center	-18,995	0
78	BHCS - Mental Health Court	-190,516	0
<b>Health and Human Services Total:</b>		<b>-4,360,777</b>	<b>-11,625</b>

### Housing and Community Affairs

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
79	Partial Lapse of Vacant Positions	-150,772	0
<b>Housing and Community Affairs Total:</b>		<b>-150,772</b>	<b>0</b>
<b>Human Resources</b>			
80	Consultant Services	-150,000	0
81	Miscellaneous Expenses	-13,450	0
82	Office Supplies	-3,652	0
<b>Human Resources Total:</b>		<b>-167,102</b>	<b>0</b>
<b>Human Rights</b>			
83	Increase Lapse	-24,856	0
<b>Human Rights Total:</b>		<b>-24,856</b>	<b>0</b>
<b>Inspector General</b>			
84	Deferred Engagement of Subject Matter Expert	-21,437	0
<b>Inspector General Total:</b>		<b>-21,437</b>	<b>0</b>
<b>Intergovernmental Relations</b>			
85	Professional Services - Federal Consultant Services	-22,513	0
<b>Intergovernmental Relations Total:</b>		<b>-22,513</b>	<b>0</b>
<b>Legislative Oversight</b>			
86	Lapse Savings	-26,234	0
87	Reductions in Consultant Services and Training	-7,000	0
<b>Legislative Oversight Total:</b>		<b>-33,234</b>	<b>0</b>
<b>Management and Budget</b>			
88	Increased lapse and turnover savings	-80,819	0
89	Chargeback to White Flint Redevelopment Program CIP (P151200)	-13,800	0
<b>Management and Budget Total:</b>		<b>-94,619</b>	<b>0</b>
<b>Merit System Protection Board</b>			
90	Training Reduction	-2,354	0
91	Consultant Services	-5,000	0
<b>Merit System Protection Board Total:</b>		<b>-7,354</b>	<b>0</b>
<b>Police</b>			
92	Liquidate Prior Year Purchase Orders	-80,017	0
93	Increase Lapse based on analysis by OMB and Police	-1,523,340	0
94	Increase Lapse due to position exemption process	-763,500	0
95	Implementation Delays in Next Generation 911	-770,000	0
96	Reduce Contract Security Hours of Council Office Building by Four Hours per Day	-67,977	0
97	Reduce Contract Security Spending to Reflect One Fewer Guard Than Budgeted Posted at COB	-86,054	0
98	Adjust January recruit class size to reflect lower attrition in department	-525,452	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b>Police Total:</b>		<b>-3,816,340</b>	<b>0</b>
<b>Procurement</b>			
99	Recruit an Entry Level PAA Hire	-8,975	0
100	Reduce the Number of Computer Rentals	-3,000	0
101	Reduce the Number of General Office Supplies	-1,000	0
102	Reduce the Number of Computer Software Licenses	-8,000	0
103	Reduce the Number of Other Supplies and Materials	-4,000	0
104	Reduce the Number of Outside Production Reports	-3,000	0
105	Reduce the Number of Outside Overnight Mail/Courier Deliveries	-2,089	0
106	Reduce the Number of Professional Meetings Hosted	-8,000	0
107	Eliminate the Number of Advertising/Contract Solicitations Assisted by the Office of Procurement	-1,000	0
108	Lapse a Part Time Procurement Specialist II	-51,195	0
<b>Procurement Total:</b>		<b>-90,259</b>	<b>0</b>
<b>Public Information</b>			
109	Projected Unused Interpreter Service	-34,000	0
110	Temporary Office Clerical	-27,000	0
111	Other Education - Training	-38,087	0
112	Professional Memberships	-2,500	0
<b>Public Information Total:</b>		<b>-101,587</b>	<b>0</b>
<b>Public Libraries</b>			
113	Turnover Savings	-850,919	0
<b>Public Libraries Total:</b>		<b>-850,919</b>	<b>0</b>
<b>Sheriff</b>			
114	Keep Principal Administrative Aide position open through end of FY18	-50,205	0
115	Keep Client Assistance position open through end of FY18	-73,885	0
116	Reduce January 2018 Academy class size by 3 recruits	-114,436	0
<b>Sheriff Total:</b>		<b>-238,526</b>	<b>0</b>
<b>State's Attorney</b>			
117	Delay Hiring Two Senior Legal Assistant Positions	-24,812	0
118	Turnover Savings	-125,852	0
119	Increase Lapse	-62,400	0
<b>State's Attorney Total:</b>		<b>-213,064</b>	<b>0</b>
<b>Technology Services</b>			
120	Increase Lapse	-860,441	0
<b>Technology Services Total:</b>		<b>-860,441</b>	<b>0</b>
<b>Transportation</b>			
121	Lapse and Turnover Savings	-996,198	0

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## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
Transportation Total:		-996,198	0
<b>Zoning and Administrative Hearings</b>			
122	Reduction in Consultant Fees	-13,792	0
Zoning and Administrative Hearings Total:		-13,792	0
General Fund Total:		-14,577,902	-11,625
<b>Fire</b>			
<b>Fire and Rescue Service</b>			
123	Hyattstown Engine 709	-899,000	0
124	Hillandale Tower 724	-494,000	0
125	Germantown Engine 729	-499,000	0
126	Four Person Staffing on Takoma Park Engine 702	-450,000	0
127	Allocate 10% reduction to LFRDs and MCVFRA	-268,458	0
Fire and Rescue Service Total:		-2,610,458	0
Fire Total:		-2,610,458	0
<b>Recreation</b>			
<b>Recreation</b>			
128	Aquatics OE Reduction	-15,000	0
129	Reduce the Distribution of Recreation Guides	-25,000	0
130	Countywide Programs OE Reduction	-49,371	0
131	Community Centers Reduction to OE	-112,239	0
132	Reduce Health & Wellness Program	-60,000	0
133	Administration Reduction to OE	-10,876	0
134	PLAR Reduction to OE	-100,000	0
135	Increase Lapse - Principal Admin Aide Position	-28,119	0
136	Youth Development OE Reduction	-68,305	0
137	Reduce Senior Transportation	-42,250	-2,115
138	Turnover Savings	-63,400	0
139	Reduction of Seasonal Staffing in Facilities	-62,111	0
140	Align budget with spending - Therapeutics and Senior programming within Regional Areas	-41,300	0
141	Lapse Vacant Positions	-77,926	0
Recreation Total:		-755,897	-2,115
Recreation Total:		-755,897	-2,115
<b>Bethesda Urban District</b>			
<b>Urban Districts</b>			
142	Turnover savings - Program Specialist II	-13,006	0
Urban Districts Total:		-13,006	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b>Bethesda Urban District Total:</b>			
		<b>-13,006</b>	<b>0</b>
<b>Silver Spring Urban District</b>			
<b>Urban Districts</b>			
143	Safe Team - other communication services	-5,000	0
144	Clean Team - Other equipment repair/maintenance	-1,000	0
145	Streetscape Maintenance - equipment repair/maintenance	-4,793	0
<b>Urban Districts Total:</b>		<b>-10,793</b>	<b>0</b>
<b>Silver Spring Urban District Total:</b>		<b>-10,793</b>	<b>0</b>
<b>Wheaton Urban District</b>			
<b>Urban Districts</b>			
146	Turnover Savings - Wheaton UDPSA	-14,645	0
147	Turnover Savings II - Wheaton UDPSA	-14,640	0
<b>Urban Districts Total:</b>		<b>-29,285</b>	<b>0</b>
<b>Wheaton Urban District Total:</b>		<b>-29,285</b>	<b>0</b>
<b>Mass Transit</b>			
<b>Transit Services</b>			
148	Bus Fleet Replacement Savings	-2,027,141	0
149	Defer start up of Limited Stop Ride On Service on US 29	-732,748	-115,350
<b>Transit Services Total:</b>		<b>-2,759,889</b>	<b>-115,350</b>
<b>Mass Transit Total:</b>		<b>-2,759,889</b>	<b>-115,350</b>
<b>Tax-Supported Total:</b>		<b>-20,757,230</b>	<b>-129,090</b>

### Non-Tax Supported

#### **Cable TV**

##### **Cable Television Communications Plan**

150	Vacant Position Lapse	-321,432	0
<b>Cable Television Communications Plan Total:</b>		<b>-321,432</b>	<b>0</b>
<b>Cable TV Total:</b>		<b>-321,432</b>	<b>0</b>

#### **Liquor**

##### **Liquor Control**

151	Retail Store Remodels	-779,660	0
152	Liquidate FY18 Purchase Orders	-157,613	0
153	Personnel Savings	-350,000	0
154	Reduce OE for Supplies and Materials to align with paperless processes	-250,000	0

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
155	Master Lease 3 Delivery Trucks	-316,612	0
156	FY18 Revised Revenue Estimate	0	1,500,000
Liquor Control Total:		-1,853,885	1,500,000
Liquor Total:		-1,853,885	1,500,000
Non-Tax Supported Total:		-2,175,317	1,500,000
MCG Total:		-22,932,547	1,370,910

## FY18 Savings Plan

Ref. No	Title	Total \$	Revenue
<b><u>Tax-Supported</u></b>			
<b>Montgomery County Public Schools</b>			
157	FY18 Savings Plan	-25,000,000	0
Montgomery County Public Schools Total:		-25,000,000	0
Current Fund MCPS Total:		-25,000,000	0
<b>Montgomery College</b>			
158	FY18 Savings Plan	-5,255,188	0
Montgomery College Total:		-5,255,188	0
Current Fund MC Total:		-5,255,188	0
<b>Maryland-National Capital Park and Planning Commission</b>			
159	FY18 Savings Plan	-2,630,941	0
Maryland-National Capital Park and Planning Commission Total:		-2,630,941	0
Park Fund Total:		-2,630,941	0

**Office of Emergency Management and Homeland Security (OEMHS)**  
**FY18 Savings Plan Discussion**

The OEMHS General Fund savings plan includes two items totaling \$26,351, which combined reflect a 2.0 percent reduction from OEMHS' General Fund budget of \$1,317,571 and an 11.3 percent reduction from OEMHS' approved General Fund operating expenses of \$233,921.<sup>1</sup>

OEMHS and OMB staff provided additional background information on these reductions which Council Staff has summarized below.

1) \$20,000 reduction for computers and other equipment repair/maintenance

*Background Information:* A portion of these funds would have been used for general replacement of equipment such as monitors in the Emergency Operations Center (EOC). The monitors could potentially be purchased with grant funds, but these would not likely be available until FY 19. The remainder these funds are reserved for emergency repairs or replacement of equipment in the primary and secondary emergency operations center. There are five monitors left to be replaced in the EOC, and that will be delayed. OEMHS has indicated that it is comfortable with the remaining repair/maintenance reserve for FY18 after this reduction.

*Council Staff Recommendation:* Approve this reduction

2) -\$6,351 for temporary para-professional services

*Background Information:* The funds for a temporary professional were originally budgeted to assist with tasks related to the Hazardous Materials Permitting Program. Upgrades to the system have reduced the time required to do some functions, allowing that time to be used by the program manager for the administrative tasks. Some of that funding was going to be reallocated for short-term projects related to grant management. That work will now be done in-house as time allows.

*Council Staff Recommendation:* Approve this reduction

Dr. Earl Stoddard, Director, OEMHS and Michael Goldfarb, Chief, Administration and Finance, OEMHS will be available at the Public Safety Committee to answer questions.

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<sup>1</sup> Given that many departments identified additional position turnover/lapse savings in their FY18 Savings Plans, Council Staff asked OEMHS and OMB about OEMHS' turnover/lapse situation. They indicated that they do not expect any lapse beyond what was already assumed in the FY18 Budget.

**Farag, Susan**

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**From:** Howard, Craig  
**Sent:** Tuesday, January 16, 2018 4:42 PM  
**To:** Farag, Susan  
**Subject:** DLC write-up

Hi Susan – Below is my DLC write-up for the PS packet, let me know if you have any questions or need anything else.  
Thanks!

**151-156      Liquor Control**

*Background.* The Executive's FY18 savings plan includes non-tax supported expenditure reductions in the Liquor Fund of -\$1,853,885 and a revenue enhancement of \$1,500,000. **OMB reports that the net effect of these changes will be to ensure that the FY18 earnings transfer from the Liquor Fund to the General Fund occurs as budgeted.** DLC reduced its internal revenue projections in the first quarter of FY18 due to changes in keg revenue and wholesale pricing policies. The \$1.5 million revenue enhancement included in the savings plan is based on updated second quarter data. Of note, the enhancement is compared to DLC's revised first quarter estimate as opposed to the budgeted revenue – so it does not represent a \$1.5 million increase over the budgeted total. The expenditure reductions in the Liquor Fund include both personnel and operating savings. The reductions do eliminate \$779,660 for remodeling DLC retail stores and as a result this will not occur in FY18. Combined, the expenditure restrictions and increased revenue will allow DLC to make the entire \$22.7 million transfer to the General Fund as approved in the FY18 budget.

**Craig Howard** | Senior Legislative Analyst | [REDACTED]  
Montgomery County Council  
100 Maryland Avenue | Rockville, MD 20850

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1. Please provide the call volumes, square miles, and population for these stations.

Fire Station	CY2017 Incidents in the First Due	Population 2010	Area (sq. mi)	2010 Population Density (people/sq. mi)
29 Germantown	3,309	28,925	4.7	6,180.6
24 Hillandale	2,743	24,176	10.4	2,322.4
09 Hyattstown	189	1,351	15.4	87.6

2. Please provide current benchmark response times for each unit and call type.

CY2017 First Engine to Fire Full Assignment			
Fire Station	Benchmark Goal	Benchmark Met Count	Met Benchmark Goal %
09-Hyattstown	9:45	1	50.0%
29-Germantown	7:15	10	62.5%

CY2017 First Aerial to Fire Full Assignment			
Fire Station	Benchmark Goal	Benchmark Met Count	%Benchmark
24-Hillandale	11:00	4	66.7%

3. How will reductions at Hyattstown, Hillandale, and Germantown impact response times and coverage in those areas?

The proposed reductions were put forth because we believe that of all possible reductions, these have the least impact on field operations and the community.

The reduction of engine staffing at FS09 Hyattstown will increase response times for the limited number of first due calls received for this engine. This engine has the lowest call load in the County. Of the 162 calls that E709 responded to in FS09's area, only 2 were for structure fires. Other units will respond from surrounding stations.

The reduction of tower (aerial) staffing at FS24 Hillandale will increase aerial response times in the Colesville area. However, there are aerial units in three of the five surrounding stations. Other aerals will respond from surrounding stations.

The reduction of engine staffing at FS29 Germantown will increase *engine* response times in central Germantown. When an engine isn't required, the medic unit or rescue squad will respond with no increase in response times.

4. Are these reductions cuts in staff, or will they be deployed elsewhere?

Staff occupying positions that are reduced will be redeployed to reduce overtime.

- PE709 would be a reduction of three 24/7 positions.
  - AT724 would be a reduction of three shift positions on nights/weekends.
    - Three shift positions would be redeployed to FS15 Monday-Friday from 0700-1700
  - PE729 would be a reduction of three 24/7 positions
5. The Takoma Park 4 person-staffing was added on the Reconciliation List in the FY18 budget. It provided 1 paramedic position, requiring 5 staff to provide 24/7 coverage. This has not yet been implemented in FY18, correct?

Takoma Park 4 person-staffing has not yet been implemented. Implementation was planned for April to align with graduation of the recruit class.

6. What was the rationale for the 10% reduction to LFRDs and MCVFRA?

The types of expenditures funded by EMST distributions to the LFRDs, while important, are not as critical to sustaining the day to day fire and rescue operations at the core of MCFRS's mission as those funded through the department's base budget. While the reduction represents ten percent of EMST distributions to the LFRDs, it does not include other payments to the volunteers such as funding for the Montgomery County Volunteer Fire Rescue Association, the Length of Service Award Program, or nominal fees that support the volunteers.

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## Farag, Susan

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**From:** Silberman, Rachel  
**Sent:** Tuesday, January 16, 2018 3:44 PM  
**To:** Farag, Susan  
**Cc:** Newton, Jelani; Bryant, Jennifer; Hughes, Jennifer  
**Subject:** Executive Rationale - DOCR and MCFRS Savings Plan Options

Hi Susan –

Thanks for your time this morning. I wanted to provide more clarification on the rationale for the DOCR and MCFRS reductions (below).

The FY18 CE Recommended DOCR and MCFRS Savings Plan items were proposed by the departments and selected by the Executive as the least impactful way to help close the \$120 million FY18 gap faced by County. Without these savings, the savings needed in FY19 will be significantly greater and the necessary reductions more painful.

### DOCR

- Reduce Staff Training (\$175,000) – DOCR will realize efficiencies by streamlining delivery of Appreciate Inquiry Findings so that staff can be trained in shorter 20 minute increments to reduce overtime costs. The department already begun planning for implementation.
- Lapse Savings (\$500,000) – DOCR has demonstrated its ability to achieve lapse savings at this level in prior fiscal years without negatively impacting programs. As previously described, a portion of the additional lapse savings will be achieved by reassigning correctional officers from security posts at MCDC and Community Corrections to reduce overtime in secure confinement. The remaining portion will be achieved by managing vacancies.

### MCFRS

- Proposed MCFRS reductions are based on extensive data analysis by the department to optimize the use of resources. The department reductions were selected to minimize impact on operations, response times, and the number of community members impacted.
- The department's reductions eliminate the least utilized engine in the system (Hyattstown 709), Hillandale Tower 724 for which there are tower engines at 3 of the 5 neighboring stations, and Germantown Engine 729 which impacts only engine response and not medic unit or rescue squad response times. This savings will reduce overtime, and not effect headcount.
- As previously noted, the proposed reduction to EMST distribution to the LFRDs does not affect other payments to the volunteers such as funding for the Montgomery County Volunteer Fire Rescue Association, the Length of Service Award Program, or nominal fees that support the volunteers. Together, these additional payments total \$1.9 million.

Rachel Silberman  
Office of Management and Budget  
101 Monroe Street, 14<sup>th</sup> Floor  
Rockville, MD 20850  
[REDACTED]  
[REDACTED]

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## Farag, Susan

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**From:** Silberman, Rachel  
**Sent:** Friday, January 12, 2018 12:32 PM  
**To:** Farag, Susan  
**Cc:** Green, Robert; Bryant, Jennifer; Beckley, Kaye; Newton, Jelani  
**Subject:** FW: Savings Plan

Hi Susan –

Answers to your questions on DOCR savings plan items are below. Please let us know if you have any additional questions.

Thanks,

Rachel

**From:** Farag, Susan  
**Sent:** Wednesday, January 10, 2018 9:21 AM  
**To:** Green, Robert <[REDACTED]>; Beckley, Kaye  
<[REDACTED]>  
**Cc:** Silberman, Rachel <[REDACTED]>  
**Subject:** Savings Plan

Hi, all,

Just a couple of short questions. About this. Could you get me responses by Tuesday, the 16<sup>th</sup>? The Public Safety Committee will hold a worksession on all the public safety agency savings plan cuts on January 19, at 1:30pm, in 7CHR.

1. How many positions will be held vacant with the additional lapse?

A portion of the additional lapse savings will be achieved by reassigning correctional officers from security posts at MCDC and Community Corrections to reduce overtime in secure confinement. The remaining portion will be achieved by managing vacancies.

2. What type of staff training will be reduced?

The department was on schedule with the implementation of the Appreciative Inquiry Findings to all staff throughout the department. In the Detention Services Division this required a great deal of overtime due to backfill of 24/7 positions. We had planned to utilize up to \$175,000 to complete the training and fully implement. With this budget decrease, we have begun meetings to implement an alternative delivery method limiting overtime use. We will use the roll call environment where we are limited to 20 minute information sessions up to 3 times per week.

Thanks!

Susan  
[REDACTED]



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## Farag, Susan

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**From:** Silberman, Rachel  
**Sent:** Thursday, January 11, 2018 4:39 PM  
**To:** Levchenko, Keith  
**Cc:** Stoddard, Earl P.; Goldfarb, Michael; Farag, Susan; Bryant, Jennifer; Newton, Jelani  
**Subject:** RE: FY18 OEMHS Savings Plan

Hi Keith –

Please find responses to your questions below. Please let us know if you have any additional questions.

Thanks,

Rachel

**From:** Levchenko, Keith  
**Sent:** Monday, January 8, 2018 12:30 PM  
**To:** Stoddard, Earl P. <Earl.Stoddard@montgomerycountymd.gov>; Goldfarb, Michael <Michael.Goldfarb@montgomerycountymd.gov>; Silberman, Rachel <Rachel.Silberman@montgomerycountymd.gov>  
**Cc:** Farag, Susan <Susan.Farag@montgomerycountymd.gov>  
**Subject:** FY18 OEMHS Savings Plan

Earl, Michael, and Rachel:

I hope you had a good holiday break. The Council will be taking up the CE's departmental savings plans very quickly. The Public Safety Committee's review of savings plans (including the OEMHS General Fund budget) is on Friday, January 19 at 9:30 AM (7CHR). Susan Farag will be responsible for putting together the overall packet for all the PS Committee related items, but I will forward her my analysis for the OEMHS DEP General Fund savings plan portion of her packet.

The OEMHS General Fund savings plan includes two items:

- -\$20,000 for computers and other equipment repair/maintenance
- -\$6,351 for temporary para-professional services

I would appreciate more detail regarding these reductions including:

- 1) Please describe whether either of these savings items reflect actual reductions in equipment or services you would otherwise have procured this year and/or whether these reductions will have any service impact. If yes, please describe. If no, please indicate how the savings were identified.

A portion of the funds under 'computers and other equipment maintenance' would have been used for general replacement of equipment such as monitors in the Emergency Operations Center. The monitors could potentially be purchased with grant funds, but they would not likely be available until FY 19.

The remainder of that budget line is reserved for emergency repairs or replacement of equipment in the primary and secondary emergency operations center. There are five monitors left to be replaced in the EOC, and that will be delayed.

The funds for a temporary professional were originally budgeted to assist with tasks related to the Hazardous Materials Permitting Program. Upgrades to the system have reduced the time required to do some functions, allowing that time to be used by the program manager for the administrative tasks. Some of that funding was going to be reallocated for short-term projects related to grant management. That work will now be done in-house as time allows.

- 2) Are these savings one-time reductions which will need to be funded in the FY18 budget or do these savings result in a reduction in the OEMHS base budget going forward?

These are one-time budget savings. OEMHS is comfortable with the remaining repair / maintenance reserve for FY18.

- 3) Will these savings match OEMHS' 2<sup>nd</sup> Quarterly Analysis, or are you expecting additional FY18 savings beyond these reductions?

Because we have not yet encountered any sustained emergencies this fiscal year, our general fund spending is trending under budget. However, we try and defer our yearly supplies and equipment purchases to the end of the budget year to ensure that we have adequate funding for a potential emergency response. Assuming the trend continues the remainder of this fiscal year, there may be additional savings.

- 4) A number of savings plans from other departments have noted increased lapse as a source of savings. Does OEMHS expect to experience lapse beyond what it had assumed in its FY18 budget approved last May?

No. OEMHS does not expect lapse beyond what was approved in the FY 18 budget.

Anything you can provide me within the next few days would be very helpful.

Thanks,

**Keith Levchenko**

Senior Legislative Analyst

Montgomery County Council Staff  
100 Maryland Avenue, 4th Floor, Rockville, MD 20850



Handwritten signature and date "18/6" in a circle.

## Council Questions – Sheriff's Office - FY18 Savings Plan

1. Do either of the positions you intend to hold vacant have anything to do with the body camera pilot project? No
2. What was the original number of anticipated recruits for the January class? 15 recruits were originally planned for the January 2018 academy class. However, as part of the FY18 Savings Plan, the recruit class number will be reduced to 12.
3. Could you provide your most recent quarterly overtime stats? Is overtime up or down?  
According to the Oracle BI tool, overtime for the Sheriff's Office is right about the same as FY17 at the end of the second quarter. However, since FY14 (see bottom chart) overtime expenditures have dropped each year. The savings has been attributed to the use of best practices for monitoring overtime as well as staff turnover. In addition, the six additional deputies added to the complement in FY17 allows for appropriate coverage during critical times while incurring less overtime.

Overtime Expenditure - FY18			
Budget	Q1	Q2	Balance
257,197	102,709	134,250	20,238

FY14		FY15		FY16		FY17		FY18	
Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual - YTD
257,197	634,051	257,197	572,909	257,197	534,297	257,197	514,626	257,197	236,959

4. Do you anticipate a significant number of retirements in the upcoming year? If so, how many, and when?

**FY18**, three will separate from duty:

- one Lieutenant will retire at the end of February
- one Sergeant will retire at the end of March
- one Deputy III will retire end of March

**FY19**, the Sheriff's Office anticipates 11 participants in the DROP program will separate from duty between August 31, 2018 and April 30, 2019 (an eight-month period):

- two Captains
- four Lieutenants
- four Sergeants
- one Deputy III

**MEMORANDUM**

January 17, 2018

TO: Transportation, Infrastructure, Energy, and Environment Committee

FROM: Glenn Orlin, Deputy Council Administrator

SUBJECT: FY18 Budget Savings Plan

This worksession will address the portion of the County Executive's proposed FY18 Budget Savings Plan that falls under the T&E Committee's portfolio: the Departments of Environmental Protection, General Services (including Motor Pool), and Transportation. Attached are:

- the Executive's transmittal letter (©1-3);
- the proposed Operating Budget spending reductions for each department, agency, and fund, with the percentage reduction for each - those to be addressed by the Committee are highlighted with an "→" (©4-5);
- the proposed Capital Improvements Program (CIP) reductions by project description form (PDF) - those to be addressed by the Committee are highlighted with an '→' (©6).

**I. Department of Environmental Protection (DEP) – Keith Levchenko, analyst**

The DEP General Fund savings plan includes one item (Additional Lapse) totaling \$58,000, which is a 2.0 percent reduction from DEP's General Fund budget of \$2,907,343. DEP and OMB staff provided additional background information on these reductions which Council Staff has summarized below.

- *\$58,000 reduction for additional lapse.* DEP has experienced some unexpected turnover of some General Fund positions and will also achieve additional lapse savings (above FY18 budgeted levels) from prior delays in filling some positions and in holding some positions vacant longer. Overall, DEP has several vacant positions supported by the General Fund including:
- Manager III (Division of Environmental Policy and Compliance), 1.0 General Fund FTE
- Program Manager II (Division of Environmental Policy and Compliance), 1.0 General Fund FTE
- Manager II (Water & Waste Water Policy Group), .89 General Fund FTE
- IT Specialist I (WQPC & Technology Services), .30 General Fund FTE
- Department Director, .20 General Fund FTE

**Council staff recommends approving this reduction.**

## II. Department of General Services (DGS) – Linda Price, analyst

The proposed savings plan includes three reductions to the DGS Operating Budget:

- Libraries Deferred Maintenance - \$150,000
- Recreation Deferred Maintenance - \$100,000
- Turnover Savings - \$108,583

In FY18, the Council added \$150,000 to the Department of Public Libraries and \$100,000 to the Department of Recreation for enhanced cleaning and deferred maintenance activities. These items were first added back to the DGS Operating Budget in FY16, but were cut during the Council's review of the FY16 Savings Plan. The proposed savings plan would again cut funding for these activities.

Funding for enhanced deep cleaning activities were included in the FY17 Operating Budget. DGS encumbered \$222,458 for deep cleaning services at recreation centers and libraries late in FY17 and the services were performed in early FY18. In FY18, DGS has encumbered \$224,000 for deep cleaning services at recreation centers and libraries. DGS plans to coordinate with both departments to use the remaining funding to address the most pressing needs.

The final proposed reduction of \$108,583 is from turnover savings from several vacant positions:

Building Services Worker II	\$3,563
Plumber 1	\$4,279
Plumber 1	\$4,279
Energy Management Systems Tech	\$12,236
Program Manager I	\$6,611
Manager II	\$11,581
Manager II	\$32,644
Manager I	\$33,388

**Council staff recommends approving these reductions.**

## III. Motor Pool Nondepartmental Account – Susan Farag, analyst

- *\$1,000,000 reduction from a proposed delay in replacement vehicles.* The proposed savings plan reduces expenditures on replacement fleet vehicles by delaying half of all automobile replacements through the remainder of FY18. The approved FY18 operating budget includes \$7.8 million for vehicle replacement:

FY18 Vehicle Replacements, by Fleet Type			
Fleet	Number of Replacements	Total Replacement Funds	Percent of Funds
Public Safety	129	\$ 3,603,402	46.19%
Administrative	19	\$ 562,679	7.21%
Heavy Equipment	53	\$ 3,634,768	46.59%
Totals	201	\$ 7,800,849	100.00%

The Division of Fleet Management Services (DFMS) was also expected to spend an additional \$2 million in FY18 on accident and unanticipated repair vehicle replacements. Council staff requested information on what vehicles remained for replacement this year. OMB advises that DFMS could not determine replacements at this time, but that unanticipated repair vehicle replacements would be prioritized and that Police Personal Patrol Vehicle (PPV) replacement would not be delayed. **Council staff has asked for additional information on what vehicles are left to be replaced and whether this impacts just automobiles, or also heavy equipment. Depending on the information provided by DFMS, additional savings may be possible.**

- *\$287,965 reduction from holding open current vacancies.* Council staff advises this reduction should not have any substantive impact and recommends approval.

#### IV. Department of Transportation (DOT) – Glenn Orlin, analyst

- *\$996,198 reduction from additional lapse and turnover savings (General Fund).* This reduction would apply only to the personnel costs in the Director's office, the Division of Highway Services, the Division of Traffic Engineering & Operations, and, to a limited degree, the Division of Transportation Engineering, which is funded primarily through CIP chargebacks. DOT has approximately 115 created positions, excluding the Transit Division positions, that are either currently vacant or were vacant for a portion of FY18; not all of these positions were included in the FY18 Budget. It is expected that the savings from the budgeted positions will cover both their budgeted lapse, as well as the additional \$996,198 savings in personnel costs. DOT will continue to manage their personnel complement over the course of FY18 to meet operational needs to ensure that services are not significantly impacted, while achieving the additional savings. To date, DOT has underspent their personnel budget, and is on track to meet the savings requirement at the end of the year.

However, with positions being vacant, some activities may experience delays. For example, in Highway Services there will be longer times to investigate and follow-up on service requests, less frequent mowing medians and along roadsides, and fewer tree inspections. In Traffic Engineering & Operations there will be fewer traffic investigations and studies conducted in response to requests for new traffic signals and stop signs, traffic calming measures, and on-street parking issues. There will be fewer evaluations of complaints regarding traffic signal timing, and fewer installation of new or replacement of damaged or missing signs, especially those that are not critical for public safety.

The reduction would *not* apply to operating costs. Therefore, tasks performed by contractors—pothole repair and emergency tree trimming, for example—would be unaffected.

- *\$617,398 net reduction by deferring start-up of limited-stop Ride On Service on US 29 (\$732,748 expenditures and \$115,350 lost revenue).* Last spring the Council approved these funds in FY18 to add limited-stop Ride On Extra service on US 29 between the Burtonsville Park & Ride Lot and Silver Spring, via the Castle Boulevard/Briggs Chaney Park & Ride Lot and Stewart Avenue/Lockwood Drive. The estimated cost in FY18 was \$732,748: \$165,000 for startup expenditures and \$567,748 to operate seven buses during weekday peak periods from 5:30-9:00



am and 3:00-7:00 pm, starting on January 8, 2018. (The anticipated revenue from this service was \$115,350, for a net cost of \$617,398.) The buses would stop where the US 29 Bus Rapid Transit line would stop. If the service is deferred in FY18, the next possible start date is early September 2018 due to the driver pick schedule. Therefore, the Executive's proposal would also save approximately a net of \$210,000 in the FY19 Budget.

**Council staff recommends initiating the service as part of the May 2018 pick.** By not initiating the startup activity months ago, effectively the Executive has forced the decision to delay the service from its intended January 8 initiation, so the facts on the ground dictate a savings. However, there is enough time to prepare for service to be initiated as part of the next pick, on Monday, May 14. Council staff estimates that the FY18 cost of the service on May 14 would be \$323,970 (\$165,000 for startup plus \$158,970 for operating cost), partially offset by revenue of \$32,298, for a net cost of \$291,672. **This would be \$325,726 less of a net cost reduction in FY18 than proposed by the Executive.**

- *\$2,027,000 reduction from bus fleet replacement savings in the Ride On Bus Fleet project (©7).* The table on ©8 shows the details of these savings, which would apply to buses acquired with FY16 and FY17 funds. This reduction would not affect the number of replacement buses acquired, nor materially affect their quality. **Council staff recommends approving this reduction.**

The Executive is also showing a \$2,027,141 reduction in Mass Transit Fund spending in the Operating Budget for bus fleet replacement savings, but this is a double-counting of the above item. **Therefore, the Executive's Savings Plan for DOT is overstated by \$2,207,141.**

- *\$1,200,000 reduction from Advanced Transportation Management System project deferrals (©9-10).* The proposed amendment would defer \$1.2 million from FYs17-18 to FY19, and defer \$1.2 million in each of the subsequent years by another year. This deferral is being recommended because \$4,647,000 in appropriation was available at the start of FY18, of which only \$627,000 has been spent and a further \$2,591,000 is encumbered, leaving a balance of \$1,429,000. The Executive believes that \$1,200,000 can be deferred, leaving \$229,000 for subsequent encumbrances in FY18. **An option is to freeze the FY18 spending in this project beyond what is already spent or encumbered, thus deferring \$229,000 to FY19, \$229,000 from FY19 to FY20, etc.** The total amount already spent and encumbered in FY18 is \$3,218,000, well more than the \$1,508,000 programmed for FY18 in the Approved CIP.
- *\$1,200,000 reduction from Traffic Signal System Modernization project deferrals (©11-12).* The proposed amendment would also defer \$1.2 million from FYs17-18 to FY19, and defer \$1.2 million in each of the subsequent years by another year. This deferral is being recommended because \$5,137,000 in appropriation was available at the start of FY18, of which only \$1,589,000 has been spent and a further \$1,472,000 is encumbered, leaving a balance of \$2,076,000. The Executive believes that \$1,200,000 can be deferred, leaving \$876,000 for subsequent encumbrances in FY18. **An option is to freeze the FY18 spending in this project beyond what is already spent or encumbered, thus deferring \$876,000 to FY19, \$876,000 from FY19 to FY20, etc.** The total amount already spent and encumbered in FY18 is \$3,061,000, well more than the \$2,603,000 programmed for FY18 in the Approved CIP.

- *\$250,000 reduction from Facility Planning-Transportation project deferrals (©13-14).* The proposed amendment would defer by one year the completion of the facility planning study for the Tuckerman Lane Sidewalk, from FY19 to FY20. There would also be similar one-year deferrals of \$250,000 in other studies from FY19 to FY20, FY20 to FY21, etc.

Given the ratcheting down of resources for the CIP, the pace of facility planning should also be reduced, so as not to create a backlog of projects that are ready to be candidates to be programmed but then cannot proceed to final design and construction due to a lack of resources. A review of the Recommended FY19-24 shows that the Executive is proposing delaying several road, bikeway, and sidewalk projects already in the CIP to fit within the spending affordability guidelines. **Council staff recommends approving this reduction.**

- *\$200,000 reduction from Street Tree Preservation project (©15-16).* This project for preservation of street trees through proactive pruning. Traditionally it has been funded at \$3 million annually, but in May 2016 the Council added \$1 million for FY17; this increment was subsequently deferred to FY18. The Executive's recommendation is to reduce the expenditure in this project from \$4.0 million to \$3.8 million in FY18.

To date about \$1.7 million of the \$4.0 million has been spent, and a further \$1.3 million has been encumbered. **An option is to freeze the FY18 spending in this project beyond what is already spent or encumbered, thus reducing the expenditure to the traditional level of \$3.0 million, a \$800,000 larger cut than proposed by the Executive.**



OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

January 2, 2018

TO: Hans Riemer, Council President

FROM: Isiah Leggett, County Executive *Timothy L. Fipartine (for)*

SUBJECT: FY18 Savings Plan

Attached please find my Recommended FY18 Savings Plan for Montgomery County government and the other tax-supported County agencies to help close the \$120 million gap we are facing in our Fiscal Year 2018 operating budget. The attached plan identifies savings of approximately \$60 million from the FY18 operating budget, and approximately \$13 million in current revenue savings from the FY17-22 Capital Improvements Program (CIP). As discussed during our recent briefing on the Fiscal Plan to Council, this shortfall is not a projected shortfall, but rather a real loss of income tax revenue, and therefore we must reduce expenditures to close the budget gap.

Please keep in mind that if this gap is not closed now in FY18, it will place the current budget further out of balance and exacerbate an already difficult FY19. As difficult as the reductions in the attached savings plan may be, additional reductions or savings in FY18 will be necessary to close the \$120 million gap. Executive staff continue to find possible solutions (all of which will be very difficult). I will keep the Council apprised of these measures. I remain committed to submitting an FY19 Recommended Operating Budget that maintains our agreed to reserve levels and ensures our long-term fiscal stability. To do so requires many difficult choices.

Based on updated estimates from the Department of Finance, FY18 revenues are projected to be \$95 million lower than originally anticipated. This shortfall is driven primarily by lower than expected income tax revenues, though we are also experiencing lower than projected revenues from the energy tax and transfer and recordation taxes. The November income tax distribution from the State of Maryland was approximately \$80 million lower than anticipated, and estimates for future distributions have been revised downward as well. We must also recognize a \$25 million budget shortfall from FY17 which increases the FY18 gap to \$120 million.

Despite indicators that suggest strong economic growth, change in taxpayer behavior in the context of proposed changes to the Federal tax code is a key contributing factor in the shortfall seen to date. Illustrating this point, is the fact that the top 50 taxpayers in Montgomery County recognized about 50% less capital gains income in tax year 2016 than they did in the previous year. In addition to the \$95 million shortfall in FY18 and the \$25 million shortfall from FY17, the updated revenue forecasts indicate a shortfall of \$86 million in FY19. The proposed FY18 Savings Plan will reduce costs in the current year and contribute to the effort to avoid a current year budget deficit.

Isiah Leggett, County Executive  
January 2, 2018  
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I do not expect that our fiscal difficulties will disappear in FY19, and in fact we may find that our revenues are further reduced by a number of factors beyond our control. The recently passed Federal tax legislation could have a negative impact on our revenues. The legislation's full impact on our revenues and our economy, requires complex analysis that the Department of Finance will be conducting. There are other significant pressures that are likely to impact County finances, including continued student enrollment increases, possible cutbacks in both Federal and State funding, and collective bargaining negotiations. With this reality in mind, I have focused my recommended reductions on those that are long term, rather than one-time quick fixes. This requires some difficult decisions. I hope that you will support this approach since it is critical to the County's long-term fiscal health.

The attached savings plan recommends total savings of approximately \$60 million from the FY18 operating budget. I recommend a reduction in County government expenditures of about \$28 million as outlined in the attached plan. The savings initiatives identified for County government include some reductions to services, though we have minimized reductions to the most critical and basic services. I am assuming that the outside agencies receiving County funding will participate as well. I have not defined where these reductions would be taken, but instead I have provided a general target. Their respective boards are in the best position to identify the reductions that would have the least service impacts. The reduction targets for the other County agencies are as follows:

Montgomery County Public Schools (MCPS): \$25.0 million  
Montgomery College: \$5.2 million  
Maryland-National Capital Park and Planning Commission (MNCPPC): \$2.6 million

In addition, MCPS is asked to continue to review its various fund balances and costs to determine if additional savings are possible.

I am also recommending savings of about \$13.5 million in current revenue from the CIP. This includes approximately \$3.0 million for MCPS, \$3.2 million for Montgomery College, \$1.2 million for M-NCPPC, \$600,000 for the Housing Opportunities Commission, and \$5.5 million for County government. County government's reduction in current revenue funding for FY18 was approximately 21% of the total FY18 current revenue budget allocation. In contrast, I am recommending a reduction of 15% for each of the outside agencies' FY18 current revenue. These current revenue reductions are critical to closing the gap and if not taken, will directly impact funding for FY19.

My savings plan recommendations that are within the CIP and are administered by outside agencies are reflected in affordability project description forms in order to provide them with maximum flexibility. I believe the respective governing bodies of these agencies are in the best position to determine where these reductions should be taken. As requested by Council staff, OMB will provide separately any project description forms for outside agency projects with current revenue so that they can be considered as part of the County Council's public hearing process for CIP amendments.

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Isiah Leggett, County Executive  
January 2, 2018  
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I understand the difficulty that this fiscal situation presents, and I appreciate your consideration of these proposed reductions. If there are specific actions in this plan that the Council is unwilling to approve, I ask that you identify alternative savings initiatives of equal value and of a long-term nature, so that the overall proposed dollar value of savings can be achieved for FY18. It is important to note that at the time of Council approval, there will be less than six months remaining in the fiscal year.

As such, we will need to act quickly to approve and implement the savings plan. Prompt action will allow us to maximize the savings that can be achieved. It is also important to note that any deficit experienced at the end of FY18 will need to be addressed in FY19 budget development. This would be in addition to the \$86 million shortfall already projected for FY19.

I appreciate the Council's willingness to collaborate on this important matter and the expedited scheduling of consideration and approval of the plan. My staff is available to assist the Council in its review of the attached proposal. Thank you for your support of our efforts to minimize the impact of these reductions on our most important services while preserving the fiscal health of the County government.

Executive Recommended FY18 Savings Plan		
Agency	Approved FY18 Budget	Savings Plan Reduction
MCG	1,618,516,292	27,827,660
MCPS	2,368,655,562	25,000,000
College	262,759,376	5,255,188
MNCPPC	131,547,071	2,630,941
<b>Total</b>	<b>4,381,478,301</b>	<b>60,713,789</b>
<b>Notes:</b> 1. Amounts above include only the operating budget, excluding debt service and retiree health insurance. 2. The County Executive's Recommended FY18 Savings Plan also includes capital budget current revenue reductions of \$13.5 million, including \$5.5 million from County government, \$600,000 from the Housing Opportunities Commission, and \$7.3 million from other outside agencies.		

IL:df

Attachment: Recommended FY18 Savings Plan for Montgomery County government and the other tax supported County agencies



## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Tax-Supported - MCG</b>				
<b><u>General Fund</u></b>				
Agriculture	989,195	-19,784	0	-2.00
Board of Appeals	541,752	-10,835	0	-2.00
Board of Elections	8,213,700	-80,000	0	-0.97
Circuit Court	12,066,554	-241,331	0	-2.00
Community Engagement Cluster	3,772,050	-75,441	0	-2.00
Consumer Protection	2,364,597	-47,292	0	-2.00
Correction and Rehabilitation	66,716,261	-675,000	0	-1.01
County Attorney	6,319,482	-132,126	0	-2.09
County Council	11,651,722	-303,755	0	-2.61
County Executive	5,947,305	-188,100	0	-3.16
Emergency Management and Homeland Security	1,317,571	-26,351	0	-2.00
→ Environmental Protection	2,907,343	-58,000	0	-1.99
Ethics Commission	429,607	-8,592	0	-2.00
Finance	14,446,096	-288,922	0	-2.00
→ General Services	30,965,577	-358,583	0	-1.16
Health and Human Services	234,084,840	-4,360,777	-11,625	-1.86
Housing and Community Affairs	7,538,618	-150,772	0	-2.00
Human Resources	8,355,091	-167,102	0	-2.00
Human Rights	1,242,813	-24,856	0	-2.00
Inspector General	1,071,872	-21,437	0	-2.00
Intergovernmental Relations	1,125,673	-22,513	0	-2.00
Legislative Oversight	1,661,695	-33,234	0	-2.00
Management and Budget	4,730,931	-94,619	0	-2.00
Merit System Protection Board	367,688	-7,354	0	-2.00
Non-Departmental Accounts (Select NDAs)	39,765,233	-2,236,238	0	-5.62
Police	275,474,370	-3,816,340	0	-1.39
Procurement	4,512,962	-90,259	0	-2.00
Public Information	5,079,351	-101,587	0	-2.00
Public Libraries	42,437,576	-850,919	0	-2.01
Sheriff	23,366,446	-238,526	0	-1.02
State's Attorney	17,188,455	-213,064	0	-1.24
Technology Services	43,022,058	-860,441	0	-2.00
→ Transportation	49,809,920	-996,198	0	-2.00
Zoning and Administrative Hearings	689,591	-13,792	0	-2.00
<b>General Fund Total:</b>	<b>930,173,995</b>	<b>-16,814,140</b>	<b>-11,625</b>	<b>-1.81</b>
<b><u>Special Funds</u></b>				
Fire	214,862,420	-2,610,458	0	-1.21
Recreation	37,687,311	-755,897	-2,115	-2.01
→ Mass Transit	132,226,957	-2,759,889	-115,350	-2.09
Bethesda Urban District	3,174,943	-13,006	0	-0.41
Silver Spring Urban District	3,498,672	-10,793	0	-0.31
Wheaton Urban District	2,016,434	-29,285	0	-1.45
<b>Special Funds Total:</b>	<b>393,466,737</b>	<b>-6,179,328</b>	<b>-117,465</b>	<b>-1.57</b>
<b>Tax-Supported Total:</b>	<b>1,323,640,732</b>	<b>-22,993,468</b>	<b>-129,090</b>	<b>-1.74</b>

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## FY18 Savings Plan Analysis

Department/Fund	FY18 Original Budget	CE Recommended	Revenue	Savings as % of Orig. Bud
<b>Non-Tax Supported - MCG</b>				
<u>Enterprise Funds</u>				
Liquor	65,161,319	-1,853,885	1,500,000	-2.85
<b>Enterprise Funds Total:</b>	<b>65,161,319</b>	<b>-1,853,885</b>	<b>1,500,000</b>	<b>-2.85</b>
<u>Special Funds</u>				
Cable TV	16,071,604	-321,432	0	-2.00
<b>Special Funds Total:</b>	<b>16,071,604</b>	<b>-321,432</b>	<b>0</b>	<b>-2.00</b>
<u>Internal Service Funds</u>				
→ Motor Pool Internal Service Fund	80,056,028	-1,287,965	0	-1.61
<b>Internal Service Funds Total</b>	<b>80,056,028</b>	<b>-1,287,965</b>	<b>0</b>	<b>-1.61</b>
<b>Non-Tax Supported Total:</b>	<b>161,288,951</b>	<b>-3,463,282</b>	<b>1,500,000</b>	<b>-2.15</b>
<b>MCG Total:</b>	<b>1,484,929,683</b>	<b>-26,456,750</b>	<b>1,370,910</b>	<b>-1.78</b>

### Tax Supported - Outside Agencies

Montgomery County Public Schools	2,368,655,562	-25,000,000	0	-1.06
Montgomery College	262,759,376	-5,255,188	0	-2.00
Maryland-National Capital Park and Planning	131,547,071	-2,630,941	0	-2.00



# **RECOMMENDED FY18 CIP CURRENT REVENUE SAVINGS PLAN REDUCTIONS**

Project	FY18 Savings Plan Amount (\$Millions)	Comments
MCG: Facility Planning	\$0.125	Reduction will result in minimal delays due to large unencumbered balance remaining.
Technology Modernization	\$0.025	Represents Recreation funds no longer needed
→ Street Tree Preservation	\$0.200	FY18 funding was increased to \$4 million compared to \$3 million usual funding. Represents only a 5% reduction in this increased level of funding
→ Facility Planning: Transportation	\$0.250	Delays in projects would be minimal. Given backlog of projects that have been planned but unfunded, these deferrals are not expected to delay construction of any new projects in planning.
→ Traffic Signal System Modernization	\$1.200	Recognizes past implementation delays
→ ATMS	\$1.200	Recognizes past implementation delays.
→ Bus Fleet Replacement	\$2.027	Recognizes cost savings due to new bus contract pricing
21st Century Libraries	\$0.347	Recognizes past implementation delays
DHCA Facility Planning	\$0.125	Minor delays in three studies
HOC - Demolition CIP	\$0.600	HOC has agreed to be reimbursed in FY20
<b>Total MCG/HOC CR Savings Plan Reductions</b>	<b>6.099</b>	

<b>Total Approved FY18 CR - MCG Only</b>	<b>\$25.966</b>
<b>Percent of total MCG only Approved funding in cuts above</b>	<b>21.2%</b>

Outside Agencies	15% Reductions	Comments
MNCPPC - all CR	\$1.180	
MCPS (excluding Relocatables)	\$3.019	Total Technology Spending, including Recordation Tax averages \$25M/year
College	\$3.168	
<b>Total Outside Agencies</b>	<b>\$7.367</b>	
<b>TOTAL DEC SAVINGS PLAN REDUCTIONS</b>	<b>\$13.466</b>	

Note: Council staff has asked OMB to provide PDFs for outside agency projects with current revenue that could be amended to meet the above savings plan reduction target.

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## Ride On Bus Fleet (P500821)

Category	Transportation Sub	Date Last Modified	5/17/17
Category	Mass Transit	Required Adequate Public Facility	No
Administering Agency	Transportation (AAGE30)	Relocation Impact	None
Planning Area	Countywide	Status	Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	224,687	106,322	18,238	100,127	18,115	12,743	23,199	17,340	17,860	10,870	0
<b>Total</b>	<b>224,687</b>	<b>106,322</b>	<b>18,238</b>	<b>100,127</b>	<b>18,115</b>	<b>12,743</b>	<b>23,199</b>	<b>17,340</b>	<b>17,860</b>	<b>10,870</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Bond Premium	956	956	0	0	0	0	0	0	0	0	0
Contributions	475	430	45	0	0	0	0	0	0	0	0
Fed Stimulus (State Allocation)	6,550	6,550	0	0	0	0	0	0	0	0	0
Federal Aid	39,365	25,269	4,496	9,600	1,600	1,600	1,600	1,600	1,600	1,600	0
Impact Tax	2,350	2,273	77	0	0	0	0	0	0	0	0
Mass Transit Fund	93,088	4,841	9,220	79,027	7,015	10,743	21,199	15,340	15,860	8,870	0
Short-Term Financing	66,763	57,663	0	9,100	9,100	0	0	0	0	0	0
State Aid	15,140	8,340	4,400	2,400	400	400	400	400	400	400	0
<b>Total</b>	<b>224,687</b>	<b>106,322</b>	<b>18,238</b>	<b>100,127</b>	<b>18,115</b>	<b>12,743</b>	<b>23,199</b>	<b>17,340</b>	<b>17,860</b>	<b>10,870</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	14,770
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		142,675
Expenditure / Encumbrances		121,097
Unencumbered Balance		21,578

Date First Appropriation	FY 09
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	228,826

#### Description

This project provides for the purchase of replacement and additional buses in the Ride On fleet in accordance with the Division of Transit Services' bus replacement plan and the Federal Transportation Administration's service guidelines

#### Estimated Schedule

FY17: 14 full-size CNG and 19 full-size diesel; FY18: 23 full-size CNG and 3 large diesel; FY19: 9 full-size hybrid and 31 small diesel; FY20: 31 large diesel; FY21: 22 full-size hybrid; FY22: 13 full-size hybrid

#### Cost Change

in FY18, switch three buses from hybrid to diesel and eliminate two buses due to discontinuation of Route 94.

#### Justification

The full-size transit buses have an expected useful life of twelve years. Smaller buses have an expected useful life of ten years.

#### Disclosures

Expenditures will continue indefinitely.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

#### Coordination

Department of General Services, Maryland Transit Administration

#### Fiscal Note

FY18 reductions are related to an FY18 savings plan.

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Bus Savings (FY18 mid-year savings plan)

Component Savings	# of buses	Budgeted price per bus	Savings per bus	Total Savings on bus orders	Comments
Reuse old fareboxes	57	\$16,000	16,000	912,000	Used refurbished fareboxes pending new controller board release
Heating/Air System and other components to include HVAC system, battery ultracapacitor, window design, headlights etc.	57	varied	19,563.88	1,115,141	Changed to more cost effective and efficient HVAC system and other small component changes
Totals			35,563.88	\$2,027,141	

Ⓢ

## Advanced Transportation Management System (P509399)

Category  
Sub Category  
Administering Agency  
Planning Area

Transportation  
Traffic Improvements  
Transportation (AAGE30)  
Countywide

Date Last Modified 5/22/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	13,685	12,446	177	1,062	177	177	177	177	177	177	0
Land	1	1	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	38,025	28,879	2,360	6,786	639	823	1,331	1,331	1,331	1,331	0
Construction	194	194	0	0	0	0	0	0	0	0	0
Other	7,644	7,050	94	500	500	0	0	0	0	0	0
<b>Total</b>	<b>59,249</b>	<b>48,570</b>	<b>2,631</b>	<b>8,348</b>	<b>1,316</b>	<b>1,000</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Cable TV	2,241	2,241	0	0	0	0	0	0	0	0	0
Contributions	95	95	0	0	0	0	0	0	0	0	0
Current Revenue: General	21,650	14,171	631	6,848	816	0	1,508	1,508	1,508	1,508	0
Federal Aid	2,504	2,504	0	0	0	0	0	0	0	0	0
G.O. Bonds	8,396	8,396	0	0	0	0	0	0	0	0	0
Mass Transit Fund	8,564	7,564	500	500	500	0	0	0	0	0	0
PAYGO	2,226	2,226	0	0	0	0	0	0	0	0	0
Recordation Tax Premium	2,500	0	1,500	1,000	0	1,000	0	0	0	0	0
State Aid	10,873	10,873	0	0	0	0	0	0	0	0	0
Transportation Improvement Credit	500	500	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>59,249</b>	<b>48,570</b>	<b>2,631</b>	<b>8,348</b>	<b>1,316</b>	<b>1,000</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>0</b>

<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Energy				105	5	10	15	20	25	30	
Maintenance				525	25	50	75	100	125	150	
Program-Staff				600	50	50	100	100	150	150	
Program-Other				36	3	3	6	6	9	9	
<b>Net Impact</b>				<b>1,266</b>	<b>83</b>	<b>113</b>	<b>196</b>	<b>226</b>	<b>309</b>	<b>339</b>	
Full Time Equivalent (FTE)					1.0	1.0	2.0	2.0	3.0	3.0	

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	1,508
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		53,209
Expenditure / Encumbrances		49,337
Unencumbered Balance		3,872

Date First Appropriation	FY 93
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	60,749
	63,249

### Description

This project provides for the Advanced Transportation Management System (ATMS) in the County. The ATMS deploys the infrastructure elements to conduct real-time management and operations of the County's transportation system. Twenty-two National Intelligent Transportation Architecture market packages have been identified for deployment of the ATMS. Each of these market packages is considered a subsystem of the ATMS program and may include several elements. These subsystems are identified in the ATMS Strategic Deployment Plan dated February 2001, revised July 2011. One aspect of this project will focus on improving pedestrian walkability by creating a safer walking environment, utilizing selected technologies and ensuring Americans with Disabilities Act (ADA) compliance.

### Cost Change

Cost decrease due to the reallocation of \$500,000 in Mass Transit Funds starting in FY18 and beyond to the new Intelligent Transit System CIP (P501801).

### Justification

ATMS provides real-time monitoring, control, and traveler information in an effort to reduce traffic congestion and travel time, improve safety, and defer the need to construct new roads. ATMS emphasizes safety and efficiency of mobility to include mode, route, and travel time choices. ATMS supports public safety and directly impacts the movement of people and goods throughout the County's transportation system. This project was initiated in response to a growing demand to enhance options and amenities within the County's transportation network.

### Other



## Advanced Transportation Management System (P509399)

This project includes the traffic element that focuses on reducing traffic congestion and travel time and improving safety.

### **Fiscal Note**

In FY16, \$500,000 in Current Revenue: General was switched for Recordation Tax Premium. FY18 reductions are related to an FY18 savings plan.

### **Disclosures**

Expenditures will continue indefinitely.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

### **Coordination**

Developers, Department of Technology Services, Department of Police, Federal Transit Administration (FTA), Federal Highway Administration (FHWA), Fibernet, Maryland State Highway Administration, Virginia Department of Transportation, Other Local Governments, Other Private Entities, Traffic Signals project, Traffic Signal System Modernization Project, Montgomery County Pedestrian Safety Advisory Committee, Citizen's Advisory Boards, Montgomery County Planning Board

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## Traffic Signal System Modernization (P500704)

Category Transportation  
 Sub Category Traffic Improvements  
 Administering Agency Transportation (AAGE30)  
 Planning Area Countywide

Date Last Modified 12/6/16  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	13,909	13,209	100	600	100	100	100	100	100	100	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	27,243	18,746	2,745	5,762	1,641	1,035	1,138	1,138	1,138	1,138	0
Construction	395	395	0	0	0	0	0	0	0	0	0
Other	967	102	0	865	0	865	0	0	0	0	0
<b>Total</b>	<b>43,990</b>	<b>32,452</b>	<b>2,845</b>	<b>8,693</b>	<b>1,741</b>	<b>2,000</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	295	0	295	0	0	0	0	0	0	0	0
Current Revenue: General	7,423	355	375	6,693	1,741	0	1,238	1,238	1,238	1,238	0
G.O. Bonds	15,494	14,528	966	0	0	0	0	0	0	0	0
Recordation Tax Premium	8,778	5,569	1,209	2,000	0	2,000	0	0	0	0	0
State Aid	12,000	12,000	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>43,990</b>	<b>32,452</b>	<b>2,845</b>	<b>8,693</b>	<b>1,741</b>	<b>2,000</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>0</b>

<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Maintenance				54	3	5	8	10	13	15	
Program-Staff				600	50	50	100	100	150	150	
Program-Other				36	3	3	6	6	9	9	
<b>Net Impact</b>				<b>690</b>	<b>56</b>	<b>58</b>	<b>114</b>	<b>116</b>	<b>172</b>	<b>174</b>	
Full Time Equivalent (FTE)					1.0	1.0	2.0	2.0	3.0	3.0	

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	2,603
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		37,635
Expenditure / Encumbrances		33,563
Unencumbered Balance		4,072

Date First Appropriation	FY 07
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	45,190

### Description

This project provides for the modernization of the County's aged traffic signal system. Phase I consisted of planning, requirements development, systems engineering, and testing. Phase II consists of acquisition of central system hardware and software, acquisition, and implementation of control equipment and communications for intersections, as well as reconfiguration of the communications cable plant. Phase I was completed in FY08. Phase II implementation commenced in FY09. As a result of the November 2009 failure of the existing system, Phase II was refined into two sub-phases, A and B, so that replacement of the existing system could be accelerated. Phase IIA encompassed critical work that was necessary to deactivate the existing system. Phase IIB includes all other work that is not critical to replacement of the existing system.

### Estimated Schedule

Phase I - completed, FY07-08 Phase IIA - completed FY12, Phase IIB - FY13-16; ongoing Life Cycle Upgrades - FY17 and beyond.

### Cost Change

Cost increase due to the addition of a pilot Adaptive Traffic Control (ATC) system in FY17-18, the addition of Traffic Signal Prioritization in FY18, and the addition of FY21-22 to this ongoing level-of-effort project.

### Justification

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## Traffic Signal System Modernization (P500704)

The existing traffic signal control system, though it has been highly reliable, is an aging system dependent on dated technology. Central and field communications devices are obsolete and problematic to maintain. As the technologies employed in the Advanced Transportation Management System (ATMS) have advanced, it has become increasingly difficult to interface with the existing traffic signal control system (COMTRAC). Because of the limited functionality of COMTRAC, the system is not able to take advantage of the capabilities of the current generation of local intersection controllers. These capabilities provide a greater level of flexibility to manage traffic demands. In November 2009, the existing traffic signal system experienced a failure that caused significant congestion and delays throughout the County for nearly two days. This event led to an acceleration of the schedule to replace the existing system. The following reports were developed as part of the research, planning and system engineering work on this project. These reports documented the existing condition and need to modernize the existing signal control system, as well as the evaluation and engineering of specific components of the replacement system: White paper on the Status and Future of the Traffic Control System in Montgomery County, March 2001; Concept of Operations (rev 1.4), October 2007; TSSM Requirements (rev g), October 2007; TSSM Communications Master Plan (rev c), February 2009; TSSM Risk Assessment and Analysis (rev e), April 2009. Given the effort to modernize the signal system and its infrastructure, it is important and prudent to take steps to prevent the system from becoming outdated. A proactive program to replace equipment by its "life cycle" usefulness is required given the dependency on technology driven devices and software to maintain traffic control capabilities and full redundancy fail-over systems. This assumes a level of effort (LOE) designation and funding be appropriated beginning in FY17.

### Fiscal Note

The county's traffic signal system supports approximately 800 traffic signals, about 550 of which are owned by the Maryland State Highway Administration (MSHA) and maintained and operated by the County on a reimbursement basis. MSHA plans to separately fund and implement other complementary work and intersection upgrades amounting to approximately \$12.5 million that are not reflected in the project costs displayed above. Project appropriations were reduced in FY09 (-\$106,000) and FY11 (-\$269,000) to reconcile the recall of a \$375,000 federal earmark that was originally programmed in FY07. MSHA has committed to provide \$12 million in State aid to this project. This aid was originally programmed during FY09-14, but did not materialize due to the State's fiscal situation. In addition \$2 million in State Aid was moved to the TSSM project from the State Transportation Participation (STP) CIP (No. 500722) in FY11 with repayment to STP programmed in FY17. In FY16, \$9,000 in Current Revenue was transferred from the Brookville Service Park CIP (#509928). In FY16, a funding switch of \$295,000 in Contributions added to this project, fully offsetting a similar amount in Current Revenue. FY18 reductions are related to an FY18 savings plan.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

### Coordination

Advanced Transportation Management System, Fibernet, State Transportation Participation, Traffic Signals Project, Department of Technology Services, Maryland State Highway Administration

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## Facility Planning-Transportation (P509337)

Category Transportation  
 Sub Category Roads  
 Administering Agency Transportation (AAGE30)  
 Planning Area Countywide

Date Last Modified 5/15/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	58,537	43,796	1,471	13,270	2,950	1,740	2,255	2,105	1,915	2,305	0
Land	628	628	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	128	128	0	0	0	0	0	0	0	0	0
Construction	54	54	0	0	0	0	0	0	0	0	0
Other	52	52	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>59,399</b>	<b>44,658</b>	<b>1,471</b>	<b>13,270</b>	<b>2,950</b>	<b>1,740</b>	<b>2,255</b>	<b>2,105</b>	<b>1,915</b>	<b>2,305</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	4	4	0	0	0	0	0	0	0	0	0
Current Revenue: General	43,254	33,129	0	10,125	1,235	570	2,190	2,040	1,850	2,240	0
Impact Tax	6,070	4,505	45	1,520	610	910	0	0	0	0	0
Intergovernmental	785	764	21	0	0	0	0	0	0	0	0
Land Sale	2,099	2,099	0	0	0	0	0	0	0	0	0
Mass Transit Fund	5,453	2,423	1,405	1,625	1,105	260	65	65	65	65	0
Recordation Tax Premium	1,659	1,659	0	0	0	0	0	0	0	0	0
State Aid	75	75	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>59,399</b>	<b>44,658</b>	<b>1,471</b>	<b>13,270</b>	<b>2,950</b>	<b>1,740</b>	<b>2,255</b>	<b>2,105</b>	<b>1,915</b>	<b>2,305</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	2,890
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		49,079
Expenditure / Encumbrances		46,506
Unencumbered Balance		2,573

Date First Appropriation	FY 93
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	59,649

### Description

This project provides for planning and preliminary engineering design for new and reconstructed highway projects, pedestrian facilities, bike facilities, and mass transit projects under consideration for inclusion in the Capital Improvements Program (CIP). Prior to the establishment of a stand-alone project in the CIP, the Department of Transportation will perform Phase I of facility planning, a rigorous planning-level investigation of the following critical project elements: purpose and need; usage forecasts; traffic operational analysis; community, economic, social, environmental, and historic impact analyses; recommended concept design and public participation are considered. At the end of Phase I, the Transportation, Infrastructure, Energy and Environment (T&E) Committee of the County Council reviews the work and determines if the project has the merits to advance to Phase II of facility planning: preliminary (35 percent level of completion) engineering design. In preliminary engineering design, construction plans are developed showing specific and detailed features of the project, from which its impacts and costs can be more accurately assessed. At the completion of Phase II, the County Executive and County Council hold project-specific public hearings to determine if the candidate project merits consideration in the CIP as a funded stand-alone project.

### Justification

There is a continuing need to define the scope and determine need, benefits, implementation feasibility, horizontal and vertical alignments, typical sections, impacts, community support/opposition, preliminary costs, and alternatives for master planned transportation recommendations. Facility Planning provides decision makers with reliable information to determine if a master-planned transportation recommendation merits inclusion in the CIP as a stand-alone project. The sidewalk and bikeway projects in Facility Planning specifically address pedestrian needs.

### Fiscal Note

Starting in FY01, Mass Transit Funds provide for mass transit related candidate projects. Impact taxes will continue to be applied to qualifying projects. Reductions are related to an FY18 savings plan

### Disclosures

A pedestrian impact analysis will be performed during design or is in progress.

Expenditures will continue indefinitely.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

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## Facility Planning-Transportation (P509337)

### **Coordination**

Maryland-National Capital Park and Planning Commission, Maryland State Highway Administration, Maryland Department of the Environment, Maryland Department of Natural Resources, U.S. Army Corps of Engineers, Department of Permitting Services, Utilities, Municipalities, Affected communities, Commission on Aging, Commission on People with Disabilities, Montgomery County Pedestrian Safety Advisory Committee

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## Street Tree Preservation (P500700)

Category Transportation  
Sub Category Highway Maintenance  
Administering Agency Transportation (AAGE30)  
Planning Area Countywide

Date Last Modified 5/10/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	2,955	59	46	2,850	450	600	450	450	450	450	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	34,239	18,031	258	15,950	2,550	3,200	2,550	2,550	2,550	2,550	0
Other	6	6	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>37,200</b>	<b>18,096</b>	<b>304</b>	<b>18,800</b>	<b>3,000</b>	<b>3,800</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	28,205	14,422	0	13,783	2,750	464	2,152	2,417	3,000	3,000	0
Land Sale	458	458	0	0	0	0	0	0	0	0	0
Recordation Tax Premium	8,537	3,216	304	5,017	250	3,336	848	583	0	0	0
<b>Total</b>	<b>37,200</b>	<b>18,096</b>	<b>304</b>	<b>18,800</b>	<b>3,000</b>	<b>3,800</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	3,500
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		21,900
Expenditure / Encumbrances		18,366
Unencumbered Balance		3,534

Date First Appropriation	FY 07
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	37,400

### Description

This project provides for the preservation of street trees through proactive pruning that will reduce hazardous situations to pedestrians and motorists, help reduce power outages in the County, preserve the health and longevity of trees, decrease property damage incurred from tree debris during storms, correct structural imbalances/defects that cause future hazardous situations and that shorten the lifespan of the trees, improve aesthetics and adjacent property values, improve sight distance for increased safety, and provide clearance from street lights for a safer environment. Proactive pruning will prevent premature deterioration, decrease liability, reduce storm damage potential and costs, improve appearance, and enhance the condition of street trees.

### Justification

In FY97, the County eliminated the Suburban District Tax and expanded its street tree maintenance program from the old Suburban District to include the entire County. The street tree population has now increased from an estimated 200,000 to over 400,000 trees. Since that time, only pruning in reaction to emergency/safety concerns has been provided. A street tree has a life expectancy of 60 years and, under current conditions, a majority of street trees will never receive any pruning unless a hazardous situation occurs. Lack of cyclical pruning leads to increased storm damage and cleanup costs, right-of-way obstruction and safety hazards to pedestrians and motorists, premature death and decay from disease, weakening of structural integrity, increased public security risks, and increased liability claims. Healthy street trees that have been pruned on a regular cycle provide a myriad of public benefits including energy savings, a safer environment, aesthetic enhancements that soften the hard edges of buildings and pavements, property value enhancement, mitigation of various airborne pollutants, reduction in the urban heat island effect, and storm water management enhancement. Failure to prune trees in a timely manner can result in trees becoming diseased or damaged and pose a threat to public safety. Over the long term, it is more cost effective if scheduled maintenance is performed. The Forest Preservation Strategy Task Force Report (October, 2000) recommended the development of a green infrastructure CIP project for street tree maintenance. The Forest Preservation Strategy Update (July, 2004) reinforced the need for a CIP project that addresses street trees. (Recommendations in the inter-agency study of tree management practices by the Office of Legislative Oversight (Report #2004-8 - September, 2004) and the Tree Inventory Report and Management Plan by Appraisal, Consulting, Research, and Training Inc. (November, 1995)). Studies have shown that healthy trees provide significant year-round energy savings. Winter windbreaks can lower heating costs by 10 to 20 percent, and summer shade can lower cooling costs by 15 to 35 percent. Every tree that is planted and maintained saves \$20 in energy costs per year. In addition, a healthy street tree canopy captures the first 1/2 inch of rainfall reducing the need for storm water management facilities.

### Fiscal Note

Includes funding switches from Current Revenue: General to Recordation Tax Premium in FY16-20. Reductions are related to an FY18 savings plan.

### Disclosures

Expenditures will continue indefinitely.

### Coordination

15

## Street Tree Preservation (P500700)

Maryland-National Capital Park and Planning Commission, Department of Environmental Protection, Maryland Department of Natural Resources, Utility companies

16


ADDENDUM  
T&E COMMITTEE #1  
January 19, 2018

**Worksession**

**MEMORANDUM**

January 18, 2018

TO: Transportation, Infrastructure, Energy and Environment Committee

FROM:  Keith Levchenko, Senior Legislative Analyst

SUBJECT: **FY18 Budget Savings Plan: Department of Environmental Protection (DEP)**

The Executive's Recommended FY18 Savings Plan for the DEP General Fund budget is discussed in Deputy Council Administrator Glenn Orlin's memorandum for T&E Item #1. This addendum is intended to highlight another area of potential savings within the FY18 DEP General Fund Budget, which the Council may also wish to consider.

Last May, the Council approved \$125,000 in the DEP General Fund budget for education and outreach related to implementation of Bill 52-14 (Pesticides). The Pesticides law was later struck down in Circuit Court last summer. Council Staff asked DEP whether this funding was now expected to be unspent during FY18 and DEP confirmed that it no longer expected to spend these dollars during FY18. Unfortunately, this information came too late for inclusion in Dr. Orlin's memorandum to the Committee.

Given these education and outreach dollars are expected to remain unspent in FY18, the Council can consider including these dollars in the FY18 Savings Plan

**Council Staff recommends including the \$125,000 in DEP's FY18 Savings Plan. However, since the \$125,000 by itself represents more than double DEP's 2.0% Savings Plan target, Council Staff suggests the Committee consider restoring some of the lapse savings associated with positions that DEP would otherwise hold vacant for the rest of FY18.<sup>1</sup>**

Given the fiscal uncertainty going forward, DEP may still wish to keep positions vacant to maintain budgetary flexibility (pending the Executive's FY19 Operating Budget submission and final Council action on the FY19 budget). However, restoring some of the lapse could provide DEP the budget room to fill one or more positions before the end of the fiscal year. Council Staff suggests the Committee discuss this issue further with DEP at its January 19 meeting.

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<sup>1</sup> For instance, DEP has a vacant Program Manager II position (research and data analysis) in its Office of Sustainability for which the Council added funds in the FY17 budget and supported again in FY18 (with a February 1, 2018 assumed fill date).

Resolution No.: \_\_\_\_\_  
Introduced: January 30, 2018  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: County Council

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**SUBJECT:** Approval of the FY2018 Savings Plan for Montgomery County Government, Montgomery County Public Schools, Montgomery College, and the Maryland-National Capital Park and Planning Commission

**Background**

1. On May 25, 2017 the Council approved the FY2018 operating budget for Montgomery County Government in Resolution No. 18-823. Action clause 53 stated: "As a condition of spending any funds appropriated in this resolution and not disapproved or reduced under Charter Section 306, the Executive must transmit to the Council any recommended budget savings plan or similar action.... Any budget savings plan or similar action is subject to review and approval by the Council...."
2. The Council and the Executive have frequently collaborated on mid-year savings plans to address revenue shortfalls. For example, in FY2008 and FY2009 the Council approved savings plans of \$33.2 million and \$33.0 million, respectively. In FY2010 the Council approved two savings plans, the first for \$29.7 million and the second, required by a severe revenue decline during the Great Recession, for \$69.7 million. The FY2011 savings plan was for \$32.3 million. The most recent savings plan, approved at the start of FY2016, was for \$54.2 million.
3. In a memorandum to the Council President dated January 2, 2018, the Executive proposed a FY2018 savings plan to address an apparent FY18 budget gap of \$120 million. This consists of FY2018 revenues that are currently projected to be \$95 million lower than anticipated and a \$25 million budget shortfall from FY17. There is also a currently projected shortfall of \$86 million in FY2019 revenue, quite apart from additional expenditure pressures.
4. The proposed FY2018 savings plan was in two parts. One part included \$60.7 million in operating budget savings. (The corrected amount is \$58.7 million.) The other part included \$13.5 million in capital budget current revenue savings.

5. The Council's Committees reviewed the proposed savings plan. On January 30, 2018 the Council considered the Committees' recommendations.
6. The Council's savings plan for FY2018 calls for savings of \$53,342,489 in the operating budget and \$9,309,000 in capital budget current revenue.

**Action**

1. The County Council for Montgomery County, Maryland approves a savings plan for FY2018 of \$53,342,489 in the operating budget and \$9,309,000 in capital budget current revenue, as set forth in the attached documents.
2. The spending reductions for County Government approved in this resolution are the only reductions from the FY2018 operating budget for County Government, which the Council approved in Resolution No. 18-823 on May 25, 2017, that the County Executive may implement. All other funds appropriated in Resolution No. 18-823 must be spent for the purposes for which they were appropriated. If the Executive proposes that any funds will not be spent as approved by the Council, he must submit an additional savings plan as required in paragraph 53 of Resolution No. 18-823.

This is a correct copy of Council action.

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Megan Davey Limarzi, Clerk of the Council

## FY18 Savings Plan

Ref. No	Title	CE Recommended	Council Approved
<b><u>Tax-Supported</u></b>			
<b>General Fund</b>			
<b>Agriculture</b>			
1	Reduced UME State Payment	-19,784	-19,784
<b>Agriculture Total:</b>		<b>-19,784</b>	<b>-19,784</b>
<b>Board of Appeals</b>			
2	Printing - Central Duplicating Services	-6,623	-6,623
3	Mail - Central Duplicating Services	-2,660	-2,660
4	Motor Pool	-200	-200
5	Miscellaneous Operating Expenses	-1,352	-1,352
<b>Board of Appeals Total:</b>		<b>-10,835</b>	<b>-10,835</b>
<b>Board of Elections</b>			
6	Projected OE Cost Savings	-80,000	-80,000
<b>Board of Elections Total:</b>		<b>-80,000</b>	<b>-80,000</b>
<b>Circuit Court</b>			
7	Arbitration Services	-73,000	-73,000
8	Interpreter Services	-168,331	-168,331
<b>Circuit Court Total:</b>		<b>-241,331</b>	<b>-241,331</b>
<b>Community Engagement Cluster</b>			
9	Turnover Savings - OCP Community Outreach Manager	-32,000	-32,000
10	Turnover savings - Program Manager I - OCP/Gilchrist Center	-13,441	-13,441
11	Administration - Copier Maintenance	-1,500	-1,500
12	Administration - General Office Supplies	-1,500	-1,500
13	Administration - Education/Vocation Supplies	-7,000	-7,000
14	Administration - Central Dup-Printing	-5,000	-5,000
15	Administration - Cellular Phone Line Charges	-5,000	-5,000
16	Administration - Metropolitan Area Travel	-10,000	-10,000
<b>Community Engagement Cluster Total:</b>		<b>-75,441</b>	<b>-75,441</b>
<b>Consumer Protection</b>			
17	Lapse Executive Administrative Aide Position	-47,292	-47,292
<b>Consumer Protection Total:</b>		<b>-47,292</b>	<b>-47,292</b>

Ref. No	Title	CE Recommended	Council Approved
<b>Correction and Rehabilitation</b>			
18	Increase savings through lapsing vacant positions	-500,000	-500,000
19	Reduce Staff Training	-175,000	-175,000
<b>Correction and Rehabilitation Total:</b>		<b>-675,000</b>	<b>-675,000</b>
<b>County Attorney</b>			
20	Increase Lapse - (Administrative Specialist II position)	-85,178	-85,178
21	Increase Lapse - (ESI - Assistant County Attorney III)	-46,948	-46,948
<b>County Attorney Total:</b>		<b>-132,126</b>	<b>-132,126</b>
<b>County Council</b>			
22	Cost reduction from staff changes	-226,905	-233,034
23	Projected Contractor OE savings	-76,850	0
<b>County Council Total:</b>		<b>-303,755</b>	<b>-233,034</b>
<b>County Executive</b>			
24	Lapse Savings	-188,100	-188,100
<b>County Executive Total:</b>		<b>-188,100</b>	<b>-188,100</b>
<b>Emergency Management and Homeland Security</b>			
25	Reduction of OEMHS Computers and other equipment Repair/Maintenance	-20,000	-20,000
26	Reduction of OEMHS Temporary Para-Professional Services	-6,351	-6,351
<b>Emergency Management and Homeland Security Total:</b>		<b>-26,351</b>	<b>-26,351</b>
<b>Environmental Protection</b>			
27	Additional Lapse	-58,000	0
<b>T&amp;E Alternative Savings</b>			
Outreach for Bill 52-14			-125,000
<b>Environmental Protection Total:</b>		<b>-58,000</b>	<b>-125,000</b>
<b>Ethics Commission</b>			
28	Reduction in Other Professional Services	-8,592	-8,592
<b>Ethics Commission Total:</b>		<b>-8,592</b>	<b>-8,592</b>
<b>Finance</b>			
29	Increase Chargebacks for Property Tax Billing & Collection Services - Solid Waste, Water Quality, Leaf Vacuuming	-116,327	-116,327
30	Lapse Savings from Vacant Positions	-172,595	-172,595
<b>Finance Total:</b>		<b>-288,922</b>	<b>-288,922</b>

**Ref. No Title**

**CE  
Recommended**

**Council  
Approved**

**General Services**

31	Libraries Deferred Maintenance	-150,000	-150,000
32	Recreation Deferred Maintenance	-100,000	-100,000
33	Turnover Savings	-108,583	-108,583
<b>General Services Total:</b>		<b>-358,583</b>	<b>-358,583</b>

**Health and Human Services**

34	DO - Planning Accounting and Customer Service Consulting Services (Partnership for Action Learning Sustainability)	-15,000	-15,000
35	CYF - CentroNia PreK contract	-102,600	-79,638
36	OCOO - Budget Team Contract	-36,000	-36,000
37	OCOO - IT Contracts	-966,284	-966,284
38	OCA - African American Health Program McFarland and Associates, Inc., Contract	-17,371	0
39	CYF - Family Services Inc. Early Childhood Staffing contract	-3,000	-3,000
40	CYF - High School Wellness Center OE funds	-10,904	-10,904
41	CYF - NCCF (National Center for Children and Families) Respite Program	-51,558	-51,558
42	CYF - EveryMind Regional Youth Services (RYS) contract	-2,000	-2,000
43	CYF - Family Services, Inc. Regional Youth Services (RYS) contract	-4,500	-4,500
44	CYF - YMCA Youth and Family Services	-22,500	-22,500
45	CYF - City of Rockville Regional Youth Services (RYS) contract	-2,500	-2,500
46	CYF - YMCA Youth and Family Services	-10,500	-10,500
47	CYF - Washington Youth Foundation Tutoring contract	-2,402	0
48	CYF - Washington Youth Foundation Mentoring contract	-3,556	0
49	CYF - Family Learning Solutions contract	-2,777	0
50	PHS-CD&E: Drugs and Medicine for Treatment of an Outbreak	-49,000	-49,000
51	CYF - George B. Thomas Sr. Learning Academy contract	-48,276	0
52	PHS-Chief's Office: Temporary Office Clerical	-10,000	-10,000
53	CYF - Maryland Vietnamese Mutual Tutoring contract	-3,627	0
54	CYF - State Child Care Supplement	-126,070	-126,070
55	PHS-Dental Services Contract with Dentist and Dental Hygienist	-38,980	0
56	CYF - Center for Adoption Support and Education (CASE) Post-Adoption Services contract	-25,000	0
57	PHS-Dental Services PCC Dental Assistant	-40,000	0
58	PHS-Maternity Partnership	-165,635	-165,635
59	A&D - Community Support Network , Summer Camps	-85,000	-30,000
60	PHS-Montgomery Cares PCC Behavioral Health Services	-18,411	-18,411
61	A&D - Community Support Network, Sign Language contract	-35,660	-35,660
62	PHS-Montgomery Cares PCC Personnel Savings	-175,715	-175,715
63	A&D - Community Support Network, Emergency Shelter Services	-15,000	-15,000



Ref. No	Title	CE Recommended	Council Approved
64	PHS-Montgomery Cares Preventive Screenings	-43,320	0
65	A&D - Community Support Network, Emergency Nursing Services contract	-15,000	-15,000
66	PHS-SHS Cardinal Health Purchase Order	-10,000	0
67	PHS-SHS Catholic University of America Purchase Order	-20,000	-20,000
68	SNH - Reduce Emergency Housing Assistance	-189,397	-189,397
69	Additional Personnel Lapse Savings	-1,399,919	-1,324,652
70	OCA - Asian American Health Program Primary Care Coalition Contract	-42,243	-42,243
71	OCA - Latino Health Initiative Ama Tu Vida Campaign	-10,000	0
72	OCA - Primary Care Coalition Contract (Leadership Institute for Equity and the Elimination of Disparities)	-12,000	-12,000
73	OCA - CASA de Maryland Contract (Employment, Training and Supportive Services)	-17,561	0
74	BHCS - Shared Psychiatrists for County Outpatient Mental Health Clinics	-220,000	-220,000
75	BHCS - Shelter Plus Care Contract (Case Management Services)	-42,000	-42,000
76	BHCS - CorrectRX Contract (Drugs & Medicine)	-40,000	-40,000
77	BHCS - Psychiatrist contract budget for ACCESS/Crisis Center	-18,995	0
78	BCHS - Mental Health Court	-190,516	-86,134
	Revenue Loss from Line 55 - Dental Services	11,625	0
<b>Health and Human Services Total:</b>		<b>-4,349,152</b>	<b>-3,821,301</b>
<b>Housing and Community Affairs</b>			
79	Partial Lapse of Vacant Positions	-150,772	-150,772
<b>Housing and Community Affairs Total:</b>		<b>-150,772</b>	<b>-150,772</b>
<b>Human Resources</b>			
80	Consultant Services	-150,000	-150,000
81	Miscellaneous Expenses	-13,450	-13,450
82	Office Supplies	-3,652	-3,652
<b>Human Resources Total:</b>		<b>-167,102</b>	<b>-167,102</b>
<b>Human Rights</b>			
83	Increase Lapse	-24,856	-24,856
<b>Human Rights Total:</b>		<b>-24,856</b>	<b>-24,856</b>
<b>Inspector General</b>			
84	Deferred Engagement of Subject Matter Expert	-21,437	-21,437
<b>Inspector General Total:</b>		<b>-21,437</b>	<b>-21,437</b>
<b>Intergovernmental Relations</b>			
85	Professional Services - Federal Consultant Services	-22,513	-22,513
<b>Intergovernmental Relations Total:</b>		<b>-22,513</b>	<b>-22,513</b>

Ref. No	Title	CE Recommended	Council Approved
<b>Legislative Oversight</b>			
86	Lapse Savings	-26,234	-26,234
87	Reductions in Consultant Services and Training	-7,000	-7,000
<b>Legislative Oversight Total:</b>		<b>-33,234</b>	<b>-33,234</b>
<b>Management and Budget</b>			
88	Increased lapse and turnover savings	-80,819	-80,819
89	Chargeback to White Flint Redevelopment Program CIP (P151200)	-13,800	-13,800
<b>Management and Budget Total:</b>		<b>-94,619</b>	<b>-94,619</b>
<b>Merit System Protection Board</b>			
90	Training Reduction	-2,354	-2,354
91	Consultant Services	-5,000	-5,000
<b>Merit System Protection Board Total:</b>		<b>-7,354</b>	<b>-7,354</b>
<b>Police</b>			
92	Liquidate Prior Year Purchase Orders	-80,017	-80,017
93	Increase Lapse based on analysis by OMB and Police	-1,523,340	-1,523,340
94	Increase Lapse due to position exemption process	-763,500	-763,500
95	Implementation Delays in Next Generation 911	-770,000	-770,000
96	Reduce Contract Security Hours of Council Office Building by Four Hours per Day	-67,977	0
97	Reduce Contract Security Spending to Reflect One Fewer Guard Than Budgeted Posted at COB	-86,054	-86,054
98	Adjust January recruit class size to reflect lower attrition in department	-525,452	-525,452
<b>Police Total:</b>		<b>-3,816,340</b>	<b>-3,748,363</b>
<b>Procurement</b>			
99	Recruit an Entry Level PAA Hire	-8,975	-8,975
100	Reduce the Number of Computer Rentals	-3,000	-3,000
101	Reduce the Number of General Office Supplies	-1,000	-1,000
102	Reduce the Number of Computer Software Licenses	-8,000	-8,000
103	Reduce the Number of Other Supplies and Materials	-4,000	-4,000
104	Reduce the Number of Outside Production Reports	-3,000	-3,000
105	Reduce the Number of Outside Overnight Mail/Courier Deliveries	-2,089	-2,089
106	Reduce the Number of Professional Meetings Hosted	-8,000	-8,000
107	Eliminate the Number of Advertising/Contract Solicitations Assisted by the Office of Procurement	-1,000	-1,000
108	Lapse a Part Time Procurement Specialist II	-51,195	-51,195
<b>Procurement Total:</b>		<b>-90,259</b>	<b>-90,259</b>

Ref. No	Title	CE Recommended	Council Approved
<b>Public Information</b>			
109	Projected Unused Interpreter Service	-34,000	-34,000
110	Temporary Office Clerical	-27,000	-27,000
111	Other Education - Training	-38,087	-38,087
112	Professional Memberships	-2,500	-2,500
<b>Public Information Total:</b>		<b>-101,587</b>	<b>-101,587</b>
<b>Public Libraries</b>			
113	Turnover Savings	-850,919	-850,919
<b>Public Libraries Total:</b>		<b>-850,919</b>	<b>-850,919</b>
<b>Sheriff</b>			
114	Keep Principal Administrative Aide position open through end of FY18	-50,205	-50,205
115	Keep Client Assistance position open through end of FY18	-73,885	-73,885
116	Reduce January 2018 Academy class size by 3 recruits	-114,436	-114,436
<b>Sheriff Total:</b>		<b>-238,526</b>	<b>-238,526</b>
<b>State's Attorney</b>			
117	Delay Hiring Two Senior Legal Assistant Positions	-24,812	-24,812
118	Turnover Savings	-125,852	-125,852
119	Increase Lapse	-62,400	-62,400
<b>State's Attorney Total:</b>		<b>-213,064</b>	<b>-213,064</b>
<b>Technology Services</b>			
120	Increase Lapse	-860,441	-860,441
<b>Technology Services Total:</b>		<b>-860,441</b>	<b>-860,441</b>
<b>Transportation</b>			
121	Lapse and Turnover Savings	-996,198	-996,198
<b>Transportation Total:</b>		<b>-996,198</b>	<b>-996,198</b>
<b>Zoning and Administrative Hearings</b>			
122	Reduction in Consultant Fees	-13,792	-13,792
<b>Zoning and Administrative Hearings Total:</b>		<b>-13,792</b>	<b>-13,792</b>
<b>General Fund Total:</b>		<b>-14,566,277</b>	<b>-13,966,728</b>

Ref. No Title

CE  
Recommended

Council  
Approved

**Fire**

**Fire and Rescue Service**

123	Hyattstown Engine 709	-899,000	0
124	Hillandale Tower 724	-494,000	0
125	Germantown Engine 729	-499,000	0
126	Four Person Staffing on Takoma Park Engine 702	-450,000	0
127	Allocate 10% reduction to LFRDs and MCVFRA	-268,458	-53,691

**Fire and Rescue Service Total: -2,610,458 -53,691**

**Fire Total: -2,610,458 -53,691**

**Recreation**

**Recreation**

128	Aquatics OE Reduction	-15,000	-15,000
129	Reduce the Distribution of Recreation Guides	-25,000	-25,000
130	Countywide Programs OE Reduction	-49,371	-49,371
131	Community Centers Reduction to OE	-112,239	-112,239
132	Reduce Health & Wellness Program	-60,000	-60,000
133	Administration Reduction to OE	-10,876	-10,876
134	PLAR Reduction to OE	-100,000	-100,000
135	Increase Lapse - Principal Admin Aide Position	-28,119	-28,119
136	Youth Development OE Reduction	-68,305	-68,305
137	Reduce Senior Transportation Revenue loss	-42,250 2,115	-42,250 2,115
138	Turnover Savings	-63,400	-63,400
139	Reduction of Seasonal Staffing in Facilities	-62,111	-62,111
140	Align budget with spending - Therapeutics and Senior programming within Regional Areas	-41,300	-41,300
141	Lapse Vacant Positions	-77,926	-77,926

**Recreation Total: -753,782 -753,782**

**Recreation Total: -753,782 -753,782**

**Bethesda Urban District**

**Urban Districts**

142	Turnover savings - Program Specialist II	-13,006	-13,006
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**Urban Districts Total: -13,006 -13,006**

**Bethesda Urban District Total: -13,006 -13,006**

Ref. No	Title	CE Recommended	Council Approved
<b>Silver Spring Urban District</b>			
<b>Urban Districts</b>			
143	Safe Team - other communication services	-5,000	-5,000
144	Clean Team - Other equipment repair/maintenance	-1,000	-1,000
145	Streetscape Maintenance - equipment repair/maintenance	-4,793	-4,793
<b>Urban Districts Total:</b>		<b>-10,793</b>	<b>-10,793</b>
<b>Silver Spring Urban District Total:</b>		<b>-10,793</b>	<b>-10,793</b>
<b>Wheaton Urban District</b>			
<b>Urban Districts</b>			
146	Turnover Savings - Wheaton UDPSA	-14,645	-14,645
147	Turnover Savings II - Wheaton UDPSA	-14,640	-14,640
<b>Urban Districts Total:</b>		<b>-29,285</b>	<b>-29,285</b>
<b>Wheaton Urban District Total:</b>		<b>-29,285</b>	<b>-29,285</b>
<b>Mass Transit</b>			
<b>Transit Services</b>			
148	Bus Fleet Replacement Savings <i>NOTE: The CE transmittal inadvertently double-counted this reduction.*</i>	-2,027,141	* <input type="text" value="0"/>
149	Defer start up of Limited Stop Ride On Service on US 29 <i>NOTE: The operating cost would be \$323,970 offset by revenue of \$32,398 for a net cost of \$291,672.</i>	-617,398	-325,726
<b>Transit Services Total:</b>		<b>-2,644,539</b>	<b>-325,726</b>
<b>Mass Transit Total:</b>		<b>-2,644,539</b>	<b>-325,726</b>
<b>Tax-Supported Total:</b>		<b>-20,628,140</b>	<b>-15,153,011</b>
<b><u>Non-Tax Supported</u></b>			
<b>Cable TV</b>			
<b>Cable Television Communications Plan</b>			
150	Vacant Position Lapse	-321,432	-321,432
<b>Cable Television Communications Plan Total:</b>		<b>-321,432</b>	<b>-321,432</b>
<b>Cable TV Total:</b>		<b>-321,432</b>	<b>-321,432</b>

**Liquor**

Ref. No	Title	CE Recommended	Council Approved
<b>Liquor Control</b>			
151	Retail Store Remodels	-779,660	-779,660
152	Liquidate FY18 Purchase Orders	-157,613	-157,613
153	Personnel Savings	-350,000	-350,000
154	Reduce OE for Supplies and Materials to align with paperless processes	-250,000	-250,000
155	Master Lease 3 Delivery Trucks	-316,612	-316,612
156	FY18 Revised Revenue Estimate	-1,500,000	-1,500,000
<b>Liquor Control Total:</b>		<b>-3,353,885</b>	<b>-3,353,885</b>
<b>Liquor Total:</b>		<b>-3,353,885</b>	<b>-3,353,885</b>
<b>Non-Tax Supported Total:</b>		<b>-3,675,317</b>	<b>-3,675,317</b>
<b>MCG Total:</b>		<b>-24,303,457</b>	<b>-18,828,328</b>
<b><u>Tax-Supported</u></b>			
<b>Montgomery County Public Schools</b>			
157	FY18 Savings Plan	-25,000,000	-25,000,000
<b>Montgomery County Public Schools Total:</b>		<b>-25,000,000</b>	<b>-25,000,000</b>
<b>Current Fund MCPS Total:</b>		<b>-25,000,000</b>	<b>-25,000,000</b>
<b>Montgomery College</b>			
158	FY18 Savings Plan	-5,255,188	-4,400,000
<b>Montgomery College Total:</b>		<b>-5,255,188</b>	<b>-4,400,000</b>
<b>Current Fund MC Total:</b>		<b>-5,255,188</b>	<b>-4,400,000</b>
<b>Maryland-National Capital Park and Planning Commission</b>			
159	FY18 Savings Plan	-2,630,941	-2,389,958
<b>Park Fund Total:</b>		<b>-2,630,941</b>	<b>-1,803,286</b>
Note: CE did not break down the Park Fund & Admin Fund.			
<b>Admin Fund Total:</b>			<b>-586,672</b>
<b>Maryland-National Capital Park and Planning Commission Total:</b>		<b>-2,630,941</b>	<b>-2,389,958</b>
<b>TOTAL SAVINGS without NDAs:</b>		<b>-57,189,586</b>	<b>-50,618,286</b>
<b>*TOTAL SAVINGS without NDAs (net):</b>		<b>-55,162,445</b>	<b>-50,618,286</b>

**COUNTY EXECUTIVE'S RECOMMENDED FY18 SAVINGS PLAN  
MONTGOMERY COUNTY GOVERNMENT - NDA and ISF SAVINGS**

<b>NDA/FUND</b>	<b>DESCRIPTION</b>	<b>CE REDUCTION</b>	<b>COUNCIL APPROVED</b>
NDA - Leases	Savings of 1% on budgeted lease expenses	-205,500	-205,500
NDA - MCEDC	Estimated ending fund balance in FY19	-900,000	-100,000
Motor Pool ISF	Delay half of automobile replacements planned for the rest of FY18	-1,000,000	-1,000,000
Motor Pool ISF	Hold current vacancies open through the end of FY18	-287,965	-287,965
NDA - Device Client Management	Delay equipment purchases	-1,000,000	-1,000,000
NDA - Housing Opportunities Commission	Reduce contribution to HOC by 2% in FY18	-130,738	-130,738
<b>TOTAL:</b>		<b>-3,524,203</b>	<b>-2,724,203</b>

**TOTAL OPERATING BUDGET & NDA REDUCTIONS: -60,713,789 -53,342,489**

**\*TOTAL SAVINGS (net): -58,686,648 -53,342,489**  
(including NDAs & ISF)

<b>CIP Current Revenue</b>	<b>Executive Reduction</b>	<b>Council Approved</b>
Ride-On Bus Fleet	-2,027,000	-2,027,000
Advanced Transportation Management System	-1,200,000	-1,200,000
Traffic Signal System Modernization	-1,200,000	-1,200,000
Facility Planning Transportation	-250,000	-250,000
Street Tree Preservation	-200,000	0
MCG Facility Planning	-125,000	-125,000
Technology Modernization	-25,000	-25,000
21st Century Libraries	-347,000	-347,000
DHCA Facility Planning	-125,000	-125,000
HOC Demolition CIP	-600,000	-600,000
MNCPPC All CR	-1,180,000	-1,180,000
MCPS - Technology Modernization	-3,019,000	-330,000
College	-3,168,000	-1,900,000
<b>TOTAL</b>	<b>-13,466,000</b>	<b>-9,309,000</b>



## Facility Planning: MCG (P508768)

Category General Government  
 Sub Category County Offices and Other Improvements  
 Administering Agency General Services (AAGE29)  
 Planning Area Countywide

Date Last Modified 5/19/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	9,907	8,173	249	1,485	297	148	260	260	260	260	0
Land	87	87	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	7	7	0	0	0	0	0	0	0	0	0
Construction	237	237	0	0	0	0	0	0	0	0	0
Other	222	222	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>10,460</b>	<b>8,726</b>	<b>249</b>	<b>1,485</b>	<b>297</b>	<b>148</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	9,825	8,081	249	1,485	297	148	260	260	260	260	0
G.O. Bonds	625	625	0	0	0	0	0	0	0	0	0
Solid Waste Disposal Fund	20	20	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>10,460</b>	<b>8,726</b>	<b>249</b>	<b>1,485</b>	<b>297</b>	<b>148</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	210
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		9,335
Expenditure / Encumbrances		8,845
Unencumbered Balance		490

Date First Appropriation	FY 87
First Cost Estimate	
Current Scope	FY 18 10,585
Last FY's Cost Estimate	10,535

### Description

This project provides for general government facility planning studies for a variety of projects under consideration in the CIP. In addition, facility planning serves as a transition stage for a project between the master plan or conceptual stage and its inclusion as a stand-alone project in the CIP. Prior to the establishment of a stand-alone project, Montgomery County develops a Program of Requirements (POR) that outlines the general and specific features required on the project. Selected projects range in type including: new buildings, renovation of existing buildings, stormwater management, and recycling centers. Facility planning is a decision making process that includes the determination of the purpose of and need for a candidate project, a rigorous investigation of non-County sources of funding, and an estimate of the cost of the design and an estimated range of the cost of construction of the project. Facility planning represents planning and preliminary design and develops a POR in advance of full programming of a project in the CIP. Depending upon the results of a facility planning determination of purpose and need, a project may or may not proceed to design and construction. For a full description of the facility planning process, see the CIP Planning Section.

### Cost Change

Increase is due to the addition of studies for a Bethesda CBD Recreation Center and Aquatic Center in Takoma Park.

### Justification

Facility planning costs for projects which ultimately become stand-alone projects are included here. These costs will not be reflected in the resulting individual project.

### Other

The study proposals under this program are developed in conjunction with program departments, the Department of General Services, the Office of Management and Budget (OMB), and consultants to ensure accurate program requirements. Planning studies are underway or to be completed in FY17 or FY18 are listed on the next page. This list includes projects that will potentially be considered for inclusion as stand alone projects in the FY21-22 CIP. Other projects not listed may be planned under urgent situations. Planning for future fire stations will be considered if response time or population data warrant such a need.

### Fiscal Note

Funds may also be used to explore opportunities in the event a private developer expresses interest in County property. Reductions are related to an FY18 savings plan.

### Disclosures

Expenditures will continue indefinitely.

### Coordination

Department of Environmental Protection, Department of General Services, Department of Correction and Rehabilitation, Department of Fire and Rescue Services, Department of Police, Department of Health and Human Services, Department of Recreation, Department of Public Libraries, Circuit Court, Office of Management and Budget, Commission on People with Disabilities, Montgomery County Pedestrian Safety Advisory Committee

## Technology Modernization -- MCG (P150701)

Category  
Sub Category  
Administering Agency  
Planning Area

General Government  
County Offices and Other Improvements  
County Executive (AAGE03)  
Countywide

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

9/21/16  
No  
None  
Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	134,328	117,027	12,665	4,636	4,636	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	56	0	56	0	0	0	0	0	0	0	0
<b>Total</b>	<b>134,384</b>	<b>117,027</b>	<b>12,721</b>	<b>4,636</b>	<b>4,636</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	1,615	1,340	275	0	0	0	0	0	0	0	0
Current Revenue: General	67,412	65,549	1,863	0	0	0	0	0	0	0	0
Federal Aid	741	0	0	741	741	0	0	0	0	0	0
Land Sale	2,634	2,634	0	0	0	0	0	0	0	0	0
Recreation Fund	620	578	42	0	0	0	0	0	0	0	0
Recordation Tax Premium	2,623	2,623	0	0	0	0	0	0	0	0	0
Short-Term Financing	58,739	44,303	10,541	3,895	3,895	0	0	0	0	0	0
<b>Total</b>	<b>134,384</b>	<b>117,027</b>	<b>12,721</b>	<b>4,636</b>	<b>4,636</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Maintenance				2,802	467	467	467	467	467	467	467
Productivity Improvements				-29,148	-700	-3,472	-6,244	-6,244	-6,244	-6,244	-6,244
Program-Staff				858	143	143	143	143	143	143	143
Program-Other				10,374	1,054	1,864	1,864	1,864	1,864	1,864	1,864
<b>Net Impact</b>				<b>-15,114</b>	<b>964</b>	<b>-998</b>	<b>-3,770</b>	<b>-3,770</b>	<b>-3,770</b>	<b>-3,770</b>	<b>-3,770</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		134,409
Expenditure / Encumbrances		130,606
Unencumbered Balance		3,803

Date First Appropriation	FY 07
First Cost Estimate	
Current Scope	FY 17 134,409
Last FY's Cost Estimate	134,409

### Description

This project provides for the replacement, upgrade, and implementation of IT initiatives that will ensure ongoing viability of key processes, replace outdated and vulnerable systems, and produce a high return in terms of customer service and accountability to our residents. Major new IT systems that have been completed through this project include the Enterprise Resource Planning (ERP) Financial and Human Resources modules, foundation phase of the 311/Constituent Relationship Management (CRM), Electronic Time reporting (MCTime), and related Business Process Review (BPR). Planning activities for the Department of Health and Human Services (HHS) technology modernization of key systems and processes are underway. The Budgeting module of the ERP system (Hyperion) and additional self-service functionality is currently underway and the workforce component of the Hyperion System has been completed. The ERP project was implemented to modernize Core Business Systems to improve the efficiency, effectiveness, and responsiveness of the County Government. In addition, modernization of the County's Tax Assessment Billing System is underway. This system is used to annually calculate and bill County residents for County and municipal property taxes, solid waste fees, water quality fees, Washington Suburban Sanitary Commission (WSSC) fees, and other fees, taxes, and related credits. The HHS program provides for the development and implementation of an Enterprise Integrated Case Management (EICM) system as part of a larger Process and Technology Modernization (PTM) program that will move the department from a traditional agency-centric model of practice to a more effective client-centered model of practice. As part of this initiative, the EICM project will upgrade obsolete IT systems and information processes to avoid duplication of data entry, reduce ineffective coordination of services, and minimize inefficiencies resulting from legacy systems. The Active Network (ActiveNet) upgrade for the Department of Recreation, Community Use of Public Facilities (CUPF), and the Maryland-National Capital Park and Planning (M-NCPPC) involves the replacement of the existing CLASS registration and payment system. The Gilchrist Center is also in need of a platform to register its clients for programs and activities. Implementation involves analysis and realignment of business practices and procedures, system configuration, web-site designs; redesign/testing of ERP interfaces; and new Accounts Receivable functions. An Interagency Governance Committee comprised of managers from each participating department/agency will make decisions balancing the needs of each department.

## Technology Modernization -- MCG (P150701)

### Cost Change

The cost decrease is due to shifting the FY17 funding in Current Revenue to the HHS Operating budget.

### Justification

According to a 2004 ranking of major existing technology systems based on their current health and relative need for upgrade or replacement, the County's then current core business systems (ADPICS, FAMIS, BPREP, and HRMS) were ranked as Priority #1, which means obsolete or vulnerable critical system in immediate risk of failure. These at-risk systems were replaced with a state of the art ERP system which provides a common database supporting financials, procurement, budget, and HR/payroll, and includes system-wide features for security, workflow, and reporting, and up-to-date technology architecture. Tax Assessment Billing System: The current system is over 30 years old, is only internally supported, and is used for the collection of over \$2 billion in revenues annually. Health and Human Services EICM: This technology modernization effort will ensure ongoing viability of key processes, replace outdated and vulnerable systems, create staff operating efficiencies, and produce a high return in terms of customer service and accountability to our residents. Related plans and studies include the Information Technology Interagency Funding and Budgeting Committee's report of September 30, 2003, the Montgomery County Government FY06 IT Budget Overview prepared by Department of Technology Services, and the FY14 Process and Technology Modernization Readiness Assessment conducted by the Gartner consulting group. Recreation, CUPF, and M-NCPPC: The Active Network announced that they will release one more version upgrade of CLASS, scheduled for first quarter of 2014. After this release, there will be no further development of the CLASS software and maintenance/support will be phased out of the CLASS software (ending by December, 2017). A feasibility study determined that the Active Network's browser based application, ActiveNet, is the only software with sufficient functionality and processing capability to meet the needs of a joint registration and facility management system in a single database for Recreation, CUPF, MNCPPC, and the Gilchrist Center. The system will also improve customer service by providing a one-stop access point.

### Other

The Technology Modernization - MCG project is intended to serve as an ongoing resource for future IT modernization and related process engineering to the County Government's business systems beyond the currently defined project scope. Future projects may include the following: CRM - Citizen Relationship Management Phase II: This initiative will extend the service to municipalities in the County and other County agencies (e.g. Board of Education, M-NCPPC, Montgomery College). This initiative will proceed based upon interest from these organizations and agreement on funding. Objectives include creation of a Citizen Relationship Management (CRM) program to develop or convert automated capabilities for all appropriate County services including: Case Management Events, Management Field Services, Grants Management, Help Desk Solutions, Point of Sales, Resident Issue Tracking System, Work Order Processing System, ERP - Enterprise Resource Planning, Business Intelligence/Data Warehouse Development, Loan Management, Property Tax Billing and Collection, Public Access to Contractor Payments, Upgrade to Oracle E-Business/Kronos/Siebel, and Enhancements to comply with evolving Payment Card Industry (PCI) mandates.

### Fiscal Note

Project funding includes short-term financing for integrator services and software costs. The Operating Budget Impact (OBI) estimates have been reduced to reflect the full accounting of ERP operating costs in the Operating budget. ERP: Funding through FY15 and FY16 estimated is now adjusted to reflect actual transfer by the Board of Investment Trustees (BIT) as Contributions and from the Department of Liquor Control and the Group Insurance Fund to the General Fund as Current Revenue: General. HHS: Due to delays in the State's process for seeking federal reimbursements for capital IT upgrades, Federal Aid is only assumed in FY17. HHS will continue to seek federal aid as the State updates its process. If the State is continuously unsuccessful to receive federal reimbursements, short-term financing will be used as an alternative funding source. ActiveNet: \$645,000 will be appropriated from the Current Revenue: Recreation Fund in FY15 for the ActiveNet upgrade; Recreation will charge CUPF and M-NCPPC for their share of the project's expenditures based on a proportionate share of each party's use of ActiveNet. FY18 reductions are related to an FY18 savings plan.

### Coordination

MCG efforts are coordinated with applicable agencies during the project planning, requirements gathering, and requests for proposal (RFP) phases: Offices of the County Executive, Office of the County Council, Department of Finance, Department of Technology Services, Office of Procurement, Office of Human Resources, Office of Management and Budget, Department of Health and Human Services, Department of Recreation, Community Use of Public Facilities, and the Maryland-National Capital Park and Planning Commission, Gilchrist Center or CEC, all MCG Departments and Offices, Maryland Department of Human Resources, Maryland Department of Health and Mental Hygiene.

## Facility Planning-Transportation (P509337)

Category Transportation  
 Sub Category Roads  
 Administering Agency Transportation (AAGE30)  
 Planning Area Countywide

Date Last Modified 5/15/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	58,537	43,796	1,471	13,270	2,950	1,740	2,255	2,105	1,915	2,305	0
Land	628	628	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	128	128	0	0	0	0	0	0	0	0	0
Construction	54	54	0	0	0	0	0	0	0	0	0
Other	52	52	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>59,399</b>	<b>44,658</b>	<b>1,471</b>	<b>13,270</b>	<b>2,950</b>	<b>1,740</b>	<b>2,255</b>	<b>2,105</b>	<b>1,915</b>	<b>2,305</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	4	4	0	0	0	0	0	0	0	0	0
Current Revenue: General	43,254	33,129	0	10,125	1,235	570	2,190	2,040	1,850	2,240	0
Impact Tax	6,070	4,505	45	1,520	610	910	0	0	0	0	0
Intergovernmental	785	764	21	0	0	0	0	0	0	0	0
Land Sale	2,099	2,099	0	0	0	0	0	0	0	0	0
Mass Transit Fund	5,453	2,423	1,405	1,625	1,105	260	65	65	65	65	0
Recordation Tax Premium	1,659	1,659	0	0	0	0	0	0	0	0	0
State Aid	75	75	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>59,399</b>	<b>44,658</b>	<b>1,471</b>	<b>13,270</b>	<b>2,950</b>	<b>1,740</b>	<b>2,255</b>	<b>2,105</b>	<b>1,915</b>	<b>2,305</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	2,890
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		49,079
Expenditure / Encumbrances		46,506
Unencumbered Balance		2,573

Date First Appropriation	FY 93
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	59,649

### Description

This project provides for planning and preliminary engineering design for new and reconstructed highway projects, pedestrian facilities, bike facilities, and mass transit projects under consideration for inclusion in the Capital Improvements Program (CIP). Prior to the establishment of a stand-alone project in the CIP, the Department of Transportation will perform Phase I of facility planning, a rigorous planning-level investigation of the following critical project elements: purpose and need; usage forecasts; traffic operational analysis; community, economic, social, environmental, and historic impact analyses; recommended concept design and public participation are considered. At the end of Phase I, the Transportation, Infrastructure, Energy and Environment (T&E) Committee of the County Council reviews the work and determines if the project has the merits to advance to Phase II of facility planning: preliminary (35 percent level of completion) engineering design. In preliminary engineering design, construction plans are developed showing specific and detailed features of the project, from which its impacts and costs can be more accurately assessed. At the completion of Phase II, the County Executive and County Council hold project-specific public hearings to determine if the candidate project merits consideration in the CIP as a funded stand-alone project.

### Justification

There is a continuing need to define the scope and determine need, benefits, implementation feasibility, horizontal and vertical alignments, typical sections, impacts, community support/opposition, preliminary costs, and alternatives for master planned transportation recommendations. Facility Planning provides decision makers with reliable information to determine if a master-planned transportation recommendation merits inclusion in the CIP as a stand-alone project. The sidewalk and bikeway projects in Facility Planning specifically address pedestrian needs.

### Fiscal Note

Starting in FY01, Mass Transit Funds provide for mass transit related candidate projects. Impact taxes will continue to be applied to qualifying projects. Reductions are related to an FY18 savings plan

### Disclosures

A pedestrian impact analysis will be performed during design or is in progress.

Expenditures will continue indefinitely.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

## Facility Planning-Transportation (P509337)

### **Coordination**

Maryland-National Capital Park and Planning Commission, Maryland State Highway Administration, Maryland Department of the Environment, Maryland Department of Natural Resources, U.S. Army Corps of Engineers, Department of Permitting Services, Utilities, Municipalities, Affected communities, Commission on Aging, Commission on People with Disabilities, Montgomery County Pedestrian Safety Advisory Committee

**FACILITY PLANNING TRANSPORTATION – No. 509337**  
**FY17-22 PDF Project List**

**Studies Underway or to Start in FY17-18:**

**Road Projects**

- Dorsey Mill Road Extended and Bridge (over I-270)
- Midcounty Hwy Extended (Mont. Village Ave. – MD27)
- Summit Avenue Extended (Plyers Mill Rd. – University Blvd.)

**Sidewalk/Bikeway Projects**

- Goldsboro Road Bikeway (MacArthur Blvd. – River Rd.)
- MacArthur Blvd. Bikeway Improvements Segment 1 (Stable Ln. – I-495)
- Tuckerman Lane Sidewalk (Gainsborough Rd. – Old Georgetown Rd.)
- Bowie Mill Rd. Bikeway (MD115 – MD108)

**Mass Transit Projects**

- Boyds Transit Improvements
- Germantown Transit Center Expansion
- Lakeforest Transit Center Modernization
- Milestone Transit Center Expansion
- Upcounty Park-and-Ride Expansion
- *US 29 Bus Rapid Transit Guideway and Operations*

**Candidate Studies to Start in FY19-22:**

**Road Projects**

- Crabbs Branch Way Extended to Amity Drive
- MD 355 (Clarksburg) Bypass
- North High Street Extended to Morningwood Drive
- Old Columbia Pike/Prosperity Drive Widening (Stewart Ln. – Cherry Hill Rd.)

**Sidewalk/Bikeway Projects**

- Capitol View Ave/Metropolitan Ave (MD192) Sidewalk/Bikeway (Forest Glen Rd. – Ferndale St.)
- Sandy Spring Bikeway (MD108 – MD182 – Norwood Rd.)

**Mass Transit Projects**

- Clarksburg Transit Center
- Olney Longwood Park-and-Ride

**Other Candidate Studies Proposed after FY22:**

**Road Projects**

TBD

**Sidewalk/Bikeway Projects**

TBD

**Mass Transit Projects**

TBD

## Traffic Signal System Modernization (P500704)

Category Transportation  
 Sub Category Traffic Improvements  
 Administering Agency Transportation (AAGE30)  
 Planning Area Countywide

Date Last Modified 12/6/16  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	13,909	13,209	100	600	100	100	100	100	100	100	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	27,243	18,746	2,745	5,752	1,641	1,035	1,138	1,138	1,138	1,138	0
Construction	395	395	0	0	0	0	0	0	0	0	0
Other	967	102	0	865	0	865	0	0	0	0	0
<b>Total</b>	<b>43,990</b>	<b>32,452</b>	<b>2,845</b>	<b>8,693</b>	<b>1,741</b>	<b>2,000</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	295	0	295	0	0	0	0	0	0	0	0
Current Revenue: General	7,423	355	375	6,693	1,741	0	1,238	1,238	1,238	1,238	0
G.O. Bonds	15,494	14,528	966	0	0	0	0	0	0	0	0
Recordation Tax Premium	8,778	5,569	1,209	2,000	0	2,000	0	0	0	0	0
State Aid	12,000	12,000	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>43,990</b>	<b>32,452</b>	<b>2,845</b>	<b>8,693</b>	<b>1,741</b>	<b>2,000</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>1,238</b>	<b>0</b>
<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Maintenance				54	3	5	8	10	13	15	
Program-Staff				600	50	50	100	100	150	150	
Program-Other				36	3	3	6	8	9	9	
<b>Net Impact</b>				<b>690</b>	<b>56</b>	<b>58</b>	<b>114</b>	<b>116</b>	<b>172</b>	<b>174</b>	
Full Time Equivalent (FTE)					1.0	1.0	2.0	2.0	3.0	3.0	

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	2,603
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		37,635
Expenditure / Encumbrances		33,563
Unencumbered Balance		4,072

Date First Appropriation	FY 07	
First Cost Estimate		
Current Scope	FY 17	45,190
Last FY's Cost Estimate		45,190

### Description

This project provides for the modernization of the County's aged traffic signal system. Phase I consisted of planning, requirements development, systems engineering, and testing. Phase II consists of acquisition of central system hardware and software, acquisition, and implementation of control equipment and communications for intersections, as well as reconfiguration of the communications cable plant. Phase I was completed in FY08. Phase II implementation commenced in FY09. As a result of the November 2009 failure of the existing system, Phase II was refined into two sub-phases, A and B, so that replacement of the existing system could be accelerated. Phase IIA encompassed critical work that was necessary to deactivate the existing system. Phase IIB includes all other work that is not critical to replacement of the existing system.

### Estimated Schedule

Phase I - completed, FY07-08 Phase IIA - completed FY12, Phase IIB - FY13-16; ongoing Life Cycle Upgrades - FY17 and beyond.

### Cost Change

Cost increase due to the addition of a pilot Adaptive Traffic Control (ATC) system in FY17-18, the addition of Traffic Signal Prioritization in FY18, and the addition of FY21-22 to this ongoing level-of-effort project.

### Justification

## Traffic Signal System Modernization (P500704)

The existing traffic signal control system, though it has been highly reliable, is an aging system dependent on dated technology. Central and field communications devices are obsolete and problematic to maintain. As the technologies employed in the Advanced Transportation Management System (ATMS) have advanced, it has become increasingly difficult to interface with the existing traffic signal control system (COMTRAC). Because of the limited functionality of COMTRAC, the system is not able to take advantage of the capabilities of the current generation of local intersection controllers. These capabilities provide a greater level of flexibility to manage traffic demands. In November 2009, the existing traffic signal system experienced a failure that caused significant congestion and delays throughout the County for nearly two days. This event led to an acceleration of the schedule to replace the existing system. The following reports were developed as part of the research, planning and system engineering work on this project. These reports documented the existing condition and need to modernize the existing signal control system, as well as the evaluation and engineering of specific components of the replacement system: White paper on the Status and Future of the Traffic Control System in Montgomery County, March 2001; Concept of Operations (rev 1.4), October 2007; TSSM Requirements (rev g), October 2007; TSSM Communications Master Plan (rev c), February 2009; TSSM Risk Assessment and Analysis (rev e), April 2009. Given the effort to modernize the signal system and its infrastructure, it is important and prudent to take steps to prevent the system from becoming outdated. A proactive program to replace equipment by its "life cycle" usefulness is required given the dependency on technology driven devices and software to maintain traffic control capabilities and full redundancy fail-over systems. This assumes a level of effort (LOE) designation and funding be appropriated beginning in FY17.

### **Fiscal Note**

The county's traffic signal system supports approximately 800 traffic signals, about 550 of which are owned by the Maryland State Highway Administration (MSHA) and maintained and operated by the County on a reimbursement basis. MSHA plans to separately fund and implement other complementary work and intersection upgrades amounting to approximately \$12.5 million that are not reflected in the project costs displayed above. Project appropriations were reduced in FY09 (-\$106,000) and FY11 (-\$269,000) to reconcile the recall of a \$375,000 federal earmark that was originally programmed in FY07. MSHA has committed to provide \$12 million in State aid to this project. This aid was originally programmed during FY09-14, but did not materialize due to the State's fiscal situation. In addition \$2 million in State Aid was moved to the TSSM project from the State Transportation Participation (STP) CIP (No. 500722) in FY11 with repayment to STP programmed in FY17. In FY16, \$9,000 in Current Revenue was transferred from the Brookville Service Park CIP (#509928). In FY16, a funding switch of \$295,000 in Contributions added to this project, fully offsetting a similar amount in Current Revenue. FY18 reductions are related to an FY18 savings plan.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

### **Coordination**

Advanced Transportation Management System, Fibernet, State Transportation Participation, Traffic Signals Project, Department of Technology Services, Maryland State Highway Administration



## Advanced Transportation Management System (P509399)

Category Transportation  
 Sub Category Traffic Improvements  
 Administering Agency Transportation (AAGE30)  
 Planning Area Countywide

Date Last Modified 5/22/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	13,685	12,446	177	1,062	177	177	177	177	177	177	0
Land	1	1	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	38,025	28,879	2,360	6,786	639	823	1,331	1,331	1,331	1,331	0
Construction	194	194	0	0	0	0	0	0	0	0	0
Other	7,644	7,050	94	500	500	0	0	0	0	0	0
<b>Total</b>	<b>59,249</b>	<b>48,570</b>	<b>2,631</b>	<b>8,348</b>	<b>1,316</b>	<b>1,000</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Cable TV	2,241	2,241	0	0	0	0	0	0	0	0	0
Contributions	95	95	0	0	0	0	0	0	0	0	0
Current Revenue: General	21,650	14,171	631	6,848	816	0	1,508	1,508	1,508	1,508	0
Federal Aid	2,504	2,504	0	0	0	0	0	0	0	0	0
G.O. Bonds	8,396	8,396	0	0	0	0	0	0	0	0	0
Mass Transit Fund	8,564	7,564	500	500	500	0	0	0	0	0	0
PAYGO	2,226	2,226	0	0	0	0	0	0	0	0	0
Recordation Tax Premium	2,500	0	1,500	1,000	0	1,000	0	0	0	0	0
State Aid	10,873	10,873	0	0	0	0	0	0	0	0	0
Transportation Improvement Credit	500	500	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>59,249</b>	<b>48,570</b>	<b>2,631</b>	<b>8,348</b>	<b>1,316</b>	<b>1,000</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>1,508</b>	<b>0</b>

<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Energy				105	5	10	15	20	25	30	
Maintenance				525	25	50	75	100	125	150	
Program-Staff				600	50	50	100	100	150	150	
Program-Other				36	3	3	6	6	9	9	
<b>Net Impact</b>				<b>1,266</b>	<b>83</b>	<b>113</b>	<b>196</b>	<b>226</b>	<b>309</b>	<b>339</b>	
Full Time Equivalent (FTE)					1.0	1.0	2.0	2.0	3.0	3.0	

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	1,508
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		53,209
Expenditure / Encumbrances		49,337
Unencumbered Balance		3,872

Date First Appropriation	FY 93
First Cost Estimate	
Current Scope	FY 18 60,749
Last FY's Cost Estimate	63,249

### Description

This project provides for the Advanced Transportation Management System (ATMS) in the County. The ATMS deploys the infrastructure elements to conduct real-time management and operations of the County's transportation system. Twenty-two National Intelligent Transportation Architecture market packages have been identified for deployment of the ATMS. Each of these market packages is considered a subsystem of the ATMS program and may include several elements. These subsystems are identified in the ATMS Strategic Deployment Plan dated February 2001, revised July 2011. One aspect of this project will focus on improving pedestrian walkability by creating a safer walking environment, utilizing selected technologies and ensuring Americans with Disabilities Act (ADA) compliance.

### Cost Change

Cost decrease due to the reallocation of \$500,000 in Mass Transit Funds starting in FY18 and beyond to the new Intelligent Transit System CIP (P501801).

### Justification

ATMS provides real-time monitoring, control, and traveler information in an effort to reduce traffic congestion and travel time, improve safety, and defer the need to construct new roads. ATMS emphasizes safety and efficiency of mobility to include mode, route, and travel time choices. ATMS supports public safety and directly impacts the movement of people and goods throughout the County's transportation system. This project was initiated in response to a growing demand to enhance options and amenities within the County's transportation network.

### Other

## Advanced Transportation Management System (P509399)

This project includes the traffic element that focuses on reducing traffic congestion and travel time and improving safety.

### **Fiscal Note**

In FY16, \$500,000 in Current Revenue: General was switched for Recordation Tax Premium. FY18 reductions are related to an FY18 savings plan.

### **Disclosures**

Expenditures will continue indefinitely.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

### **Coordination**

Developers, Department of Technology Services, Department of Police, Federal Transit Administration (FTA), Federal Highway Administration (FHWA), Fibernet, Maryland State Highway Administration, Virginia Department of Transportation, Other Local Governments, Other Private Entities, Traffic Signals project, Traffic Signal System Modernization Project, Montgomery County Pedestrian Safety Advisory Committee, Citizen's Advisory Boards, Montgomery County Planning Board

## Ride On Bus Fleet (P500821)

Category Transportation Sub  
 Category Mass Transit  
 Administering Agency Transportation (AAGE30)  
 Planning Area Countywide

Date Last Modified 5/17/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	224,687	106,322	18,238	100,127	18,115	12,743	23,199	17,340	17,860	10,870	0
<b>Total</b>	<b>224,687</b>	<b>106,322</b>	<b>18,238</b>	<b>100,127</b>	<b>18,115</b>	<b>12,743</b>	<b>23,199</b>	<b>17,340</b>	<b>17,860</b>	<b>10,870</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Bond Premium	956	956	0	0	0	0	0	0	0	0	0
Contributions	475	430	45	0	0	0	0	0	0	0	0
Fed Stimulus (State Allocation)	6,550	6,550	0	0	0	0	0	0	0	0	0
Federal Aid	39,365	25,269	4,496	9,600	1,600	1,600	1,600	1,600	1,600	1,600	0
Impact Tax	2,350	2,273	77	0	0	0	0	0	0	0	0
Mass Transit Fund	93,088	4,841	9,220	79,027	7,015	10,743	21,199	15,340	15,860	8,870	0
Short-Term Financing	66,763	57,663	0	9,100	9,100	0	0	0	0	0	0
State Aid	15,140	8,340	4,400	2,400	400	400	400	400	400	400	0
<b>Total</b>	<b>224,687</b>	<b>106,322</b>	<b>18,238</b>	<b>100,127</b>	<b>18,115</b>	<b>12,743</b>	<b>23,199</b>	<b>17,340</b>	<b>17,860</b>	<b>10,870</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	14,770
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		142,675
Expenditure / Encumbrances		121,097
Unencumbered Balance		21,578

Date First Appropriation	FY 09
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	228,826

#### Description

This project provides for the purchase of replacement and additional buses in the Ride On fleet in accordance with the Division of Transit Services' bus replacement plan and the Federal Transportation Administration's service guidelines

#### Estimated Schedule

FY17: 14 full-size CNG and 19 full-size diesel; FY18: 23 full-size CNG and 3 large diesel; FY19: 9 full-size hybrid and 31 small diesel; FY20: 31 large diesel; FY21: 22 full-size hybrid; FY22: 13 full-size hybrid

#### Cost Change

In FY18, switch three buses from hybrid to diesel and eliminate two buses due to discontinuation of Route 94.

#### Justification

The full-size transit buses have an expected useful life of twelve years. Smaller buses have an expected useful life of ten years.

#### Disclosures

Expenditures will continue indefinitely.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

#### Coordination

Department of General Services, Maryland Transit Administration

#### Fiscal Note

FY18 reductions are related to an FY18 savings plan.

## 21st Century Library Enhancements Level Of Effort (P711503)

Category Culture and Recreation  
 Sub Category Libraries  
 Administering Agency General Services (AAGE29)  
 Planning Area Countywide

Date Last Modified 11/17/14  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
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### EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	825	8	92	725	100	25	150	150	150	150	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	3,723	45	350	3,328	450	178	675	675	675	675	0
Other	4,105	505	0	3,600	450	450	675	675	675	675	0
<b>Total</b>	<b>8,653</b>	<b>558</b>	<b>442</b>	<b>7,653</b>	<b>1,000</b>	<b>653</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>0</b>

### FUNDING SCHEDULE (\$000s)

Current Revenue: General	8,284	189	442	7,653	1,000	653	1,500	1,500	1,500	1,500	0
G.O. Bonds	225	225	0	0	0	0	0	0	0	0	0
Short-Term Financing	144	144	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>8,653</b>	<b>558</b>	<b>442</b>	<b>7,653</b>	<b>1,000</b>	<b>653</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	1,000
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		2,000
Expenditure / Encumbrances		597
Unencumbered Balance		1,403

Date First Appropriation	FY 15
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	9,000

#### Description

This level of effort project is intended to maintain and keep technology current in existing libraries by updating technology and technology support systems. When appropriate, upgrades will be coordinated with Library Refurbishment project work.

#### Estimated Schedule

Project started in FY15 and work will progress on an as needed basis.

#### Cost Change

Cost increase is due to addition of FY21 and FY22 expenditures.

#### Justification

This funding will allow the Department of Public Libraries, Department of General Services, and Department of Technology Services to respond to customer demands and library trends that require changes in the equipment and related furnishings of library buildings. This includes provision of new equipment such as tablet and laptop vending devices, media dispensing units, modifying service desks to provide single points of service or modernizing furniture to allow tablet arms on lounge chairs or erasable/writable surfaces on tables in children's rooms. It will also provide funding to do minor upgrades of electrical and data connections as improvements are made to the services and programs. This project will improve the level of service to the community by keeping the library system more current and responsive to the needs of the community. Rather than the current 30+ year cycle of renovations, funds will be available to modify technology on a much shorter timeframe.

#### Disclosures

Expenditures will continue indefinitely.

#### Coordination

Department of General Services, Department of Public Libraries, Department of Technology Services

#### Fiscal Note

FY18 reductions are related to an FY18 savings plan.

## Facility Planning: HCD (P769375)

Category Community Development and Housing  
 Sub Category Community Development  
 Administering Agency Housing & Community Affairs (AAGE11)  
 Planning Area Countywide

Date Last Modified 12/16/16  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
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### EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	4,295	2,747	798	750	125	125	125	125	125	125	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4,295</b>	<b>2,747</b>	<b>798</b>	<b>750</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>0</b>

### FUNDING SCHEDULE (\$000s)

Community Development Block Grant	893	334	559	0	0	0	0	0	0	0	0
Current Revenue: General	3,102	2,113	239	750	125	125	125	125	125	125	0
Current Revenue: Parking - Montgomery Hill	100	100	0	0	0	0	0	0	0	0	0
Federal Aid	200	200	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4,295</b>	<b>2,747</b>	<b>798</b>	<b>750</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	125
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		3,795
Expenditure / Encumbrances		2,747
Unencumbered Balance		1,048

Date First Appropriation	FY 96
First Cost Estimate	
Current Scope	FY 17
Last FY's Cost Estimate	4,545

### Description

This project provides funds for Department of Housing and Community Affairs (DHCA) facility planning studies for a variety of projects for possible inclusion in the CIP. In addition, facility planning serves as a transition stage for a project between the master plan or conceptual stage and its inclusion as a stand-alone project in the CIP. Prior to the establishment of a stand-alone project, DHCA will develop a Program of Requirements (POR) that outlines the general and specific features required in the project. Selected projects range in type including: land and building acquisition; conversion of surplus schools/ school sites or County-owned land into housing resources; design and construction of street improvements, sidewalks, and other infrastructure improvements in neighborhoods and small commercial area revitalization including streetscaping and circulation along with Central Business District (CBD) revitalization. Facility planning is a decision-making process to determine the purpose and need of a candidate project through a rigorous investigation of the following critical project elements: community revitalization needs analysis; economic, social, environmental, and historic impact analyses; public participation; investigation of non-County sources of funding; and detailed project cost estimates. Depending upon the results of a facility planning determination of purpose and need, a project may or may not proceed to construction. For a full description of the facility planning process, see the CIP Planning Section.

### Cost Change

Increase due to the addition of FY21 and FY22.

### Justification

There is a continuing need for development of accurate cost estimates and an exploration of alternatives for proposed projects. Facility planning costs for all projects which ultimately become stand-alone PDFs are included here. These costs will not be reflected in the resulting individual project. Future individual CIP projects, which result from facility planning, will each reflect reduced planning and design costs.

### Other

The proposals studied under this program will involve the Office of Management and Budget staff, consultants, community groups, and related program area staff, to ensure that completed studies show full costs, program requirements, and have community support.

### Fiscal Note

This project includes \$75,000 in FY13 to develop a program of requirements for a potential Colesville New Hampshire Avenue corridor improvement project between Midland Road and Hollywood Boulevard. FY18 reductions are related to an FY18 savings plan.

### Disclosures

Expenditures will continue indefinitely.

### Coordination

Office of Management and Budget, M-NCPPC, Department of Transportation, Department of General Services, Regional Services Centers

## Demolition Fund (P091704)

Category Housing Opportunities Commission  
 Sub Category Housing  
 Administering Agency Housing Opportunities Commission  
 Planning Area (AAGE12)  
 Countywide

Date Last Modified 10/19/16  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Planning Stage

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	1,900	0	0	1,900	0	700	600	600	0	0	0
<b>Total</b>	<b>1,900</b>	<b>0</b>	<b>0</b>	<b>1,900</b>	<b>0</b>	<b>700</b>	<b>600</b>	<b>600</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	1,900	0	0	1,900	0	700	600	600	0	0	0
<b>Total</b>	<b>1,900</b>	<b>0</b>	<b>0</b>	<b>1,900</b>	<b>0</b>	<b>700</b>	<b>600</b>	<b>600</b>	<b>0</b>	<b>0</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	1,300
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		0
Expenditure / Encumbrances		0
Unencumbered Balance		0

Date First Appropriation	FY 16
First Cost Estimate	
Current Scope	FY 17 1,900
Last FY's Cost Estimate	1,900

#### Description

In an effort to replace some of the County's least sustainable affordable housing, deliver amenities not currently present along with the return of housing to those sites, and embed the new stock of affordable housing within mixed-income communities, the Housing Opportunities Commission (HOC) has vacated its Emory Grove Village property and is beginning the process of vacating its Ambassador property. The entitlement and permitting process for each site will take from two to four years. In the interim, upon vacating these sites, HOC will demolish the existing buildings such that they do not become blights on the surrounding neighborhoods.

#### Location

Gaithersburg and Wheaton

#### Capacity

Demolition of 216 units

#### Estimated Schedule

Demolition of Emory Grove Village will take approximately three months. Demolition of the Ambassador will take approximately five months.

#### Justification

Both Emory Grove Village and the Ambassador have physical capital needs that far outweigh their ability to support remediation. As both properties are 100 percent affordable, they have no resources available to fund improvements or demolition. Both properties are located on prominent corners and would remain vacant for a considerable period of time.

#### Fiscal Note

The estimated cost of demolition for Emory Grove Village is between \$600,000 and \$800,000 and estimated demolition costs for the Ambassador is between \$1.3 and \$1.5 million. HOC is willing to receive reimbursements for demolition costs in FY20 as part of an FY18 savings plan.

#### Coordination

Department of Finance, Department of Housing and Community Affairs, and the Department of Permitting Services. HOC is willing to receive reimbursement for demolition costs in FY20 as part of an FY18 savings plan.

# ADA Compliance: Non-Local Parks (P128702)

CR cut: 49k

Category M-NCPPC  
Sub Category Development  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 5/19/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	1,095	122	66	907	150	157	150	150	150	150	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	<del>5053</del> 5,102	564	<del>296</del> 285	4,233	650	<del>743</del> 785	700	700	700	700	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<del>6,197</del> 6,148	686	<del>362</del> 371	5,140	800	<del>900</del> 940	850	850	850	850	0

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	<del>402</del> 401	0	<del>152</del> 141	290	50	<del>0</del> 40	50	50	50	50	0
G.O. Bonds	5,646	686	210	4,750	750	800	800	800	800	800	0
State Aid	100	0	0	100	0	100	0	0	0	0	0
<b>Total</b>	<del>6,147</del> 6,148	686	<del>371</del> 362	5,140	800	<del>940</del> 900	850	850	850	850	0

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	940
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,857
Expenditure / Encumbrances		686
Unencumbered Balance		1,171

Date First Appropriation	FY 12
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	6,107

## Description

This program provides for an on-going comprehensive effort to ensure that all parks and park facilities are built and maintained in compliance with Title II of the Americans with Disabilities Act (ADA) and the ADA Accessibility Guidelines (ADAAG) standards. This program includes both the correction of deficiencies identified by the United States Department of Justice (DOJ) during its proactive Project Civic Access (PCA) assessment of 19 local park facilities, as well as efforts to comply with the revisions to Title II of the ADA, which went into effect on March 15, 2011. This program also includes policy development and advanced technical training for Department of Parks' architects, landscape architects, engineers, construction managers, inspectors, and other staff to ensure that ADA compliance and accessibility are incorporated throughout the park system's planning, design and construction processes in order to ensure that parks and park facilities comply with the new revisions to Title II of the ADA. The new Title II requirements include revisions to the existing 1991 ADAAG and additional standards for facilities not addressed in the 1991 ADAAG including swimming pools, recreational facilities, and playgrounds which collectively is now known as the 2010 ADA Standards for Accessible Design.

## Cost Change

Addition of Bond Bill (\$100,000) in FY18 for MLK Recreational Park. Reduce Current Revenue by \$10,000 in FY18 for fiscal capacity.

## Justification

Montgomery County was selected by the DOJ for a Project Civic Access (PCA) review in 2006. PCA is a proactive, ongoing initiative of the Disability Rights Section (DRS) of the DOJ Civil Rights Division to ensure ADA compliance in local and state governments throughout the country. DOJ has inspected over 112 County facilities, including 19 local parks that fall under the M-NCPPC's jurisdiction. Montgomery County and M-NCPPC entered into a settlement agreement with DOJ on August 16, 2011, that requires the County and M-NCPPC to remediate problems identified by DOJ within a negotiated timeline and place assurances for self-assessing and remediation for the future, including efforts to comply with the new Title II requirements. The agreement further stipulates that M-NCPPC must perform self-evaluations of all parks within its system at the approximate rate of 20% per year. Upon completion of the self-evaluations, M-NCPPC must also submit a final transition plan by August 2016. The transition plan provides a summary of all barriers found, a strategy and timeline for their removal, as well as planning level cost estimates for barrier removal. As of August 2013, self-evaluations have been completed on approximately 45% of the park system. These evaluations report that approximately 14,000 barriers have been identified with a projected planning level cost estimate of \$18-20 million dollars for barrier removal. It is estimated that the final totals will be approximately double the figures mentioned. The estimates indicate that a significant increase in the level-of-effort will be required to comply with the requirements of Title II and the settlement agreement.

## Other

\$50,000 Current Revenue is budgeted for required ADA retrofits to leased properties that cannot be funded with general obligation bonds

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$3,648,000.

## Disclosures

Expenditures will continue indefinitely.

## ADA Compliance: Non-Local Parks (P128702)

M-NCPPC (A13) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

### **Coordination**

United States Department of Justice, County Attorney's Office, Department of General Services, ADA Compliance: Local Parks, PDF 128701



# Facility Planning: Non-Local Parks (P958776)

CR cut: 170k

Category M-NCPPC  
Sub Category Development  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 10/21/16  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	2408	2,578	381	397	1,800	300	130,200	300	300	300	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2408</b>	<b>2,578</b>	<b>381</b>	<b>397</b>	<b>1,800</b>	<b>300</b>	<b>130,200</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	2408	2,578	381	397	1,800	300	130,200	300	300	300	0
<b>Total</b>	<b>2408</b>	<b>2,578</b>	<b>381</b>	<b>397</b>	<b>1,800</b>	<b>300</b>	<b>130,200</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	300
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,078
Expenditure / Encumbrances		381
Unencumbered Balance		697

Date First Appropriation	FY 95
First Cost Estimate	
Current Scope	FY 16
Last FY's Cost Estimate	2,578
Partial Closeout Thru	0
New Partial Closeout	0
Total Partial Closeout	0

## Description

This project funds preparation of park master plans and studies, concept plans, facility plans, detailed design plans for small and phased projects and related plans/studies/analysis, e.g. environmental, feasibility, engineering, and utilities analysis. Facility plans produce wellreasoned project cost estimates based on preliminary design, i.e. thirty percent of final design and construction documents. Preliminary design includes topographic surveys, environmental assessments, traffic studies, site plans, schematic drawings, floor plans, elevations, quantity calculations, and cost estimates, as well as public participation. Facility planning is needed when the variables or options involved in the project do not support reliable independent cost estimating. This project also supports upfront planning activities associated with capital investments that may result from public-private partnerships.

## Justification

2012 Parks, Recreation and Open Space (PROS) Plan, Countywide Park Trails Plan, approved by the Planning Board in July 1998; individual park master plans.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$5,904,000. In FY13 Current Revenue reduced \$50,000 for fiscal capacity.

## Disclosures

Expenditures will continue indefinitely.

# Legacy Open Space (P018710)

CR cut: 100k

Category M-NCPPC  
Sub Category Acquisition  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 5/19/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	92,410	63,587	3,293	19,000	3,000	3,000	3,000	3,000	3,000	4,000	6,530
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	7,590	5,314	<del>270</del>	1,345	250	<del>0</del>	250	250	250	250	656
<b>Total</b>	<b>100,000</b>	<b>68,901</b>	<b>3,563</b>	<b>20,345</b>	<b>3,250</b>	<b>3,000</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>4,250</b>	<b>7,186</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	938	938	0	0	0	0	0	0	0	0	0
Current Revenue: General	11,959	9,639	<del>315</del>	1,345	250	<del>0</del>	250	250	250	250	655
G.O. Bonds	50,393	26,489	2,373	16,000	2,500	2,500	2,500	2,500	2,500	3,500	5,531
PAYGO	22,007	22,007	0	0	0	0	0	0	0	0	0
POS-Stateside (P&P only)	200	200	0	0	0	0	0	0	0	0	0
Park and Planning Bonds	10,500	5,625	875	3,000	500	500	500	500	500	500	1,000
Program Open Space	4,003	4,003	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>100,000</b>	<b>68,901</b>	<b>3,563</b>	<b>20,345</b>	<b>3,250</b>	<b>3,000</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>4,250</b>	<b>7,186</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	3,095
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		75,719
Expenditure / Encumbrances		68,901
Unencumbered Balance		6,818

Date First Appropriation	FY 01
First Cost Estimate	
Current Scope	FY 16
Last FY's Cost Estimate	100,000

## Description

The Legacy Open Space initiative identifies open space lands that should be acquired and interpreted because of exceptional natural or cultural value to current and future generations of Montgomery County residents. Legacy Open Space will acquire or obtain easements or make fee-simple purchases on open-space lands of countywide significance. Priorities are updated during each CIP cycle but remain flexible to allow the Montgomery County Planning Board to address development threats, opportunity acquisitions, and joint funding opportunities. The County Council encourages the Commission to seek supplemental appropriations if approved CIP funding is insufficient. Non-County funding sources are expected to contribute significantly to the Legacy Open Space program. Contributions only will appear in the PDF Expenditure and Funding Schedules if the contribution is spent by the County or M-NCPPC. For instance, matching donations from partners in cash or Program Open Space (POS) funds are spent by the County or M-NCPPC and thus are reflected in the schedules above, while donations of land or non-County funded payments that go directly to property owners are not included. The combination of these non-County and County funds have resulted in the successful protection of over 5,000 acres of open space in the County, including over 3,500 acres of new parkland. Almost 500 acres of parkland was received at no cost through dedication and donations by private landowners.

## Cost Change

Shifted \$155,000 in Current Revenue from FY18 to Beyond 6 Years and deferred \$250,000 in GO bonds from FY19, FY20, and FY21 to FY22 for fiscal capacity.

## Justification

The Vision 2030 Strategic Plan for Parks and Recreation in Montgomery County (2010) and the subsequent 2012 Park, Recreation and Open Space (PROS) Plan recommend placing priority on conservation of natural open spaces, protection of heritage resources, providing critical urban open spaces, and expanded interpretive activities in parks. Legacy Open Space: Open Space Conservation in the 21st Century, approved by the Montgomery County Planning Board in October 1999. Legacy Open Space Functional Master Plan adopted by the County Council in July 2001

## Other

M-NCPPC (A13) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

## Fiscal Note

County Finance made PAYGO substitutions for FY13 (\$4,778,911) and for FY14 (\$1,135,872.50).

## Disclosures

## Legacy Open Space (P018710)

Expenditures will continue indefinitely.

M-NCPPC (A13) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

### **Coordination**

Acquisition: Local Parks PDF 767828, Acquisition: Non-Local Parks PDF 998798, ALARF: M-NCPPC PDF 727007, Restoration of Historic Structures PDF 808494, State of Maryland

# Planned Lifecycle Asset Replacement: NL Parks (P968755)

CR cut: 530k

Category M-NCPPC  
Sub Category Development  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 5/19/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	1,927	193	142	1,592	245	235	231	231	325	325	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	16,764	17,294	1,709	1,227	14,358	2,095	1,565	2,109	2,109	2,975	2,975
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>18,221</b>	<b>1,902</b>	<b>1,369</b>	<b>15,950</b>	<b>2,340</b>	<b>2,330</b>	<b>2,340</b>	<b>2,340</b>	<b>3,300</b>	<b>3,300</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	12,548	12,078	1,369	759	10,950	1,040	500	1,740	1,740	2,700	2,700
G.O. Bonds	5,976	366	610	5,000	1,300	1,300	600	600	600	600	0
PAYGO	167	167	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>18,221</b>	<b>1,902</b>	<b>1,369</b>	<b>15,950</b>	<b>2,340</b>	<b>2,330</b>	<b>2,340</b>	<b>2,340</b>	<b>3,300</b>	<b>3,300</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	2,330
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		5,611
Expenditure / Encumbrances		1,902
Unencumbered Balance		3,709

Date First Appropriation	
First Cost Estimate	
Current Scope	19,221
Last FY's Cost Estimate	19,231

## Description

This project schedules renovation, modernization, or replacement of aging, unsafe, or obsolete park facilities or components of park facilities in non-local parks. These parks include Regional, Recreational, Stream Valley, Conservation and Special Parks, most of which are over 30 years old. There are five sub-categories of work funded in PLAR NL, and each has a prioritized list of candidate projects, but schedules may change as needs arise. 1. Boundary Markings: provides for survey work to delineate park boundaries. 2. Minor Renovations: provides for infrastructure improvements for a variety of park amenities and infrastructure, such as bridge repairs/replacements. 3. Play Equipment: the life span of most play equipment is 20 years. Changes in safety standards sometimes require replacement at earlier intervals. Amenities included in this project are the play area border and protective surfacing under equipment, as well as benches and trees to shade the play equipment, if needed. 4. Tennis & Multi-Use Court Renovation: the asphalt base and fences generally last 20 years. Work includes fence repairs or replacement, new asphalt base, color-coating of courts, installation of new nets and standards, drainage improvements, and lights as needed. 5. Resurfacing Parking Lots and Paths: pavement and drainage rehabilitation for parking lots, entrance roads and walkways.

## Cost Change

Reduce Current Revenue by \$10,000 in FY18 for fiscal capacity.

## Justification

Over 100 non-local parks and facilities require scheduled renovation in order to maintain a reasonable level of service for park users and avoid costly emergency repairs. Failure to renovate or replace aging park facilities or components on a scheduled basis before the end of their useful life results in decreased levels of service to park users and an overall increase in capital costs as repairs become emergencies.

## Other

Repairs to hiker-biker and natural surface trails and roof replacements are funded through other PDFs.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$1,903,000. In FY14 transferred out \$49,000 of GO Bonds to Cost Sharing NL, #761682. In FY13, disappropriate \$105,000 of State Aid not received; reduce Current Revenue \$50,000 for fiscal capacity. In FY12, transferred \$48,000 to Restoration of Historic Structures. In FY11, \$60,000 was transferred in from Brookside Gardens, PDF #848704. In April 2011, Reduce current revenue by \$75,000 in FY12 for fiscal capacity. In March 2011, Reduce current revenue by \$100,000 in FY12 for fiscal capacity. In December 2010, Reduce current revenue by \$125,000 in FY12 for fiscal capacity. In April 2010, the Council approved a reduction of \$200,000 in Current Revenue in FY11. In January 2010, the Executive recommended and Council approved a reduction of \$100,000 in Current Revenue as part of the FY10 Savings Plan. In FY10, \$375,000 (General Obligation Bonds) was transferred in from Lake Needwood Dam Remediation, PDF #078710 (\$373,000) and Rickman Horse Farm Park, PDF #008722 (\$2,000). In FY09, \$141,000 in current revenue was transferred out to Wheaton Tennis Bubble Renovation, PDF# 078708.

## Disclosures

Expenditures will continue indefinitely.

## Planned Lifecycle Asset Replacement: NL Parks (P968755)

### Coordination

Montgomery County Department of Recreation, Resurfacing Parking Lots and Paths, PDF 998740, Roof Replacement Non-Local, PDF 838882, Trails: Hard Surface Renovation, PDF 888754, Trails: Natural Surface Trails, PDF 858710

## All PLAR: NL - Minor Renovations (SP998708)

CR cut: 530k

Category M-NCPPC  
 Sub Category Development  
 Administering Agency M-NCPPC (AAGE13)  
 Planning Area Countywide

Date Last Modified 6/27/17  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
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## EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	1,424	158	80	1,186	148	138	178	178	272	272	0	
Land	0	0	0	0	0	0	0	0	0	0	0	
Site Improvements and Utilities	12,435	12,565	1,378	679	10,908	1,342	821,342	1,623	1,623	2,489	2,489	0
Construction	0	0	0	0	0	0	0	0	0	0	0	
Other	0	0	0	0	0	0	0	0	0	0	0	
Total	14,369	1,536	759	12,094	1,490	1,480	1,801	1,801	2,761	2,761	0	

13859

## FUNDING SCHEDULE (\$000s)

FUND BALANCE SHEET (\$000s)												
Current Revenue: General	12,002	12,332	823	759	10,950	1,040	509,030	1,740	1,740	2,700	2,700	0
G.O. Bonds	1,311	1,311	167	0	1,144	450	450	61	61	61	61	0
PAYGO	546	546	546	0	0	0	0	0	0	0	0	0
Total	14,389	14,389	1,536	759	12,094	1,490	1,490	1,801	1,801	2,761	2,761	0

13859

950

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	1,480
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		3,785
Expenditure / Encumbrances		1,536
Unencumbered Balance		2,249

Date First Appropriation FY 99		
First Cost Estimate		
Current Scope	FY 17	14,399
Last FY's Cost Estimate		14,399
Partial Closeout Thru		0
New Partial Closeout		0
Total Partial Closeout		0

## Description

Candidate projects include: Bridge inspections and replacements, and underground fuel tank replacements at maintenance yards.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$20,562,000. FY13 Current Revenue reduced \$50,000 due to fiscal capacity. In FY12, transferred \$48,000 Current Revenue to Restoration of Historic Structures #808494. In April 2011: Reduce current revenue by \$75,000 in FY12 for fiscal capacity. In March 2011: Reduce current revenue by \$100,000 in FY12 for fiscal capacity. In December 2010: Reduce current revenue by \$125,000 in FY12 for fiscal capacity. In April 2010, the Council approved a \$200,000 reduction in Current Revenue funds in FY11. One-time increase in FY09 for storm damage reimbursements from FEMA of \$106,000. In FY09, \$141,000 in current revenue was transferred Wheaton Tennis Bubble Renovation, PDF# 078708.

## Disclosures

Expenditures will continue indefinitely.

## Coordination

Planned Lifecycle Asset Replacement: NL Parks PDF 968755

# Pollution Prevention and Repairs to Ponds & Lakes (P078701)

CR cut: 55k

Category  
Sub Category  
Administering Agency  
Planning Area

M-NCPPC  
Development  
M-NCPPC (AAGE13)  
Countywide

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

5/19/17  
No  
None  
Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	1,733	139	709	885	150	135	150	150	150	150	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	5,836	464	2,372	3,000	500	445	500	500	500	500	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>7,569</b>	<b>603</b>	<b>3,081</b>	<b>3,885</b>	<b>650</b>	<b>635</b>	<b>650</b>	<b>650</b>	<b>650</b>	<b>650</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	2,951	32	1,134	1,785	300	230	300	300	300	300	0
G.O. Bonds	2,655	571	34	2,050	300	350	350	350	350	350	0
State Aid	50	0	0	50	50	0	0	0	0	0	0
State ICC Funding (M-NCPPC Only)	1,913	0	1,913	0	0	0	0	0	0	0	0
<b>Total</b>	<b>7,569</b>	<b>603</b>	<b>3,081</b>	<b>3,885</b>	<b>650</b>	<b>635</b>	<b>650</b>	<b>650</b>	<b>650</b>	<b>650</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	635
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		4,334
Expenditure / Encumbrances		603
Unencumbered Balance		3,731

Date First Appropriation	FY 07
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	6,984

## Description

This PDF funds continuing efforts to update and maintain our existing facilities to meet today's standards and enhance environmental conditions throughout the park system. M-NCPPC operates 12 maintenance yards (MY) throughout Montgomery County that are regulated as industrial sites under NPDES because bulk materials storage and equipment maintenance have the potential to pollute surface waters. Each MY is subject to NPDES regulations, and must have a Stormwater Pollution Prevention Plans (SWPPPs) in place. SWPPPs are generally a combination of operational efforts and capital projects, such as covered structures for bulk materials and equipment, vehicle wash areas, or stormwater management facilities. In addition, M-NCPPC has identified between 60 and 70 existing farm ponds, lakes, constructed wetlands, irrigation ponds, recreational ponds, nature ponds, and historic dams on park property that do not qualify for funding through Montgomery County's Water Quality Protection program. Based on the results of field inspections, projects are prioritized for design, permitting, and construction. M-NCPPC has entered into a countywide NPDES Phase II Permit with MDE to establish pollution prevention measures to mitigate stormwater runoff that originates on parkland. This new permitting requirement will involve additional efforts to identify untreated areas and develop appropriate Best Management Practices (BMPs) to control stormwater runoff and enhance water quality.

## Cost Change

Reduce Current Revenue by \$15,000 in FY18 for fiscal capacity.

## Justification

The NPDES General Discharge Permit for Stormwater Associated with Industrial Facilities, Permit No. 02 SW issued by the Maryland Department of the Environment (MDE), requires implementation of the SWPPPs at each maintenance yard. The MDE Dam Safety Program requires regular aesthetic maintenance, tri-annual inspection, and periodic rehabilitation of all pond facilities to maintain their function and structural integrity. In 2010, the EPA enacted the NPDES Municipal Separate Storm Sewer System (MS4) Permit.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$6,029,000. In FY16 received an additional \$600k from SHA for ICC Mitigation. State Bond Bill grant of \$50,000 was received in 2015 for West Fairland Local Park. New partial closeout includes FY14 and FY15. In FY14 transferred in FY14, \$40,000 GO bonds to Ballfield Improvements, #008720. In FY13, transferred-in \$200,000 GO Bonds from Lake Needwood Modifications #098708.

## Disclosures

Expenditures will continue indefinitely.

M-NCPPC (A13) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

## Coordination

## Pollution Prevention and Repairs to Ponds & Lakes (P078701)

Montgomery County Department of Permitting Services (MCDPS), Montgomery County Department of Environmental Protection (MCDEP),  
Maryland Department of the Environment, Washington Suburban Sanitary Commission (WSSC)



# Restoration Of Historic Structures (P808494)

CR cut 45k

Category  
Sub Category  
Administering Agency  
Planning Area

M-NCPPC  
Development  
M-NCPPC (AAGE13)  
Countywide

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

5/19/17  
No  
None  
Ongoing

Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
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## EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	1674	1719	93	136	1,490	250	1952	250	250	250	250	0
Land	0	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	1,611	372	544	695	445	50	50	50	50	50	50	0
Construction	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3285</b>	<b>465</b>	<b>680</b>	<b>2,185</b>	<b>695</b>	<b>2452</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>

## FUNDING SCHEDULE (\$000s)

Current Revenue: General	2,782	217	680	1,885	645	240	250	250	250	250	250	0
G.O. Bonds	304	249	49	300	50	5	50	50	50	50	50	0
PAYGO	199	199	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3285</b>	<b>465</b>	<b>680</b>	<b>2,185</b>	<b>695</b>	<b>2452</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation Request	FY 18	290
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,840
Expenditure / Encumbrances		465
Unencumbered Balance		1,375

Date First Appropriation	FY 80
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	2,945

## Description

The commission owns and is the steward of 117 built structures of historic significance across 43 historic sites and upwards of 400 archaeological resources. This PDF provides baseline funds necessary to repair, stabilize, and renovate some of the top priority historical structures and sites that are located on parkland. This PDF provides for bringing vacant historic buildings to life, defining stabilization and rehabilitation scopes of work, and developing implementation strategies with limited resources a major ongoing effort is to focus few resources on visible properties that satisfy greatest need, to preserve severely decaying structures, and to tell the county's history through the best historic properties. Projects include stabilization or rehabilitation at Jesup Blair House; Seneca (Poole), Darby, and Red Foot Stores; Agriculture History Farm Park; Waters House; and Zeigler Log House. Several projects may require leases of public/private partnerships.

## Estimated Schedule

FY15 emergency stabilization of Jesup Blair House.

## Cost Change

Reduced Current Revenue by \$10,000 for fiscal capacity.

## Justification

2005 Land Preservation, Parks and Recreation Plan, approved by the Planning Board. Area master plans and the County's Historic Preservation Ordinance. From Artifact to Attraction: A Strategic Plan for Cultural Resources in Parks. Cultural resources asset inventory prioritization list.

## Other

Public demand for program is strong: in the most recent PROS Survey, the majority of residents found protection of historic sites to be important and rated this as a high funding priority. Proposed funding will not only provide the funds to preserve historic structures and sites, especially those that can be opened to the public or serve a public need.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$8,048,000. FY14 transfer in of \$30,000 GO bonds from Matthew Henson Trail #500400. MNCPPC received two State Bond Bill grants of \$50k each for Seneca (Poole) Store in 2011 and 2014.

## Disclosures

Expenditures will continue indefinitely.

## Coordination

Montgomery County Historic Preservation Commission, Woodlawn Barn Visitor's Center PDF 098703, Warner Circle Special Park PDF 118703, Maryland Historical Trust, National Park Service, National Trust for Historic Preservation

# Roof Replacement: Non-Local Pk (P838882)

CR cut: 101k

Category M-NCPPC  
Sub Category Development  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 5/19/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	326,247	11	0	328	63	0	63	63	63	63	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	161,899	298	121	1,200	200	200	200	200	200	200	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2,046</b>	<b>309</b>	<b>121</b>	<b>1,528</b>	<b>263</b>	<b>213</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	563,687	127	121	328	63	0	63	63	63	63	0
G.O. Bonds	1,382	182	0	1,200	200	200	200	200	200	200	0
<b>Total</b>	<b>2,046</b>	<b>309</b>	<b>209</b>	<b>1,528</b>	<b>263</b>	<b>213</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>263</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	213
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		781
Expenditure / Encumbrances		309
Unencumbered Balance		472

Date First Appropriation	FY 83
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	2,096

### Description

This project provides for roof replacement on buildings and structures in non-local parks, as well as countywide maintenance facilities, Park Police facilities, and selected enterprise facilities that are of historic significance. The PDF also funds periodic roof evaluations and designs.

### Cost Change

Reduce Current Revenue by \$50,000 in FY18 for fiscal capacity.

### Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$4,932,000.

### Disclosures

Expenditures will continue indefinitely.

# Small Grant/Donor-Assisted Capital Improvements (P058755)

CR cut : 100k

Category M-NCPPC  
Sub Category Development  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 5/19/17  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	656,286	23	293,243	390	10,800	90	60	60	60	60	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	3,229	94	1,375	1,760	240	560	240	240	240	240	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3,885</b>	<b>117</b>	<b>1,668</b>	<b>2,150</b>	<b>250,300</b>	<b>650</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	3,074	117	1,357	1,600	200	600	200	200	200	200	0
Current Revenue: General	205,205	0	5,850	250	0	0	50	50	50	50	0
Current Revenue: Park and Planning	606	0	306	300	50	50	50	50	50	50	0
<b>Total</b>	<b>3,885</b>	<b>117</b>	<b>1,668</b>	<b>2,150</b>	<b>250,300</b>	<b>650</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	650
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		2,135
Expenditure / Encumbrances		117
Unencumbered Balance		2,018

Date First Appropriation	FY 05
First Cost Estimate	
Current Scope	FY 18
Last FY's Cost Estimate	3,786

## Description

This project authorizes expenditures for new or existing projects that receive support from non-County government funding sources, e.g. grants, donations, gifts, fund raising projects, and sponsorships. No funds can be expended from this project unless at least 80 percent of the total cost of the project, or the change to an existing project is provided from a non-County government funding source. The funds provided can be expended within this project provided: 1. The capital cost is less than \$100,000; or 2. The capital cost is at least \$100,000, but the project: (a) does not have an Operating Budget Impact (OBI) in excess of 10 percent of the capital cost; and (b) vehicle trips generated by the project do not exceed 25 vehicle trips during the peak one-hour period in the vicinity of the project. The Department must notify the County Council of any grants or donations for projects having a capital cost of at least \$100,000. The Department must submit a PDF for approval by the County Council for all other projects in accordance with the County Council policy on non-County funded capital projects, approved on February 22, 2000.

## Cost Change

Increase in FY18 contributions by \$400,000 to account for donations to Western Grove Urban Park and the Capital Crescent Trail Plaza. Correctly showing a FY15 transfer of \$151,000 in County Current Revenue to Brookside Gardens Master Plan #078702. Reduce Current Revenue by \$50,000 in FY18 for fiscal capacity.

## Justification

Montgomery County Department of Park and Planning Policy and Guidelines on Donations and Public/Private Partnerships, adopted 2003.

## Other

From time to time M-NCPPC is able to generate non-County government funded support for projects with the expectation that the project will be implemented in a timely way as a condition of the support. This project provides the authorization to receive and expend the funds from various sources. In addition, there is often a requirement or need for the Commission to provide matching funds, fund the overhead for the project, e.g. planning, design, and construction management or supervision services, or otherwise contribute to the project. This PDF provides public funding for this limited participation.

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totaled \$2,165,000.

## Disclosures

Expenditures will continue indefinitely.

# Trails: Natural Surface & Resource-based Recreation (P858710)

CR cut: 30k

Category M-NCPPC  
Sub Category Development  
Administering Agency M-NCPPC (AAGE13)  
Planning Area Countywide

Date Last Modified 10/21/16  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY16	Rem FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	125	21	10	94	15	19	15	15	15	15	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	2763	466	216	2,111	335	406	335	335	335	335	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2888</b>	<b>487</b>	<b>226</b>	<b>2,205</b>	<b>350</b>	<b>425</b>	<b>350</b>	<b>350</b>	<b>350</b>	<b>350</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	2335	437	128	1,800	300	270	300	300	300	300	0
G.O. Bonds	448	50	98	300	50	50	50	50	50	50	0
State Aid	105	0	0	105	0	105	0	0	0	0	0
<b>Total</b>	<b>2888</b>	<b>487</b>	<b>226</b>	<b>2,205</b>	<b>350</b>	<b>425</b>	<b>350</b>	<b>350</b>	<b>350</b>	<b>350</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 18	455
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,063
Expenditure / Encumbrances		487
Unencumbered Balance		576

Date First Appropriation	FY 85
First Cost Estimate	
Current Scope	FY 16
Last FY's Cost Estimate	2,213
Partial Closeout Thru	0
New Partial Closeout	0
Total Partial Closeout	0

## Description

Formerly known as "Trails: Natural Surface Design, Construction, and Renovation," this project is one of the key level-of-effort projects that will support providing access to natural, undeveloped park land. The focus will still be natural surface trails, but it will also help support natural resource-based recreation uses such as bicycling, hiking, running, horseback riding, bird watching, nature photography, wildlife viewing, kayaking, rowing, canoeing, and fishing, as identified in the 2012 Park, Recreation and Open Space (PROS) Plan. This PDF includes planning, design, and construction and reconstruction of natural surface trails. Natural surface trails are usually located in stream valley parks. Surfaces include dirt, wood chip, soil mixtures, and sometimes gravel or stone, supplemented by boardwalk or other elevated surfaces when needed; they are generally narrower than hard surface trails. Work may include grading, drainage, signage, bridges/culverts, edging, realignments, etc. The trails generally do not meet Americans with Disabilities Act (ADA) requirements. The expenditure schedule does not include the value of work done by volunteers to assist with the construction of natural surface trails.

## Cost Change

ADDITION OF BOND BILL APPROPRIATION IN FY18.

## Justification

Improvements address only the highest priority needs for each trail and presume some volunteer assistance for hand labor. Projects in Rock Creek, Rachel Carson, Little Bennett, and Black Hill implement park master plans. This CIP Project implements the natural surface recreational trail component of the Countywide Park Trails Plan and trail recommendations in area master plans. 2015 Countywide Park Trails 2005 Land Preservation, Park and Recreation Plan

## Fiscal Note

Prior year partial capitalization of expenditures through FY16 totalled \$3,331,000. MNCPPC WAS AWARDED A STATE BOND BILL OF \$105,000 IN FY16 FOR THE WESTERN PIEDMONT TRAIL CONNECTOR. FY14 transfer out of \$45,000 GO Bonds to Montrose Trail, #038707.

## Disclosures

Expenditures will continue indefinitely.

M-NCPPC (A13) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

## Coordination

Maryland State Parks, Maryland Department of Natural Resources, Montgomery County Department of Transportation, Volunteer Groups

## Technology Modernization (P036510)

Category: Montgomery County Public Schools  
 Sub Category: Countywide  
 Administering Agency: Public Schools (AAGE18)  
 Planning Area: Countywide

Date Last Modified: 5/25/16  
 Required Adequate Public Facility: No  
 Relocation Impact: None  
 Status: Ongoing

	Total	Thru FY16	Est FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	368,926	181,111	25,538	152,277	27,399	25,680	22,875	25,366	25,484	25,143	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>368,926</b>	<b>181,111</b>	<b>25,538</b>	<b>152,277</b>	<b>27,399</b>	<b>25,680</b>	<b>22,875</b>	<b>25,366</b>	<b>25,484</b>	<b>25,143</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	205,636	58,588	1,323	145,745	26,319	24,930	21,936	24,263	24,484	24,143	0
Current Revenue: Recordation Tax	146,916	116,499	24,215	6,202	1,080	1,080	939	1,103	1,000	1,000	0
Federal Aid	16,024	16,024	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>368,576</b>	<b>181,111</b>	<b>25,538</b>	<b>152,277</b>	<b>27,399</b>	<b>26,010</b>	<b>22,875</b>	<b>25,366</b>	<b>25,484</b>	<b>25,143</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 17	27,399
Appropriation Request Est.	FY 18	26,010
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		216,649
Expenditure / Encumbrances		181,111
Unencumbered Balance		25,538

Date First Appropriation	FY 03
First Cost Estimate	
Current Scope	0
Last FY's Cost Estimate	294,215

### Description

The Technology Modernization (Tech Mod) project is a key component of the MCPS strategic technology plan, Educational Technology for 21st Century Learning. This plan builds upon the following four goals: students will use technology to become actively engaged in learning, schools will address the digital divide through equitable access to technology, staff will improve technology skills through professional development, and staff will use technology to improve productivity and results. The funding source for the initiative is anticipated to be Federal e-rate funds. The Federal e-rate funds programmed in this PDF consist of available unspent e-rate balance: \$1.8M in FY 2010, \$1.8M in FY 2011, and \$327K in FY 2012. In addition, MCPS projects future e-rate funding of \$1.6M each year (FY 2010-2012) that may be used to support the payment obligation pending receipt and appropriation. No county funds may be spent for the initiative payment obligation in FY 2010-2012 without prior Council approval. During the County Council's reconciliation of the amended FY 2011-2016 CIP, the Board of Education's requested FY 2012 appropriation was reduced by \$3.023 million due to a shortfall in Recordation Tax revenue. An FY 2012 supplemental appropriation of \$1.339 million in federal e-rate funds was approved; however, during the County Council action, \$1.339 million in current revenue was removed from this project resulting in no additional dollars for this project in FY 2012. An FY 2013 appropriation was requested to continue the technology modernization project and return to a four-year replacement cycle starting in FY 2013; however, the County Council, in the adopted FY 2013-2018 CIP reduced the request and therefore, the replacement cycle will remain on a five-year schedule. An FY 2013 supplemental appropriation in the amount of \$2.042 million was approved in federal e-rate funds to roll out Promethean interactive technology across all elementary schools and to implement wireless networks across all schools. An FY 2014 appropriation was approved to continue this project. An FY 2015 appropriation was approved to continue the technology modernization program which will enable MCPS to provide mobile (laptop and tablet) devices in the classrooms. The County Council adopted FY 2015-2020 CIP is approximately \$21 million less than the Board's request over the six year period. However, e-rate funding anticipated for FY 2015 and FY 2016 will bring expenditures in those two years up to the Board's request to begin the new initiative to provide mobile devices for students and teachers in the classroom. The County Council, during the review of the amended FY 2015-2020 CIP, programmed an additional \$2 million in FY 2016 for this project. A supplemental appropriation was approved to have the \$2 million appropriated to MCPS. An FY 2016 appropriation was approved to continue the technology modernization program. An FY 2017 appropriation was approved to continue the technology modernization program as well as fund 16 information technology system specialist positions being reallocated from the operating budget to the capital budget. As part of the FY 2018 savings plan MCPS has reduced the ~~FY 2018~~ FY 2018 expenditure by \$330,000.

### Coordination

FY 2017 – Salaries and Wages: \$4.819M, Fringe Benefits: \$893K, Workyears: 36.5 FY 2018-2022 – Salaries and Wages \$24.782M, Fringe Benefits \$4.604M, Workyears: 219

# Information Technology: College (P856509)

Category Montgomery College  
Sub Category Higher Education  
Administering Agency Montgomery College (AAGE15)  
Planning Area Countywide

Date Last Modified 5/18/16  
Required Adequate Public Facility No  
Relocation Impact None  
Status Ongoing

	Total	Thru FY15	Est FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	16,482	16,482	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	23,274	19,081	1,193	3,000	500	500	500	500	500	500	0
Other	120,251	122,191	70,169	4,022	8,000	8,000	8,000	8,000	8,000	8,000	0
<b>Total</b>	<b>164,947</b>	<b>105,732</b>	<b>5,215</b>	<b>49,100</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
Gen Bonds Current Revenue	160,947	105,732	5,215	49,100	8,500	8,500	8,500	8,500	8,500	8,500	0
<b>Total</b>	<b>160,947</b>	<b>105,732</b>	<b>5,215</b>	<b>49,100</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>8,500</b>	<b>0</b>

## APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 17	3,450
Appropriation Request Est.	FY 18	8,500
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		115,997
Expenditure / Encumbrances		105,732
Unencumbered Balance		10,265

Date First Appropriation	FY 85
First Cost Estimate	
Current Scope	FY 17 161,947
Last FY's Cost Estimate	160,947 149,997

## Description

This project provides for the design and installation/construction, and support of College Information Technology (IT) systems including data, video, cyber security, software services, enterprise applications, and voice applications; associated cable systems, equipment closet, IT space construction; and the replacement/upgrade of IT equipment to meet current requirements. The project includes planning, installation, and furnishing of technology in classrooms, labs, and offices. These IT systems support and enhance the College's mission, instructional programs, student services including counseling, admissions, registration, etc., and administrative computing requirements for finance, human resources, institutional advancement, workforce development and continuing education, etc., and are implemented in accordance with collegewide strategic planning efforts. The Office of Information Technology (OIT) determines and recommends the hardware and software to be purchased based on requirements analysis. OIT is responsible for equipment purchases, monitoring of systems results, providing assistance during implementation, and on-going technology reviews and analysis. Four (4) technical staff positions are in this project.

## Capacity

As part of the FY16 savings plan the College has reduced the FY17 CIP request by \$5,050,000 (Council Resol.#18-248, 9/15/15) to \$350,000 for this project. Increase due to addition in FY21, and FY22. In the FY17 CIP, all Current Revenue: Recordation Tax funds were swapped for Current Revenue: General funds. As part of the FY18 savings plan the College has reduced the FY18 expenditure by \$1,900,000.

## Justification

To meet current and projected technical standards for data, video, and voice communications the College plans and installs complete IT, telecommunications and learning center systems at each campus, the central administration building and all instructional sites. The new systems allow replacement of legacy systems for data and video applications; provide for updated networking capabilities; provide necessary security and monitoring capabilities; establish learning centers in classrooms and labs, and for distributed instruction; and allow expanded opportunities for linking with external information technology services. The Information Technology Strategic Plan (ITSP) is a comprehensive plan covering information technology activities funded from all budget sources for an integrated and complete plan for the College. The ITSP helps meet student requirements for information technology tools and instruction in preparation for career opportunities and transfer programs to four-year institutions. Use of state-of-the-market hardware and technology capabilities are required to attract and serve students, as well as serving the business community by upgrading work force technology skills and providing a base for continued economic development in the county. Three goals of the ITSP- are the use of information technology to (1) facilitate student success; (2) effectively and efficiently operate the College; and (3) support the College's growth, development, and community initiatives. The ITSP is an overall strategic plan that provides a cost effective and efficient vision for instructional, academic, and administrative systems. The ITSP supports the current IT program and serves as documentation for future funding requests.

## Other

## Information Technology: College (P856509)

FY2017 Appropriation: Total \$3,450,000 FY2018 Appropriation: Total \$8,500,000 The following fund transfers have been made from this project: \$1,300,000 to the Takoma Park Campus Expansion project (CIP No. P996662) (BOT Resol. #07-01-005, 1/16/2007); \$300,000 to the Student Learning Support Systems project (CIP No. P076617); and \$2,500,000 to the Network Operating Center project (#P076618)(BOT Resol. #12-06-037, 6/11/12). The following fund transfers have been made to this project: \$111,000 from the Planning, Design and Construction project (CIP No. P906605), and \$25,000 from the Facilities Planning: College project (CIP No. P886886) to this project (BOT Resol. #91-56, 5/20/1991); the project appropriation was reduced by \$559,000 in FY92.

### Disclosures

Expenditures will continue indefinitely.

### Coordination

Information Technology (IT) Strategic Plan , New Building Construction projects, Campus Building Renovation projects