

Resolution No.:	<u>18-1132</u>
Introduced:	<u>April 3, 2018</u>
Adopted:	<u>May 16, 2018</u>

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Council President at the request of the County Executive

SUBJECT: Enterprise Fund Stabilization Factor 1.03 for FY19

Background

1. The Department of Permitting Services (Department or DPS) was established as a fee-supported enterprise within the executive Branch of Montgomery County in 1996. Revenues that support the Department are established by Method 2 or Method 3 Executive Regulations and, for services provided by the Department under Chapter 59, by District Council resolution.
2. In Fiscal Year 2015, a comprehensive study of Department revenues, fee structure, and work volumes was undertaken to tie permit rates to the known volumes of work in FY14 and cost centers performing that work. The resulting rates were implemented in July FY15 and included an Enterprise Fund Stabilization Factor (EFSF) to be calculated each year and to be applied to each fee on July 1 of the Fiscal Year. The Enterprise Fund Stabilization Factor is the factor by which the fee calculation is adjusted, up or down, to cover DPS labor and operating costs and to manage the DPS reserve policy under the 2002 Principles of the Fiscal Management of the Permitting Services Fund.
3. On March 15, 2018, the Council received the County Executive's Recommended Operating Budget, which includes DPS and the proposed EFSF of 1.03.
4. DPS published the EFSF of 1.03 (an upward adjustment of 3% on all fees) for the upcoming fiscal year on March 15, 2018 to cover rising labor and operating costs and reserve policy.
5. Each fee for DPS services, including those in Executive Regulations 11-17, 26-16, 20-07AM, 15-16, and 12-12, and County Council Resolution 18-317, will be subject to the EFSF of 1.03, which is an upward adjustment of 3%.
6. On April 24, 2018, the Council held a public hearing on the ESFS. There were no speakers and no testimony was submitted.

7. On April 30, 2018, the Council's Planning, Housing, and Economic Development (PHED) Committee held a worksession on the DPS Budget.
8. On May 9, 2018, the Council initially approved the DPS Operating Budget, which included the 1.03 EFSF.

Action

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

The County Council approves the EFSF of 1.03 for each fee for DPS services, including those in Executive Regulations 11-17, 26-16, 20-07AM, 15-16, and 12-12, and County Council Resolution 18-317.

This is a correct copy of Council action.


Megan Davey Limarzi, Esq.

Clerk of the Council