

Resolution No.: 16-970  
Introduced: May 21, 2009  
Adopted: May 21, 2009

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: County Council

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**SUBJECT:** Approval of and Appropriation for the FY10 Operating Budget of the  
Montgomery County Government

**Background**

1. As required by Section 303 of the County Charter, the County Executive sent to the County Council the FY10 Operating Budget for the Montgomery County Government.
2. As required by Section 304 of the Charter, the Council held public hearings on the Operating Budget on April 13, 2009, April 14, 2009, April 15, 2009, and April 16, 2009.

**Action**

The County Council for Montgomery County, Maryland approves the following resolution:

1. The Council approves the FY10 Operating Budget for the Montgomery County Government and appropriates the funds as shown on the attachment to this resolution in the following sections.

Section A: The General Fund Operating Budget contains the tax-supported, non-grant-funded appropriations for departmental and non-departmental General Fund accounts.

Section B: The Special Revenue Funds Tax-Supported Budget contains the non-grant appropriations associated with all tax-supported Special Funds.

Section C: The Debt Service Budget includes all tax-supported debt service on General Obligation Bonds for the General Fund and tax-supported Special Funds and all tax-supported expenditures for long term leases, short term leases, and other tax-supported and non-tax supported debt.

Section D: The Grant Fund Operating Budget contains the grant-funded appropriations for all tax-supported General Fund accounts and tax-supported Special Fund accounts of County Government. Any appropriation for and spending on any project funded by non-County funds is contingent on notice of receipt of the non-County funds.

Section E: The Special Revenue Funds Self-Supporting Funds Budget contains both grant and non-grant-funded appropriations for self-supporting (non-tax-supported) funds.

Section F: The Enterprise Funds Budget contains both grant and non-grant-funded appropriations for enterprise funds and the debt service appropriation for enterprise funds, and notes the total appropriations for the County's Risk Management Liability and Property Coverage Self-Insurance Fund and Employees Health Benefits Self-Insurance Fund.

2. This resolution re-appropriates or appropriates revenue received from non-County sources for programs funded in whole or in part from those non-County funds:
  - a) together with matching County funds, if any; and
  - b) to the extent that the program period approved by the non-County source requires more than one fiscal year to complete the grant program, under the terms of receipt of the non-County revenues.
  
3. This resolution re-appropriates the fund balances of the following funds:
  - Central Duplicating Fund
  - Drug Enforcement Forfeitures Fund
  - Economic Development Fund
  - Housing Initiative Fund
  - Motor Pool (DGS) Internal Service Fund
  - Rehabilitation Loan Fund
  - Restricted Donation Special Revenue Fund
  
4. This resolution re-appropriates encumbered appropriations, permitting them to be spent in FY10. Any unencumbered appropriation lapses at the end of FY09, except as re-appropriated elsewhere in this resolution.
  
5. Section G of this resolution lists the entities designated to receive non-competitive contract awards under Section 11B-14(a)(4) of the County Code, which states: "A contract may be awarded without competition if the Chief Administrative Officer makes a written determination that the contract award serves a public purpose and a proposed contractor has been identified in a grant or appropriation resolution approved by the Council." Appropriations for these awards are included in the departmental and non-departmental appropriations in Sections A through F. The Chief Administrative Officer has determined that the entities listed in Section G serve a public purpose and contract awards are in the public interest. The amounts listed in Section G are estimates only and may vary due to

changed circumstances. The Council in Resolution 14-490 adopted the process to designate entities under this provision.

Section G of this resolution also includes entities eligible to receive a non-competitive payment from the Department of Health and Human Services as a supplement for direct services to promote normalization of persons with developmental disabilities. For FY10, the total amount paid to these entities must not exceed \$8,349,360.

If an error in the name of an entity or the stated purpose for a non-competitive contract identified in Section G does not alter the substance of the Chief Administrative Officer’s determination and Council’s approval of the award, the Director of the Department of General Services may proceed with the non-competitive contract without an amendment to Section G. The Director of the Department of General Services must notify the Council within 7 days after making such a determination.

6. In the following agency budgets, the Council appropriates payments to the Risk Management Liability and Property Coverage Self-Insurance Fund. The Director of Finance must transfer the following amounts from the respective appropriations for County Government, the Montgomery County Public Schools, and Montgomery College to the Risk Management Liability and Property Coverage Self-Insurance Fund on or immediately after July 1, 2009. The Director of Finance must notify the Maryland-National Capital Park and Planning Commission that its contribution to the Fund is due on or immediately after July 1, 2009.

Amount	
\$11,628,570	County General Fund Risk Management Non-Departmental Account
5,513,350	County Special, Enterprise, and Internal Service Funds Contributions
8,408,840	Fire and Rescue System – Fire Tax District Funds
9,752,270	Montgomery County Public Schools
456,450	Montgomery College
1,421,220	Maryland-National Capital Park and Planning Commission

In addition to contributions from County Government and County and Bi-county agencies, the following contributions and revenues are expected to be realized in FY10.

\$ 290,780	Housing Opportunities Commission
198,360	Revenue Authority
233,300	City of Gaithersburg
1,329,910	City of Rockville
18,030	City of Rockville Housing Authority
334,730	City of Takoma Park
9,020	Bethesda Urban Partnership
24,800	Other Municipal Income
2,280,000	Other Income (includes investment income and recovered losses)

These contributions and the fund balance are available to support a FY10 Risk Management Liability and Property Coverage Self-Insurance Fund appropriation of \$48,567,480.

7. This resolution appropriates \$248,680,690 to the Debt Service Fund. In Resolution No. 16-971, the Council appropriated \$79,537,322 to the Montgomery County Public Schools FY10 Operating Budget to support this debt service appropriation. The Director of Finance must notify the Montgomery County Public Schools of the date for each applicable debt service payment. The Montgomery County Public Schools must reimburse the County Government no less than five days before each debt service payment is due.
8. \* This resolution appropriates \$20,000,000 for the Future Federal, State, or Other Grant Non-Departmental Account in the County Government Grant Fund to fund specific programs or activities designated in a grant, donation, contribution, reimbursement, or other non-County funding source received in FY10. When the County receives funds for a program from a non-County source, the County Executive may transfer appropriation from this Account to the appropriate fund for a department or office to support the program. The following conditions apply to the use of this transfer authority:
  - (A) The program must not require any new FY10 tax-supported appropriation or future tax-supported County funds.
  - (B) Subject to the balance in the account, any amount can be transferred in FY10 for any program which meets at least one of the following four conditions: (1) the amount is \$200,000 or less; (2) the program was funded in FY09; (3) the program was included in the FY10 budget; (4) the program was funded by the Council in a supplemental or special appropriation in FY10. Any program that does not meet one of these four conditions must be funded by a supplemental or special appropriation.
  - (C) The Executive must notify the Council within 30 days after each transfer.

The Department of Finance may transfer appropriation to the Restricted Donation Special Revenue Fund on a quarterly basis. The Council must approve a transfer for any individual donation which exceeds \$200,000 unless the donation meets one of the conditions in subparagraph (B) of this paragraph.

The Executive must approve each transfer under this paragraph and must forward to the Council a copy of a monthly list prepared by the Office of Management and Budget of each grant for which this transfer process has been used. The Office of Management and Budget must maintain a record to ensure that the total appropriation is not exceeded.

The Executive may also transfer an appropriation from a specific department or office grant appropriation in the County Government Grant Fund to the Future Federal, State, or Other Grant Non-Departmental Account when a specific grant is less than the amount

- appropriated. The amount of the transfer must equal the difference between the amount appropriated and the grant award.
9. The Executive may transfer County matching funds within a department or office from the appropriate fund to an account for the same department or office in the Grant Fund when the grantor requires a County match.
  10. When the County Government receives more non-County funds than were budgeted for a program which also receives some County funds:
    - a) Council approval is not required to substitute the non-County funds for County funds. In this case, there is no change in the appropriation.
    - b) Council approval is required to increase the appropriation. The Council may decide to substitute non-County funds for County funds instead of increasing the appropriation.
  11. When the County Government receives official notice that government aid or grant funds will be less than was budgeted for a program:
    - a) Council approval is required to substitute County tax-supported funds for non-County funds. In this case, there is no change in appropriation.
    - b) The Executive must report to the Council any recommendation to reduce expenditures in an affected program to offset any loss of non-County funds. A reduction of 10% or less from the amount estimated in the FY10 approved budget for any grant or specific source of government aid may be reported through the monthly report required in paragraph 8 of this resolution.
  12. For FY10, funds for Federal Emergency Management Agency (FEMA) reimbursements of Urban Search and Rescue Team activities may be appropriated through a transfer from the Future Federal, State, or Other Grant Non-Departmental Account as provided in paragraph 8. In order to use this method of appropriation, the Executive must forward a copy of each FEMA authorization letter to the Council President within 5 working days after the County receives the FEMA authorization.
  13. For FY10, reimbursement payments from the Federal government for providing security through the Police Department on an overtime basis may be appropriated through a transfer from the Future Federal, State, or Other Grant Non-Departmental Account as provided in paragraph 8. In order to use this method of appropriation, the Executive must forward to the Council President a copy of a contract, memorandum, or letter from a Federal agency authorizing the County to provide such security. The Department must specify the amount of reimbursement funding, and the contract, letter, or memorandum must be forwarded within 5 working days after the County receives the authorization.

14. For FY10, reimbursement payments from Federal, state, or local governments for emergency response or assistance by Montgomery County departments or offices may be appropriated through a transfer from the Future Federal, State, or Other Grant Non-Departmental Account as provided in paragraph 8. In order to use this method of appropriation, the Executive must forward to the Council President a copy of the contract, memorandum, or letter from the Federal, state, or local agency authorizing the County to provide the requested assistance. The Executive must specify the amount of reimbursement funding and the contract, letter, or memorandum must be forwarded within 5 working days after the County receives the authorization.
15. In Resolution No. 16-99, adopted April 24, 2007, Resolution No. 16-557, adopted May 14, 2008, and Resolution No. 16-956, adopted on May 13, 2009, the Council expressed its intent to appropriate the funds necessary to implement the collective bargaining agreement with the Fraternal Order of Police, Lodge 35 for July 1, 2007 through June 30, 2010, except for the amendments to Article 35 (Vehicles) forwarded to the Council by the Executive on March 20, 2009. This resolution appropriates funds in FY10 for this purpose.
16. In Resolution No. 16-558, adopted May 14, 2008, and Resolution No. 16-957, adopted May 13, 2009, the Council expressed its intent to appropriate the funds necessary to implement the collective bargaining agreement with Local 1664, Montgomery County Career Fire Fighters Association of the International Association of Fire Fighters, AFL-CIO for July 1, 2008 through June 30, 2011. This resolution appropriates funds in FY10 for this purpose.
17. In Resolution No. 16-100, adopted April 24, 2007, Resolution No. 16-556, adopted May 14, 2008, and Resolution No. 16-958, adopted May 13, 2009, the Council expressed its intent to appropriate the funds necessary to implement the collective bargaining agreement with Local 1994, Municipal and County Government Employees Organization of the United Food and Commercial Workers, AFL-CIO for the period July 1, 2007 through June 30, 2010 except for amendments to Article 41.9 forwarded to the Council by the Executive on March 16, 2009. This resolution appropriates funds in FY10 for this purpose.
18. A general wage adjustment to the minimum and maximum salary of each grade of the Salary Schedules for County Government non-represented employees must not take effect in FY10. For the purposes of retirement benefit calculation, all non-represented employees must be credited at the annual salary amounts as if a 4.5% general wage adjustment had taken effect in FY10. No FY10 appropriation is required to implement this provision.
19. A general wage adjustment to the minimum and maximum of each grade in the Salary Schedule for non-represented employees in the Management Leadership Service (MLS) must not take effect in FY10. For the purposes of retirement benefit calculation, all non-represented employees must be credited at the annual salary amounts as if a 4.5% general wage adjustment had taken effect in FY10. Performance-based increases must be limited

to 2.0% for FY10. For MLS employees who are not at the maximum of the salary schedule, the performance-based increase may be added to base pay. This resolution appropriates funds in FY10 for this purpose.

- 20. A general wage adjustment to the minimum and maximum of each grade in the Salary Schedule for Police Management must not take effect in FY10. For the purposes of retirement benefit calculation, Police Management must be credited at the annual salary amounts as if a 4.25% general wage adjustment had taken effect in FY10. No FY10 appropriation is required to implement this provision.
- 21. A general wage adjustment to the minimum and maximum of each grade in the Salary Schedule for Sheriff Management must not take effect in FY10. For the purposes of retirement benefit calculation, Sheriff Management must be credited at the annual salary amounts as if a 4.5% general wage adjustment had taken effect in FY10. No FY10 appropriation is required to implement this provision.
- 22. A general wage adjustment to the minimum and maximum of each grade in the Salary Schedule for Correctional Management must not take effect in FY10. For the purposes of retirement benefit calculation, Correctional Management must be credited at the annual salary amounts as if a 4.5% general wage adjustment had taken effect in FY10. No FY10 appropriation is required to implement this provision.
- 23. A general wage adjustment to the minimum and maximum of each grade in the Salary Schedule for Fire and Rescue Management must not take effect in FY10. For the purposes of retirement benefit calculation, Fire and Rescue Management must be credited at the annual salary amounts as if a 4.0% general wage adjustment had taken effect in FY10. No FY10 appropriation is required to implement this provision.
- 24. An adjustment to the hourly wage of each grade of the County Government Seasonal Salary Schedule must not take effect in FY10.
- 25. For FY09, this resolution appropriates \$1,386,000 to the Compensation and Employee Benefits Adjustment Non-Departmental Account for the following purposes. The County Executive may transfer the entire amount appropriated in this NDA to County departments or offices as needed.

Unemployment Insurance	\$ 250,000
Non-Qualified Retirement	20,200
Deferred Compensation Management	129,750
Collective Bargaining Actuarial Services	75,000
Pay for Performance (Management Leadership Service)	546,420
Pay for Performance (Non-represented)	-
Performance Management Program	364,630
<b>TOTAL</b>	<b>\$ 1,386,000</b>

- 26. The Chief Administrative Officer must report to the Council President by the tenth of each month on the funds spent for overtime in the preceding month in the Fire and

Rescue Service and Correction and Rehabilitation, Police, and Transportation Departments, Office of the Sheriff, and in any other Department or Office in County Government where more than \$100,000 is budgeted for overtime. This report must specify how much of the overtime used in each Department or Office was needed to respond to the taking of additional personal leave days or compensatory time that was authorized in the amendments to the County Government, police, and fire bargaining unit collective bargaining agreement which the Council approved on May 13, 2009.

27. This resolution appropriates \$0 to pre-fund retiree health insurance benefits. For FY10, because of reduced revenues from the economic downturn, the County Government will not provide funding consistent with Resolution No. 16-555, adopted on May 14, 2008. Funds deposited into the Trust created under County Code §33-159 for the payment of retiree health insurance benefits must not be used for any other purpose.
28. The Council requests that the participating agencies continue the work of the Interagency Technology Policy and Coordination Committee as described in Resolution 12-1758, approved on July 26, 1994.
29. The Council requests that the participating agencies continue the work of the Interagency Procurement Coordinating Committee, the Interagency Public Information Working Group, the Interagency CIP Coordination Group, the Interagency Energy Management Group, the Interagency Training Team, and the Interagency Administrative and Support Service Working Group in efforts to share information, provide assistance, and cooperate on efficiencies and planning.
30. The Interagency Technology Fund (ITF) FY10 balance may be increased as past ITF loans are repaid. When fiscal conditions allow, the Council intends to make contributions to the ITF to support additional investments in technology as described in Council Resolution No. 16-475.
31. For FY10, the FiberNet chargeback requirement of the County Government is estimated to be \$2,183,370.
32. The County Executive has estimated that the implementation of a 311 Call Center will produce \$7.5 million in annual savings across all departments and offices in County Government. This resolution has reduced personnel cost appropriations to County Government departments and offices by \$1.875 million to reflect the savings expected in the final quarter of FY10. The Executive may transfer appropriations shown in the following table across departments and offices only to accurately implement these total savings associated with the 311 call center.

<b>Department/Offices</b>	
Police	(249,700)
Health & Human Services	(228,800)
Fire and Rescue Services	(171,800)
Transit Services	(187,000)
Correction & Rehabilitation	(80,000)
Transportation	(100,000)
Public Libraries	(65,000)
Technology Services	(55,000)
Recreation	(211,000)
General Services	(70,000)
Sheriff	(36,000)
State's Attorney	(21,000)
Circuit Court	(18,000)
Finance	(75,000)
County Council	(16,000)
Human Resources	(115,500)
Economic Development	(13,000)
County Executive	(48,100)
County Attorney	(9,000)
Housing & Community Affairs	(68,300)
Board of Elections	(8,000)
Regional Services Centers	(22,800)
Management and Budget	(6,000)
	<b>(1,875,000)</b>

33. For FY10, this resolution appropriates \$44,495,260 to the Department of Liquor Control. During FY10, the Director of Finance must transfer to the General Fund all Liquor Control Fund "Income before Capital Contributions and Transfers" as defined in the FY 2008 Comprehensive Annual Financial Report. The County Council has estimated that this transfer will amount to at least \$26,375,850.
34. For FY10 this resolution includes an appropriation for each element of the fire and rescue system, consisting of the Montgomery County Fire and Rescue Service (excluding the local fire and rescue departments), the local fire and rescue departments, and the Fire and Rescue Commission. This designation reflects the intent of Charter Section 306. Notwithstanding the separate appropriation items, the Council intends that funds be transferable, within the limits set in Charter Section 309, between the Montgomery County Fire and Rescue Service and the local fire and rescue departments.
35. County tax funds appropriated for use by local fire and rescue departments must not be spent or encumbered, directly or indirectly, for legal fees or expenses related to pursuing any claim against County Government or any County agency, except as expressly agreed to by the Executive with prior advice and review by the Council as part of a settlement of a civil action to which the County is a party. The Fire Chief must adopt a policy to implement this paragraph and assure compliance by local fire and rescue departments through the annual financial audit process.

36. During FY10, the Council estimates that the Director of Finance will transfer the following amounts from the General Fund to these Non-Tax Supported Funds:

Amount	Fund
\$ 1,941,510	Solid Waste Disposal Fund
19,919,270	Montgomery Housing Initiative
1,153,770	Permitting Services Fund: Public Agency Permits and Green Tape Position
1,581,510	MCPS Instructional Television Fund
1,319,940	Montgomery College: Cable TV Fund
25,000	Community Use of Public Facilities

37. For FY10 this resolution appropriates \$5,069,380 to the County Arts and Humanities Council Non-Departmental Account, which must be allocated as follows:

Purpose	Amount
<b>Arts and Humanities Council Activities</b>	
Operating Support	\$3,085,390
Small/Mid-Size Organizations, Creative Projects, Arts Education, and Individual Artist/Scholar Grants	492,930
Public Arts Trust Maintenance	10,000
Administration	374,810
<b>Total Arts and Humanities Council Activities</b>	<b>\$3,963,130</b>
<b>Assistance to Individual Organizations</b>	
American Film Institute (Silver Theatre operating support, which AFI must repay from net revenues before any revenue sharing with the County)	506,250
Heritage Tourism Alliance (operating support – match for State funds)	75,000
Imagination Stage (facility debt service and/or debt retirement)	400,000
Pyramid Atlantic Art Center (facility debt payment)	50,000
Round House Theatre (Bethesda facility maintenance and utilities)	75,000
<b>Total Assistance to Individual Organizations</b>	<b>\$1,106,250</b>
<b>Grand Total -- Arts and Humanities Council NDA</b>	<b>\$5,069,380</b>

Of the funds appropriated for the administration of the Arts and Humanities Council, \$31,350 must be used only to provide health insurance benefits for one or more of the Council's full-time employees. The Arts and Humanities Council's Board of Directors must determine how these benefits are provided. If the County Attorney finds that these employees' participation is consistent with Federal and County law, these funds may be

used to buy health insurance for these employees through the County Government's Group Health Insurance program. These funds must not pay more than 80% of the cost of the premium of the health insurance coverage selected by the Arts and Humanities Council's Board of Directors.

The Arts and Humanities Council must administer all funds appropriated in this resolution under Assistance to Individual Organizations except those funds appropriated for assistance to the American Film Institute, which for FY10 may be administered by an Executive branch department.

38. As required by County Code §2-151(f), the Council recommends projected budgets for the Office of Inspector General of \$661,389 in FY 2011, \$689,167 in FY 2012, and \$718,112 in FY 2013.
39. As required by Charter Section 209 and as a condition of spending any funds appropriated in this resolution to fund new merit system positions in County Government, the Office of Management and Budget must notify the Council President each month, no later than the tenth of the month, of each permanent full or part-time position created in the County Government during the preceding month. The notice must also specify the source of funds for each position.
40. This resolution appropriates \$249,530 for inflation adjustments for tax-supported contractors with the Department of Health and Human Services (DHHS). DHHS must award these funds to private non-profit service providers whose contracts continue beyond the first year of a contract period and who have satisfactorily performed their contracted duties. Any inflation adjustment awarded under this paragraph must not exceed 1% of the total contract price. Contracts funded by non-County grants are not eligible for an inflation adjustment under this paragraph.
41. This resolution appropriates \$1,558,730 to the Department of Police to contract for operation of the County Animal Shelter. These funds may be used to pay the costs associated with amending the current contract with the Montgomery County Humane Society.
42. This resolution appropriates \$19,919,270 from the General Fund as a contribution to the Montgomery Housing Initiative Fund. The FY10 appropriation, combined with the re-appropriation of the FY09 fund balance, loan repayments, investment income, and revolving resources available in the capital improvements program, is estimated to provide more than \$57.8 million to acquire, rehabilitate, and preserve affordable housing, and implement the County's Housing First Plan.
43. The Department of Housing and Community Affairs may allocate up to \$1 million from the Housing Initiative Fund for "Building Neighborhoods to Call Home" services. As a part of this initiative, the Department must allocate the following:

\$92,500 to CASA de Maryland, Inc. to operate the Pine Ridge Community Center.

\$100,000 to Montgomery Housing Partnership to provide training and support for owners of small rental properties.

\$41,000 to Interfaith Works, Inc. to fund the cost of a part-time property manager.

\$200,000 to Rebuilding Together for operating support to enable the organization to assist low-income homeowners with home repairs (including accessibility modifications) and referrals to community resources.

\$350,000 for tenant counseling in Long Branch.

\$150,000 for revitalization planning in the Long Branch area.

44. The Department of Housing and Community Affairs must allocate \$592,120 from the Housing Initiative Fund for the Closing Cost Assistance Program and \$500,000 for closing cost assistance targeted to county employees.
45. The Department of Housing and Community Affairs must reserve \$8.9 million of the non-revolving program appropriation to the Housing Initiative Fund for continued implementation of the Housing First Plan. The Housing First model helps chronically homeless and hard-to-serve individuals and families to access and sustain permanent, stable housing and has been shown to be more cost effective than short term housing solutions such as the use of motels. These funds may be used to fund costs associated with any element of the Plan, but must be used in conjunction with funds appropriated to the Department of Health and Human Services to continue capacity of at least 1,767 clients in the Rental Assistance Program and 225 clients in the Housing Initiative Program (formerly known as SHRAP). The Department of Housing and Community Affairs and Department of Health and Human Services may use these reserve funds to increase capacity in these programs or other programs in the Housing First Initiative in order to move households quickly into permanent housing and reduce the reliance on motels and shelters. The allocation of this reserve does not limit the amount that may be spent from the Housing Initiative Fund or other sources for homeless persons or persons at risk of homelessness, and does not impose any limit on projects that may be funded with the revolving Acquisition and Preservation Program. If the Department of Housing and Community Affairs and Department of Health and Human Services determine that expenditure of \$8.9 million is not needed in FY10, these funds may be reallocated for other priority affordable housing purposes after the Director of the Department of Housing and Community Affairs sends written notice to the Council.
46. This resolution appropriates \$3.047 million of the net revenue attributable to the increase in the rate of the recordation tax enacted in Bill 11-07, *Recordation Tax – Rate*, to the Housing Initiative Fund. \$1.890 million of these funds must be used for the Housing Opportunities Commission’s Rent Supplement Program and \$1.157 million must be used

by the Department of Health and Human Services for emergency rental assistance for low and moderate income households.

- 47. The Director of Finance must maintain a record of all payment-in-lieu-of-taxes (PILOT) agreements currently in effect under the Tax-Property Article of the Maryland Code. The record must estimate (in current year dollars) the amount of property taxes abated for each agreement for each of the next 10 fiscal years. As authorized by County Code §52-18M, the Director of Finance may sign payment-in-lieu-of-taxes agreements for affordable housing that abate annual property tax revenues, up to the following annual limits, for all properties not owned or operated by the Housing Opportunities Commission:

Cumulative Maximum for Non-HOC PILOT Tax Abatements

FY10	\$ 8,800,000
FY 2011	\$ 9,240,000
FY 2012	\$ 9,702,000
FY 2013	\$10,187,100
FY 2014	\$10,696,455
FY 2015	\$11,231,278
FY 2016	\$11,792,842
FY 2017	\$12,382,484
FY 2018	\$13,001,608
FY 2019	\$13,651,688

The Director of Finance must not sign any payment-in-lieu-of-taxes agreement that would increase the total amount of abated property tax revenues above any of the listed annual limits without prior approval of the County Council by resolution.

The Director of Finance must calculate in the FY 2011 annual operating budget the total amount of property taxes to be abated under all PILOT agreements (including those for properties owned or operated by the Housing Opportunities Commission) that will be in effect during FY 2011.

- 48. As required by Charter Section 209 and as a condition of spending any funds appropriated in this resolution, the Office of Management and Budget must provide to the Council the second and third quarterly budget analysis of department and office expenditures and revenues no later than 45 days after the end of the second and third fiscal quarters.
- 49. 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. As used in this paragraph, “similar action” includes any recommendation to spend less than 90% of the funds appropriated for any non-competitive contract award listed in Section G of this resolution. Any budget savings plan or similar action is subject to review and approval by the Council. This paragraph does not apply to any hiring freeze which applies to all or substantially all departments and offices of County Government.

50. The County Executive must inform the Council within 30 days if the Executive makes any changes in the fund balance policy for any non-tax supported fund in County Government or the addition or elimination of any non-tax supported fund in County Government.
51. This resolution appropriates \$125,000 to the Regional Services Centers to be used in equal allocations of \$25,000 per center to provide Urban District type services under the Emerging Communities Initiative. The \$25,000 allocated to the Silver Spring Regional Services Center must be used to provide neighborhood maintenance services in the Long Branch commercial area.
52. As a condition of spending any funds appropriated in this resolution, each non-competitive contract awarded as a Community Grant that was recommended by the County Executive or a Council Grant must require each recipient to submit a one-page report by February 1, 2010, and a one-page report by July 30, 2010 to the Office of Management and Budget and the contracting department describing the results achieved with the funds awarded. The Office of Management and Budget must submit all reports to the Council by February 16, 2010, and August 16, 2010, respectively.
53. As a condition of spending any funds appropriated in this resolution, the Chief Administrative Officer must require that any contractor providing health and human services or recreation programs must enter and update appropriate information in the Info Montgomery system.
54. The Department of Environmental Protection may use Water Quality Protection Funds allocated for residential and commercial Low Impact Development projects for a rebate program. This is intended to increase the range of incentives to encourage broader participation among residents and businesses in this component of the County's Water Quality Protection program.
55. This resolution appropriates \$656,760 to the Climate Change Implementation Non-Departmental Account (NDA) to implement the initiatives the Council adopted in Bills 29-07, Environmental Sustainability – Climate Protection – Motor Vehicles; 30-07, Buildings – Energy Efficiency; 32-07, Environmental Sustainability – Climate Protection Plan; and 35-07 Consumer Protection – Energy and Environmental Advocacy; and to fund the Clean Energy Rewards program established in County Code §18A-11. The funds appropriated in this NDA must be allocated as follows:

<b>Purpose</b>	<b>Amount</b>
Tank Cleaning and filter costs to ready County fleet for B-20 fuel	\$ 24,000
Implementation of the Telecommuting Action Plan	\$ 34,760
Implementation of Sustainability Workgroup Recommendations	\$ 50,000
Consultant to assist the Office of Consumer Protection with participation in matters before federal and state agencies	\$ 30,000
Clean Energy Rewards	\$518,000
<b>TOTAL Climate Change Implementation NDA</b>	<b>\$656,760</b>

56. For FY10, when the County Government decides that it will apply for a grant or respond to a granting agency on how it would spend a formula-awarded grant, the Chief Administrative Officer or his designee must notify the Council Staff Director in writing of the name and purpose of the grant, the amount being requested or the formula-driven award amount, the name of the agency the application is directed to, the term of the grant, and the name of the department or departments that seek to receive the grant award. This requirement applies when any of the following conditions are met:
- the application is for a new grant of more than \$200,000 or formula-driven award of more than \$200,000 for a new program; or,
  - the grant or award would require the appropriation of new tax-supported funds in the current or any future fiscal year; or,
  - the grant application or proposal to spend formula-driven funds will create a new position in County Government.

Upon request, the Chief Administrative Officer or his designee must send a copy of the grant application or description of the proposed use of a formula-driven award to the Council Staff Director within 3 working days after submitting it to the funding agency.

57. For FY10, when the County Government decides that it will execute a new lease or lease-purchase agreement that will annually exceed \$500,000 in the current or any future fiscal year, or increase the cost of an existing lease or lease-purchase agreement annually by more than \$500,000, the Chief Administrative Officer or his designee must notify the Council Staff Director in writing, at least 14 days before executing the new or modified lease, of the location of the property that will be leased, the County programs that will occupy the leased space, and the cost of the lease in the current and future fiscal years. For new leases, the cost should include the estimated cost for build-out and maintenance and utilities if this cost would be paid directly by the County and not the property owner. For continuing leases, increases in costs for taxes and utilities are not subject to this provision.

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council