



Montgomery County Government CIP Process

Citizens Advisory Board-CIP Forums

Office of Management and Budget

July 2013



Role of CABs

- Provide residents with an opportunity to express their views and priorities for future capital improvement projects.
- Provide information to the County Executive and Departments concerning capital improvement projects.
- Information is included in the Public Input Section of the County Executive's Recommended CIP budget book.



Capital Improvements Program (CIP)

- Capital Improvements have long-term usefulness and require large expenditures of capital funds usually programmed over more than one year and result in a durable capital asset.
- Biennial CIP Process.
 - Full CIP submitted in even numbered years
 - Amendments submitted in odd numbered years
- Six-year plan.
- Includes capital expenditure estimates, funding requirements, capital budget requests and program data.



CIP Schedule

- September: MCG Departments Submit CIP to OMB
- September: Council Approves CIP Spending Affordability Guidelines (SAG)
- September – December: OMB Reviews
- January 15th: County Executive Transmits to the Council
- February: County Council Public Hearings
- February: County Council revisits Spending Affordability Guidelines (SAG)
- February – May: County Council Committee Reviews
- May: Full Council Reviews
- Before Memorial Day: Council Approval



CIP Schedule

Agency Submissions to Executive and Council

- Oct. 1: WSSC to Executive and Council (no biennial CIP)
- Nov. 1: Superintendent to Board of Education
- Nov. 1: M-NCPPC to Executive and Council
- Mid Nov.: College to Executive and Council
- Dec. 1: BOE to Executive and Council

Council Role

- Review the Executive's Recommended CIP with OMB, Departments, and Agencies
- Conduct Public Hearing
- Committee and Full Council work sessions
- Approve FY15-20 Capital Improvements Program and FY15 Capital Budget



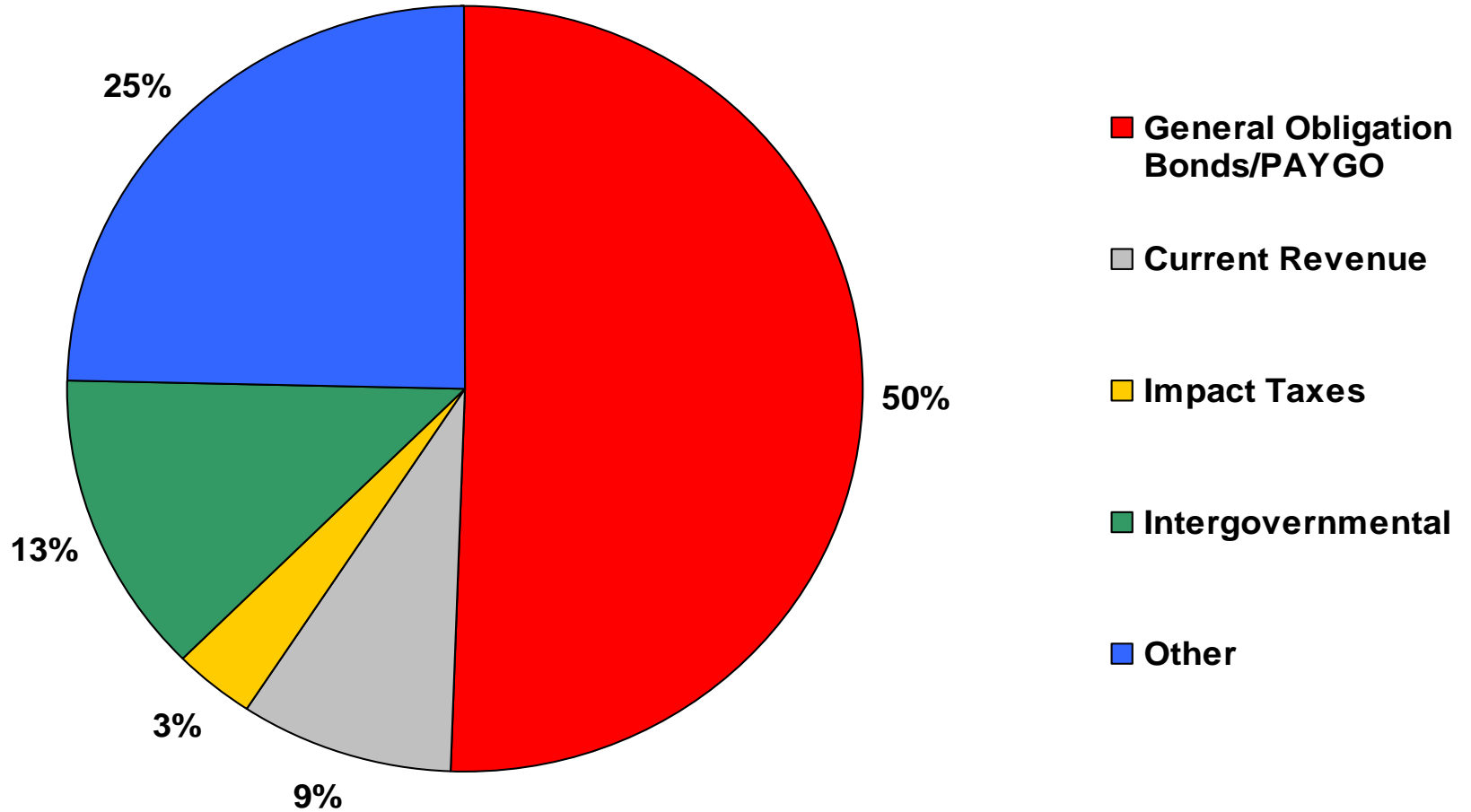
CIP Process: Planning, Review, and Approval

- **Identification of Needs**
 - Community
 - Departments and Agencies
 - Land Use Plans
 - Growth Policy
- **Readiness for Programming**
 - Facility Planning
 - Cost Estimating
 - Collaboration
- **Affordability**
 - Fiscal Planning
 - Fiscal Policy
 - Operating Impacts
- **Executive Branch Considerations**
 - Readiness
 - Planning
 - Scope Definition
 - Basis for Estimates: Confidence Level
 - Master/Sector Plans
 - Department Strategic Plans
 - Return on Investment/Results
 - Affordability
 - Evaluate Changes: Costs, Scope, and Schedule
 - Method of Financing
 - Scheduling
 - Partners: Mixed Use Project
 - Priorities
 - Community Priorities
 - M-NCPPC Priorities



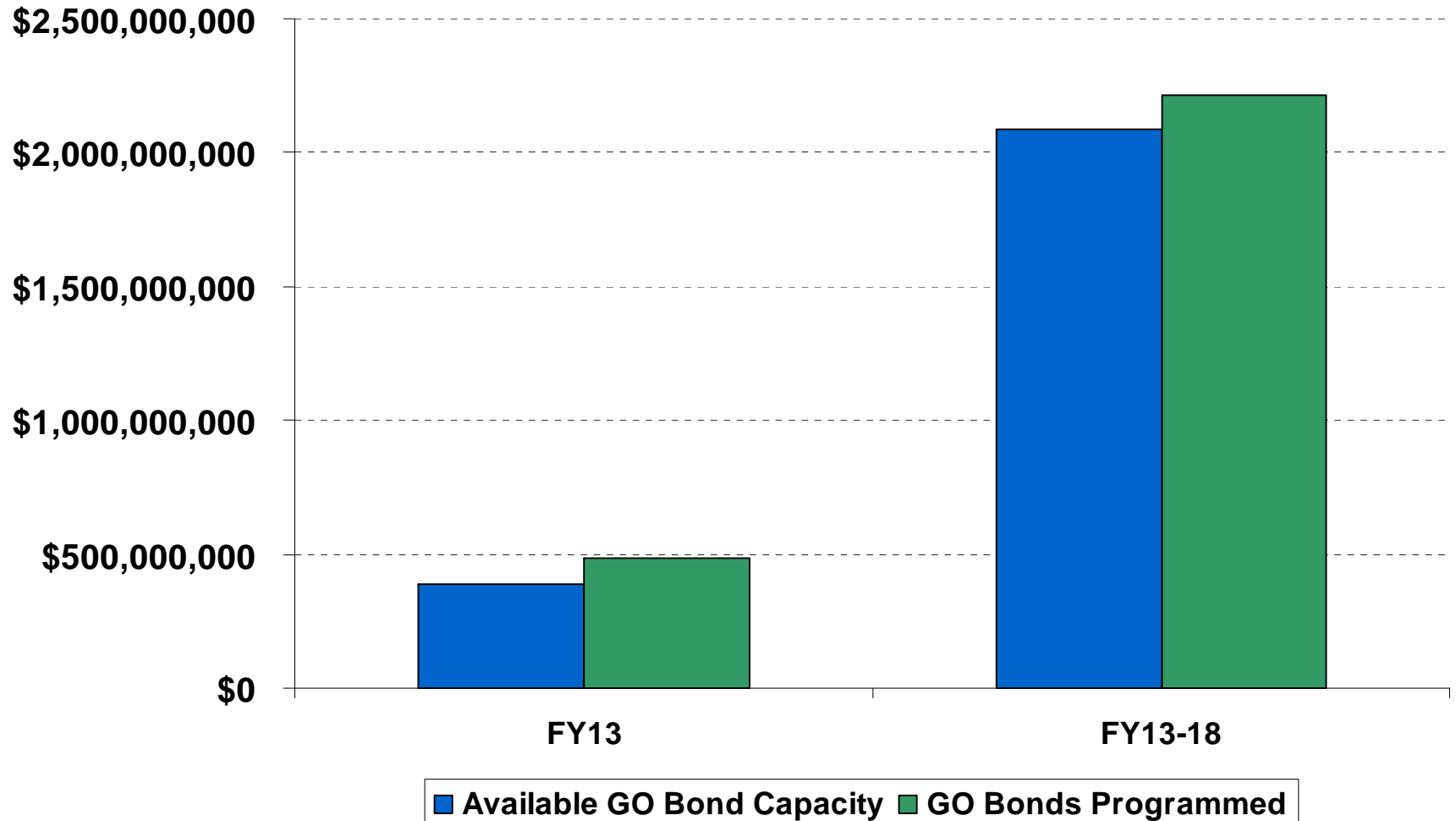
Recent CIP Funding Summary

FY13-18 Approved CIP (as amended) : \$4.389 Bn.





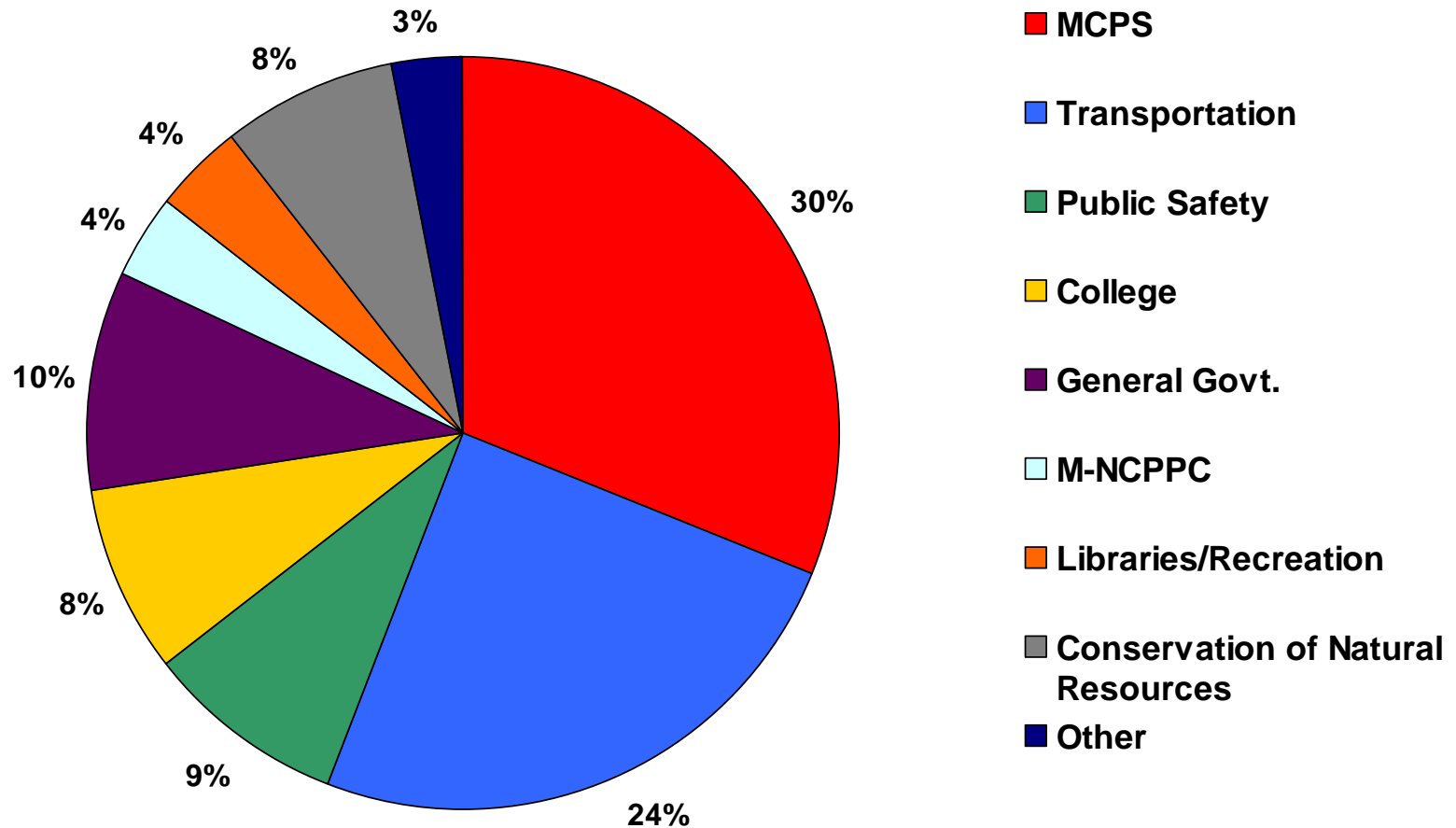
CIP FY13-18 GO Bonds





Recent CIP Expenditure Summary

FY13-18 Approved CIP (as amended) : \$4.389 Bn.





FY15-20 Fiscal Outlook

Operating Budget & Capital Budget

- Three ways the budgets intersect
 - Cash payments for capital projects
 - Operating costs for new facilities
 - Debt service

Every \$1 million used for debt service could also be used for:

**13 public school teachers
9 police officers
9 fire fighters
Operating 1 library
Operating 5 recreation centers
Rental assistance for 427 families
31,250 bednights in family shelters
11,111 bednights at overflow motels
Respite care for 339 clients
Child care subsidies for 197 children for a year
Services for 4,124 Montgomery Cares clients
1,274 county-funded Maternity Partnership program
1,919 Housing Stabilization grants
Pruning 2,150 trees
Purchasing 2 buses
Renovations for 50 bus stops**



FY15-20 Strategy

- Continue the work of restructuring the CIP:
 - Align with forecasted revenues
 - Control rising debt service costs
 - Ensure sustainable operating budget impacts
- Requests for new projects should be directly responsive to either critical or high priority objectives.
- Consideration will be given to reducing, eliminating, or delaying non-critical projects.



Information and Resources

- County Executive's Recommended FY13 Capital Budget and CIP
<http://www.montgomerycountymd.gov/OMB/FY13/ciprec/index.html>
- Current CIP Projects and Project Description Forms
http://www.montgomerycountymd.gov/OMB/MasterPDF/13-18a_masterpdf.html
- Office of Management and Budget Contacts
 - Mary Beck, CIP Manager, 240-777-2753
 - Helen P. Vallone, Analyst, 240-777-2775