

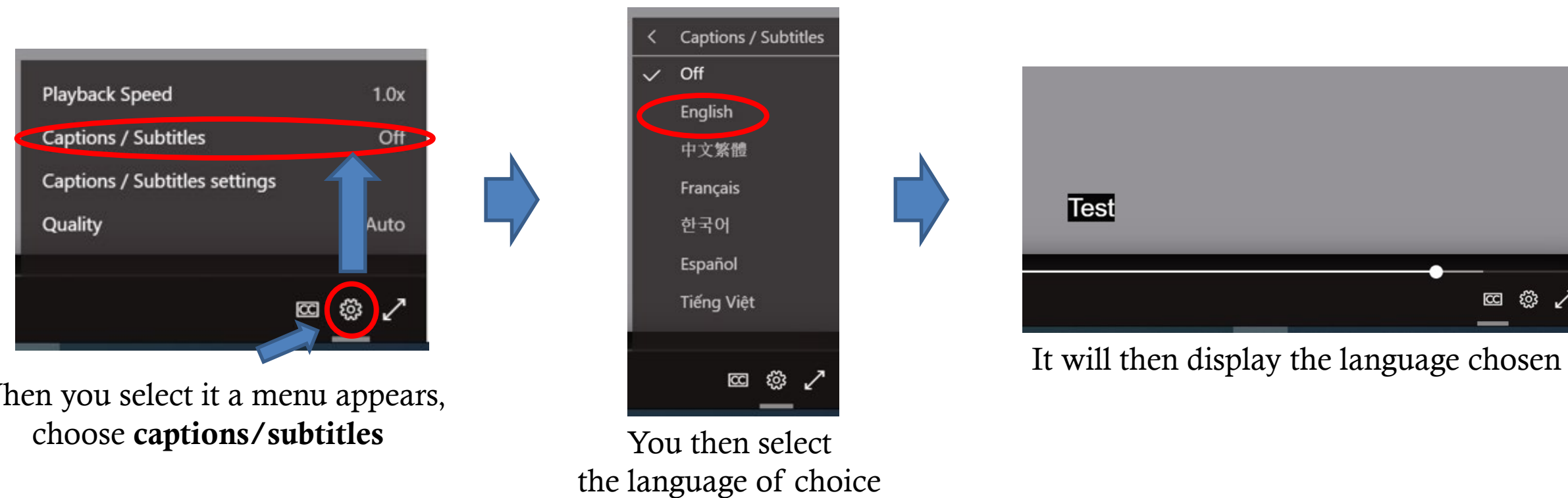
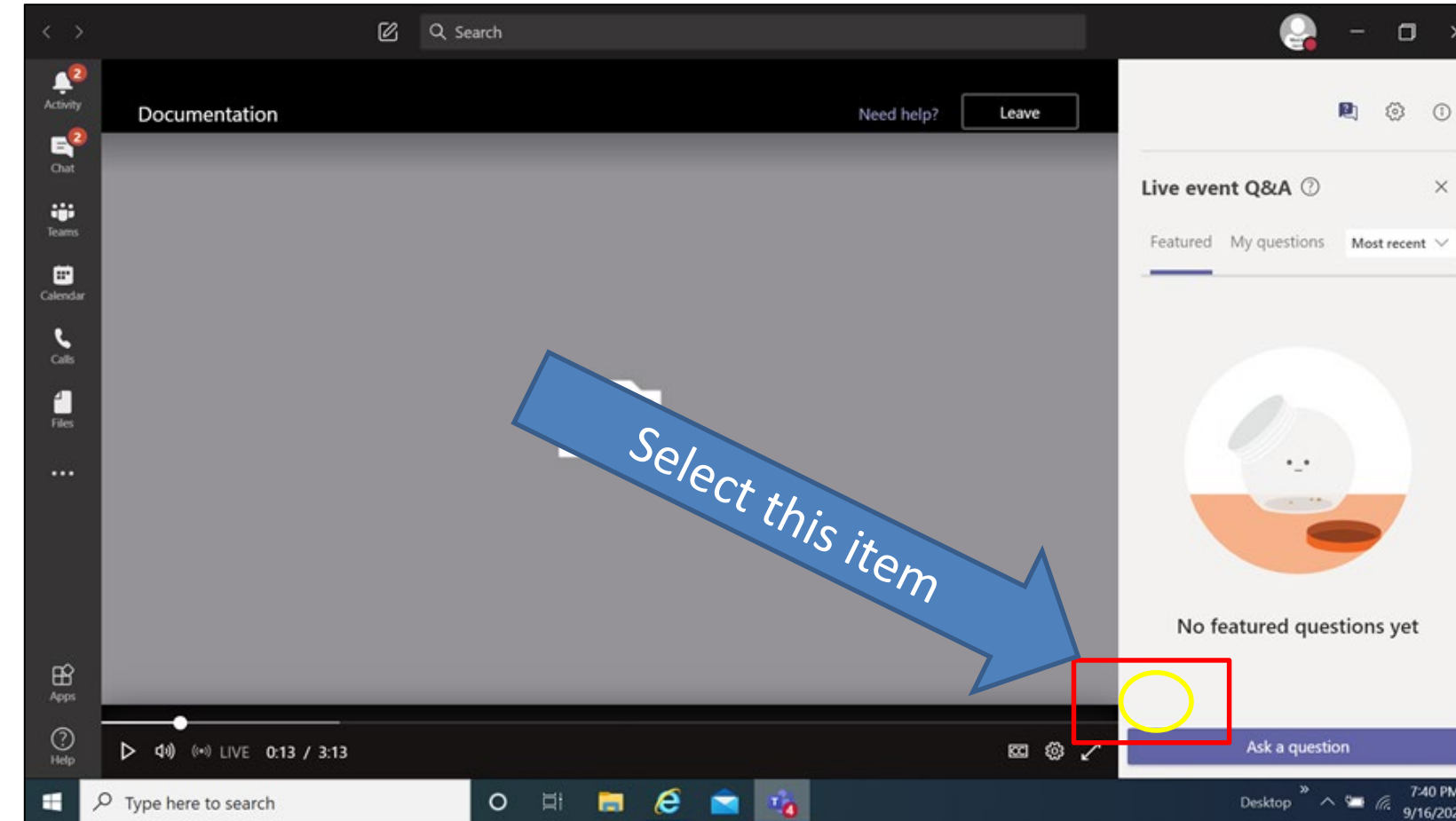


County Executive's FY23 Operating Budget Forum October 2021

Montgomery County Government
Rockville, Maryland

Prepared by the Office of Management & Budget and Department of Finance

How you can view the multi-lingual closed captions



Disclaimer: The translations provided in this application use what is referred to as mechanical translation technology. Although this method of translation is very effective and provides a high rate of word for word accuracy it is NOT 100% contextually accurate. Things that may affect it are the quality of the microphone used and potentially a person's speech pattern.

Agenda



- **Welcome & Introduction – Regional Services Director**
- **Welcome Remarks – Chair, Citizens Advisory Board**
- **Presentation – Office of Management and Budget**
- **Remarks - County Executive Marc Elrich**
- **Community Questions & Comments**
- **Closing Remarks - County Executive Marc Elrich**

OMB Presentation



- Purpose of Budget Forums
- Understanding Our Budget
- Building the Operating Budget & Process Timeline
- Online Resources - Open Budget
- Fiscal Outlook
- County Executive's Policy Goals & Operating Budget Priorities

Purpose of Budget Forums



- Provide residents with an opportunity to express their priorities and views on the County's Operating Budget
- Inform residents about the County's Operating Budget
- Encourage participation and engagement in the process

Thank You!!



The County Executive and the Citizens Advisory Board thank you for taking this opportunity to learn about the County's operating budget, to express your views on the County's Operating Budget priorities and get answers to your questions.

Understanding Our Budget



Two Budgets – One County



Operating Budget: Services

- K-12 Education
- Community College Education
- Public Safety: Police, Fire, Courts, Corrections and Sheriff
- Transportation: Roads, Traffic and Bus
- Social Services: Health, Income Maintenance and Other
- Environmental Protection
- Parks, Recreation and Libraries
- Land-Use Planning and Regulation
- Trash Collection and Disposal
- Economic Development
- Debt Service

Capital Budget: Facilities

- Schools and College Facilities
- Roads and Bridges
- Water and Sewer Facilities
- Information Technology Infrastructure
- Library Buildings
- Police and Fire Stations
- General Government Facilities
- Funded Primarily Through the Issuance of Bonds

Open Budget - Operating

montgomerycountymd.gov/openbudget



Interactive

Accessible

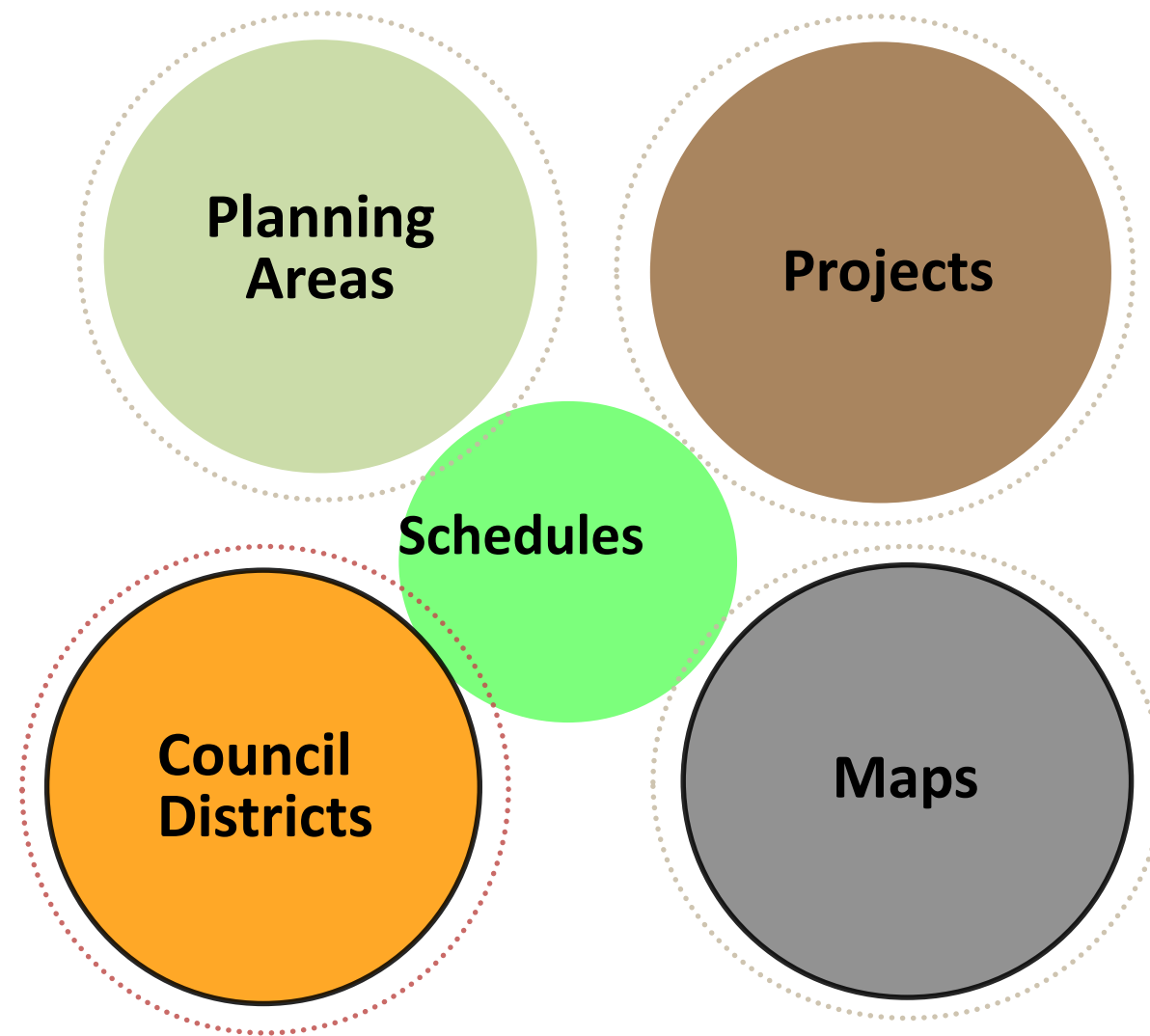
Printable

Customizable

Sharable



Open Budget - Capital Including Projects & MAPS



Clarksburg Library
(#710500)

Category	Culture and Recreation	Date Last Modified	11/17/14
SubCategory	Libraries	Administering Agency	General Services
Planning Area	Clarksburg	Status	Planning Stage
EXPENDITURE SCHEDULE (\$000s)			
Cost Elements	Total	FY 11	FY 12
Planning, Design and Supervision	2,134	1,054	1,080
TOTAL EXPENDITURES	2,134	1,054	1,080
FUNDING SCHEDULE (\$000s)			
Funding Source	Total	FY 11	FY 12
(5-0) Bonds	2,134	1,054	1,080
TOTAL FUNDING SOURCES	2,134	1,054	1,080



Building The Operating Budget

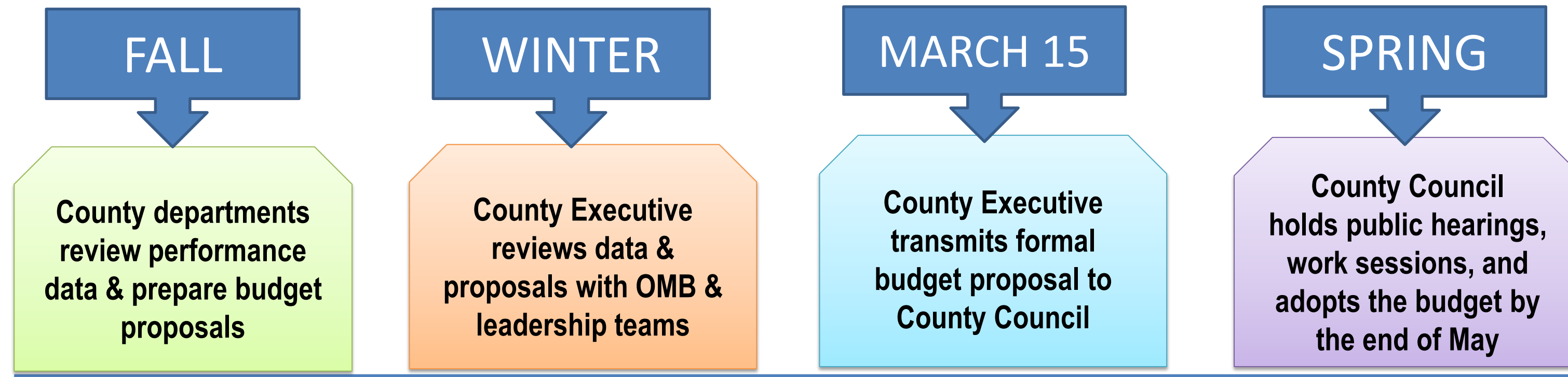


Building the FY23 Operating Budget



1. Revenue Estimates
2. Enrollment Forecast
3. Fixed Costs for:
 - Employee salaries & benefits
 - Current & future retiree benefits
4. Debt service & capital contributions
5. New State & Federal Laws
6. COVID-19 Crisis

Operating Budget Process



Community Participation



- **County Executive Sponsored Budget Forums**
- **County Executive Initiated Virtual Town Halls**
- **Boards, Committees, and Commissions**
- **Letters/Emails**
- **County Council Public Hearings**
- **Online Resources**

Community Participation

Regional Community Advisory Boards



The five regional Community Advisory Boards are a way to keep up to date on issues affecting your communities and to have a voice. Take an active role by participating and engaging in your local Advisory Boards. Currently these meetings are being held online and are open to the public. Join with your computer, laptop, tablet, phone or call in with your phone.

If you have any questions, please contact the respective Regional Service Directors of the five regions.

For more information, go to the following websites for each of the five regions:

UpCounty - <https://www.montgomerycountymd.gov/upcounty/>

Mid-County - <https://www.montgomerycountymd.gov/midcounty/>

East County - <https://www.montgomerycountymd.gov/eastcounty/>

Bethesda-Chevy Chase - <https://www.montgomerycountymd.gov/bcc/>

Silver Spring - <https://www.montgomerycountymd.gov/silverspring/>

Fiscal Outlook



Fiscally Responsible Government



Montgomery County is Focused on
Financial Sustainability

- **Balanced Budget Required By Law Despite Revenue Volatility**
- **Aggressive Reserve Target Policy**
- **Manage the Rate in Growth of Debt Expenditures**
- **Well-Managed Retirement Obligations – Pre-funding for pensions and retiree health insurance (OPEB)**

Fiscal Outlook

Approved FY22 Operating Budget Fiscal Snapshot



- **The total approved FY22 operating budget increased 2.3% over the FY21 approved budget.**
- **A large portion of the General Fund expenditures are mandatory.** MCPS and College budgets are subject to future Maintenance of Effort requirements, Revenue Stabilization Fund, and debt service payments constituted 65% of the FY22 approved general fund revenues.

Fiscal Outlook & Revenues



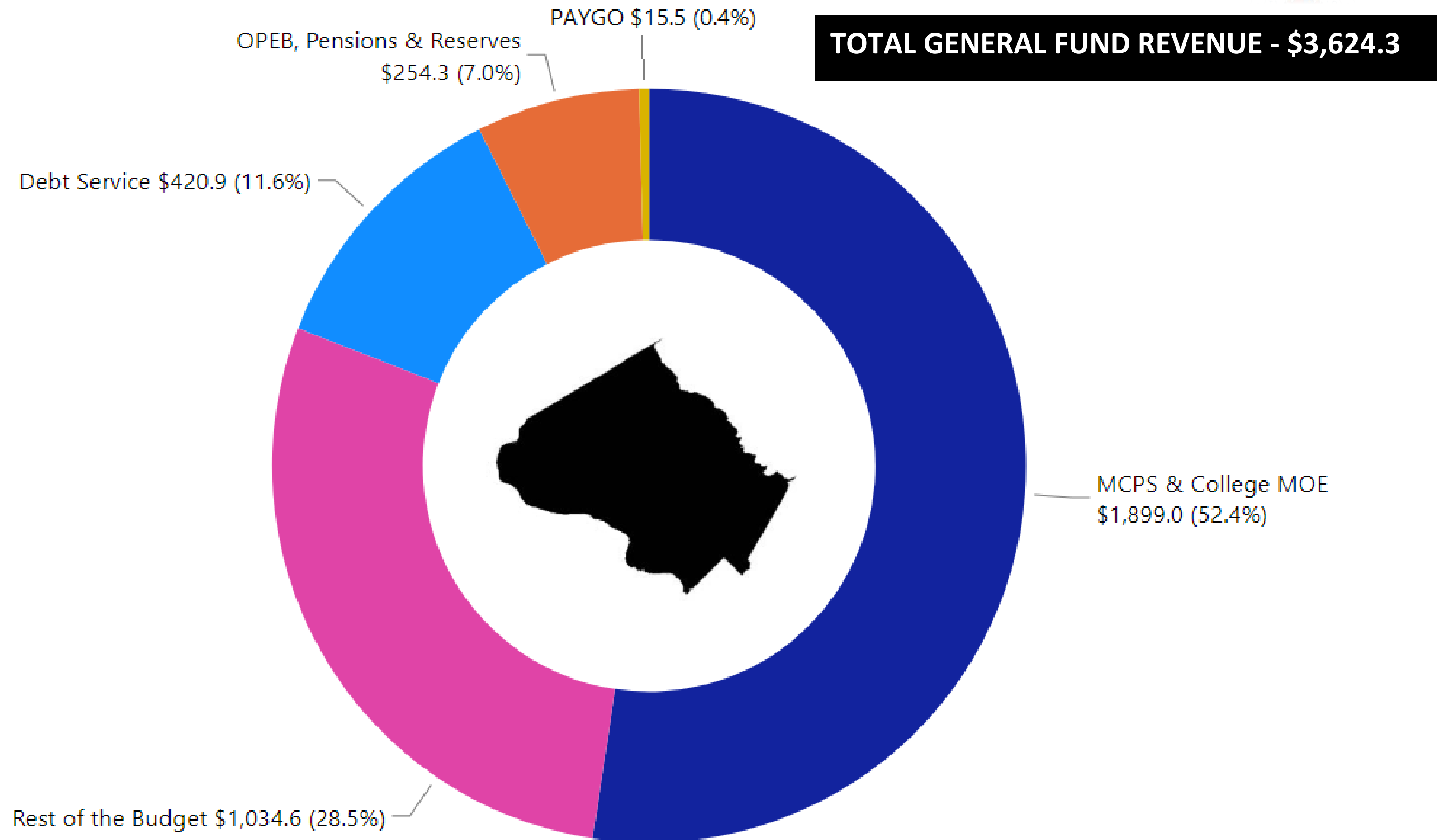
- FY21 **preliminary** actual tax revenues for major taxes such as income tax, property tax, and recordation and transfer taxes are up compared to March 2021 estimates. FY21 results will not be final until the Department of Finance completes the Annual Comprehensive Financial Report at the end of the year. The infusion of federal funding in FY20, FY21, and FY22 created better circumstances for building the FY23 budget without federal assistance.
- **Uncertainty around bus fares, licenses, permits, fines and other revenues due to the COVID-19 pandemic.**
- **In September, the State of Maryland reported ending FY21 with a significant surplus.**
- **The County's August income tax distribution was above revised estimates.**
- **Critical information needed to refine revenue estimates will not be known** until later in October (property taxes) and November (income taxes).

Fiscal Outlook & Revenues



- Homes sales have increased 31.6% through July 2021 compared to January - July 2020.
- Because of the COVID-19 crisis, the County's unemployment rate increased from 3.2% in July 2019 to 8.6% in July 2020. The County's July 2021 unemployment rate is 5.7%.
- Federal related unemployment and business assistance programs were critical in mitigating County and State revenues during the pandemic.

FY22 Fixed and Other Commitments as a % of General Fund Revenue (\$millions)

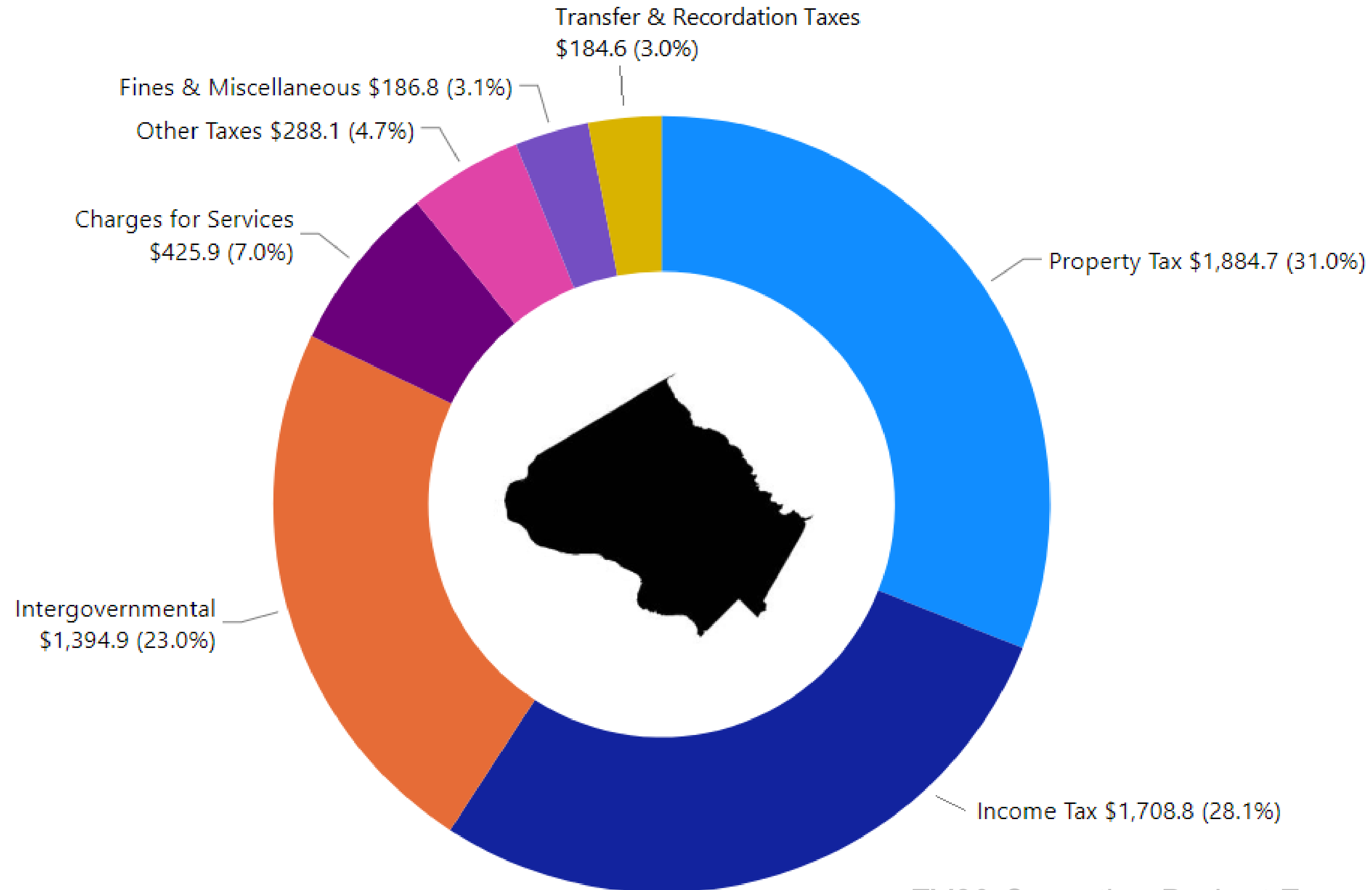


FY22 Approved Revenues (\$millions)

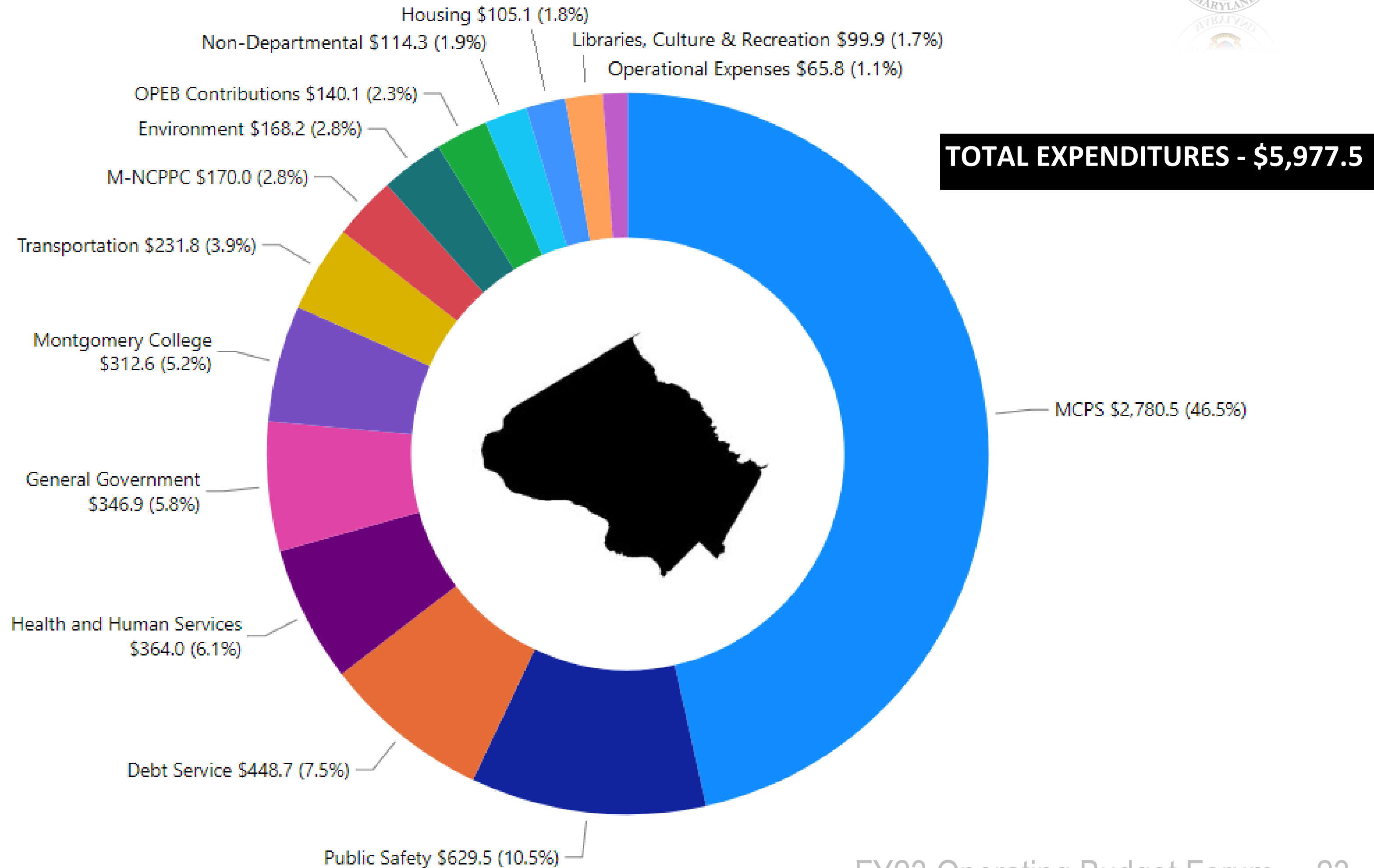


WHERE THE MONEY COMES FROM

TOTAL REVENUES - \$6,073.9



FY22 Approved Expenditures by Operating Function (\$millions)





County Executive

Marc Elrich

County Executive Marc Elrich's Policy Goals – The 5 Es



- **Educational Opportunities for All**
- **Equity** and Advancing Social Justice
- **Economic** Development Across the County
- **Environmental** Sustainability to Fight Climate Change
- **Efficient** and Effective Public Services

County Executive Marc Elrich's Signature Initiatives



- **Expanding Early Care and Education**
- **Preserving & Increasing Affordable Housing**
- **Building Bus Rapid Transit**
- **Fighting Climate Change**
- **Improving Economic and Community Development**
- **Reimagining Public Safety**
- **Advancing Racial Equity & Social Justice**

County Executive Marc Elrich's Signature Initiatives



- **Expanding Early Care and Education** - develop a comprehensive system of high-quality, accessible and affordable early childhood education
- **Preserving & Increasing Affordable Housing** – focus on eviction and homelessness prevention, tenant education, limitations on rental increases, and rental assistance
- **Building Bus Rapid Transit** – focus on high quality, frequent, reliable transit option for Montgomery County
- **Fighting Climate Change** - goal to reduce greenhouse gas emissions Countywide 80% by 2027 and achieve zero greenhouse gas emissions by 2035 – while prioritizing racial equity, social justice, and public health
- **Improving Economic and Community Development** – focus on economic recovery and workforce development
- **Reimagining Public Safety** - identify and address implicit bias and institutional racism in all aspects of the public safety system
- **Advancing Racial Equity & Social Justice** - through legislation, budget appropriations, supplemental appropriations, training for employees

Successes



COVID-19 Response and Recovery Programs

- Rental Assistance & Homelessness Prevention: \$44 million in Assistance Provided To Date
- Small Businesses: Over \$25 million in Direct Assistance
- Economic and Tourism Revitalization: \$25 million
- Expanding the Working Families Income Supplement Program: \$25 million
- Food Security: \$25 million
- Child Care Assistance: Over \$15 million
- Emergency Assistance for Families: \$11 million
- Direct Aid to Hospitals: \$10 million
- Targeted Health Programs to Underserved and Hardest Hit Communities: \$24.4 million
- Creation of a Mobile Health Clinic to Address Health Disparities: \$900,000

COVID-19 Vaccinations & Testing

Montgomery County Ranks #1 Nationwide Percentage of 12 years + population fully vaccinated among all U.S. Counties with > 300,000 residents

COVID-19 VACCINATIONS: CDC

Montgomery County continues to rank **#1 nationwide** for % of 12+ population fully vaccinated among all US Counties with > 300K residents.

% OF COUNTY RESIDENTS VACCINATED

AT LEAST 1 DOSE

CDC ESTIMATE

83%

872,821

BOTH DOSES OR SINGLE J&J

CDC ESTIMATE

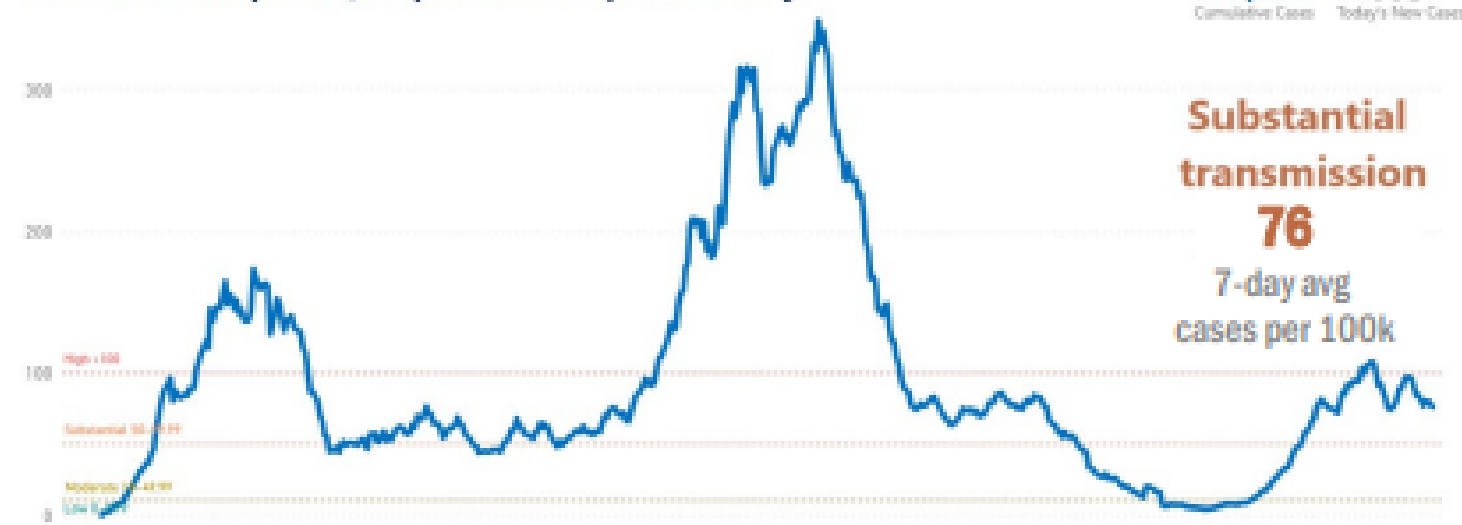
75%

792,644

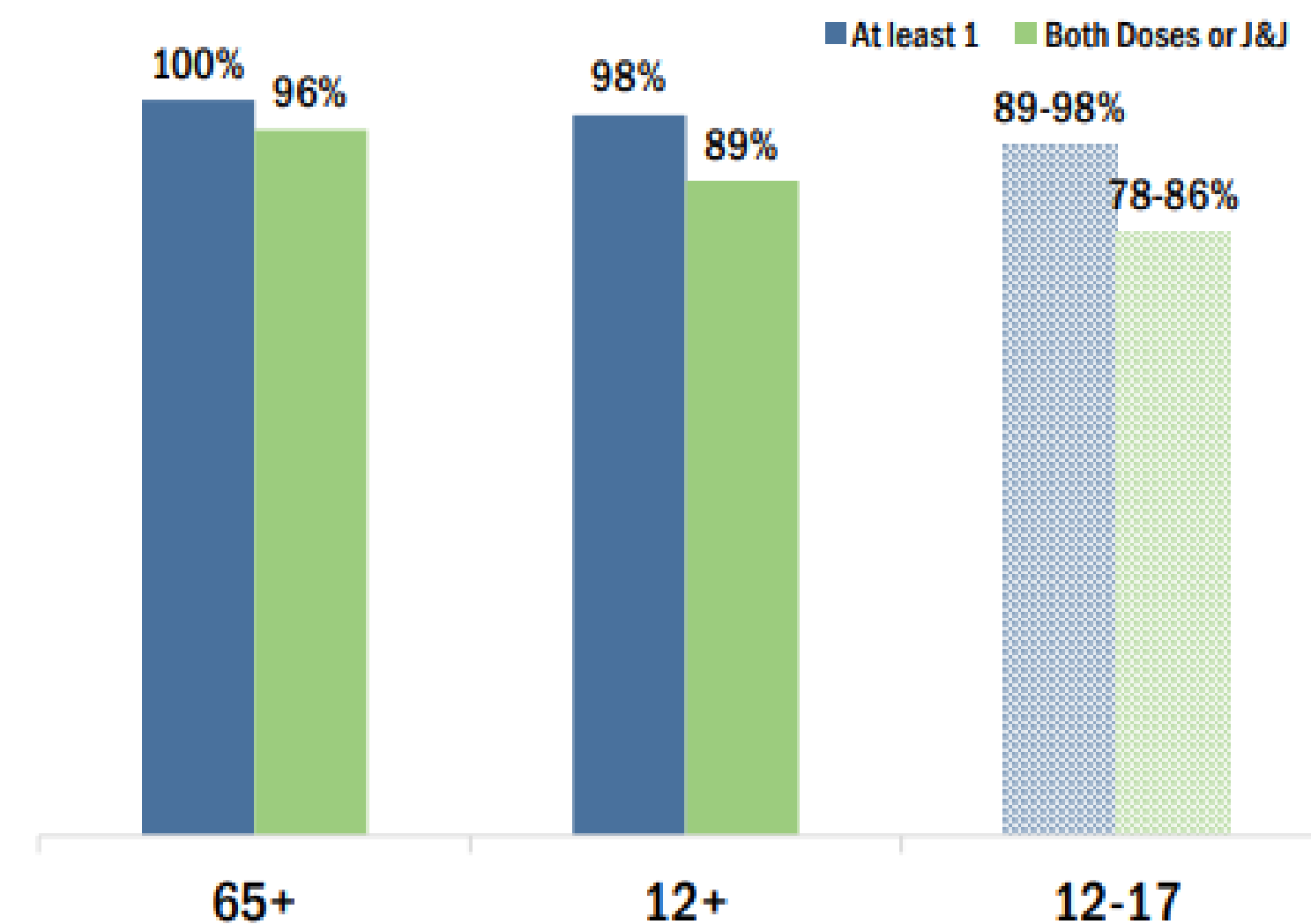
Data reflect vaccinations up to 9.27.21

CONTEXT: CONFIRMED COVID CASES PER 100K RESIDENTS

Number of cases per 100,000 persons in the past seven days



% OF COUNTY RESIDENTS VACCINATED BY AGE



Percentage of 12-17 year olds vaccinated reported as 90% confidence range because of higher margin of error. In this age group, 80,718 have received their first dose and 70,300 have received their second dose as of 9.27.2021.

COVID-19 Vaccinations & Testing

COVID-19 TESTING

DHHS data reflect tests administered up to 9.26.21; subject to retroactive changes.
Source: DHHS, as of 9.27.21.

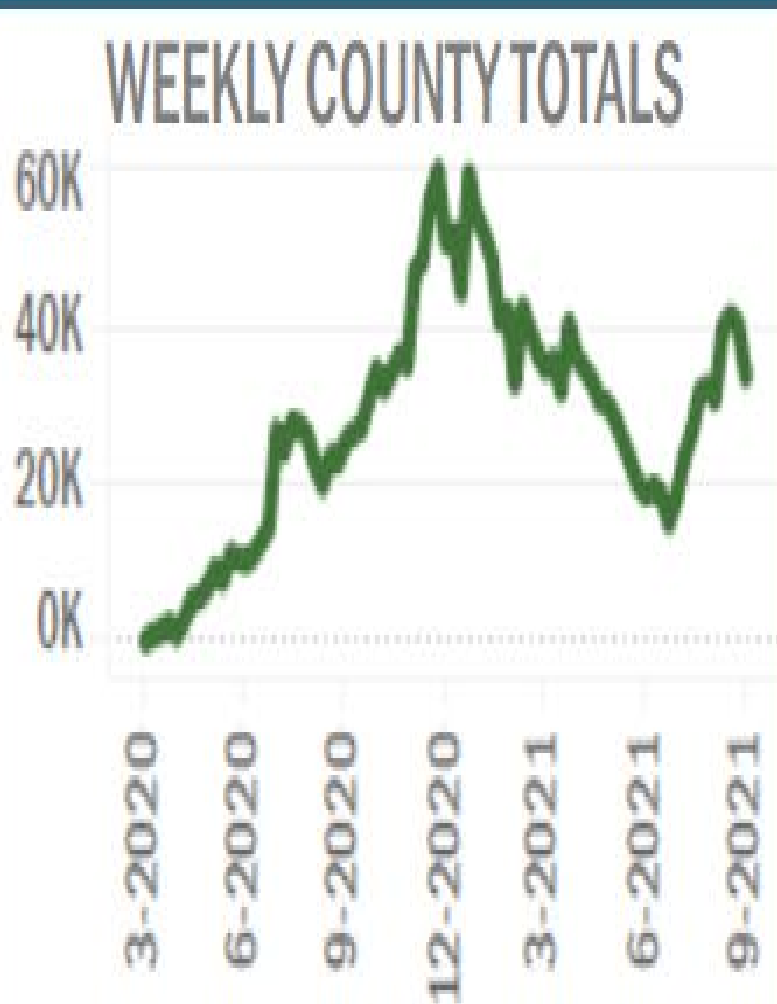
DHHS ADMINISTERED

335,530
ALL TIME

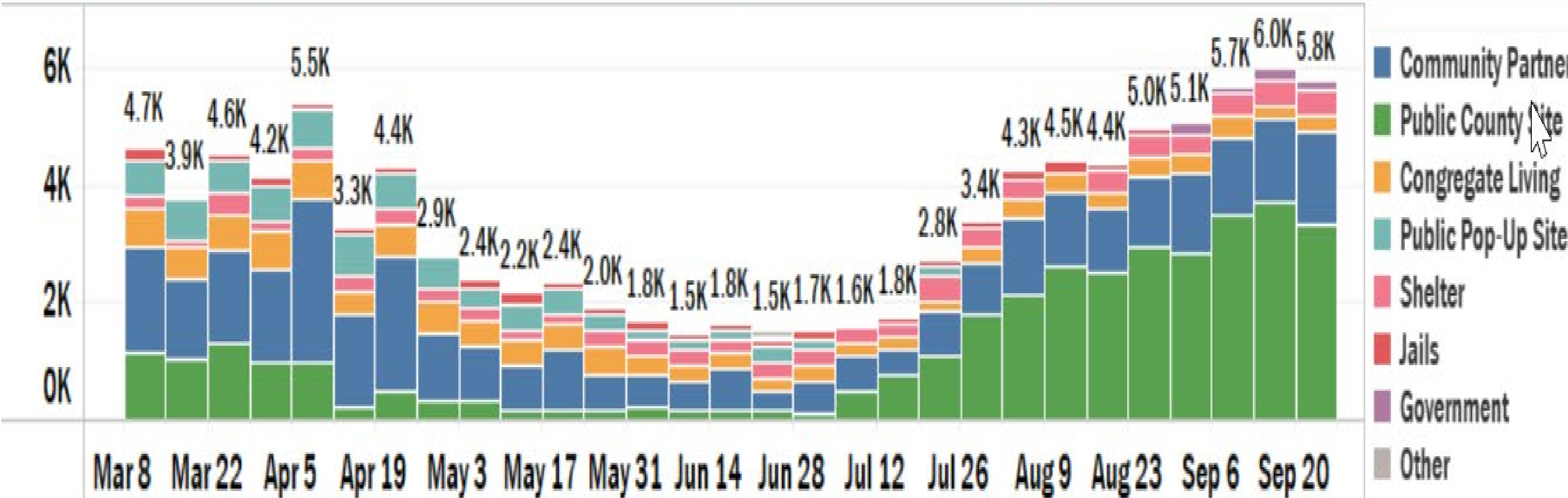
DHHS LAST 7 DAYS

5,796

ALL PROVIDERS



DHHS ADMINISTERED - WEEKLY TOTALS BY SETTING (MARCH - CURRENT)



Successes



COVID-19 Vaccinations & Testing

Montgomery County Ranks #1 Nationwide for 12 years +
population fully vaccinated among all

U.S. Counties with > 300,000 residents

- Fully Vaccinated (*as of 9/27/2021*)
 - 98.7% of Total Population
 - 89.4% of > 12 years of Age
 - 89.8% of > 18 years of Age
 - 96.1% of > 65 years of Age
- Testing Successes (*as of 9/26/2021*)
 - 335,530 - Administered (*March 8 through Sept 20*)
 - 5,796 – Administered (*during the last 7 days*)



Federal Response

- \$388 million in direct aid to County
- \$424 million for MCPS
- \$75 million for Montgomery College
- \$70 million for transit services
- \$75 million in rental assistance & eviction prevention
- \$5.5 billion for state government



Applying Multiple Lenses

- **FY23 Operating Budget Development Process**
 - **Racial Equity Lens** - Expand the development of a Budget Equity Tool
 - **Climate Change Lens** - Reduce greenhouse gas emissions Countywide 80% by 2027 and achieve zero greenhouse gas emissions by 2035 (*Climate Action Plan released June 2021*)
 - **Employee Input Lens** – Review ideas from County employees
 - **Community Participation** – Listen to ideas from the community

Applying Multiple Lenses



■ Climate Change Momentum

- Environmental Sustainability
- Microgrid Initiative – clean and renewable energy sources
- Electric Ride On buses – 14 in service and forthcoming, with 59 total by 2025
- Goal – All Electric Fleet by 2035

Get Vaccinated!

Walk into County-run clinics without an appointment.



GOVAX

MONTGOMERY COUNTY

Let's End COVID.

Get Tested!



FREE COVID-19 TESTING

- No Doctor's Order or Appointment Needed
- Locations Around Montgomery County



MoCoCOVIDTesting.org

240-777-1755



QUESTIONS



If you have any **additional** questions, please contact the respective Regional Services Center Director from the five regions.

- Pete Fosselman, **Bethesda Chevy Chase Regional Services Center**
Peter.Fosselman@montgomerycountymd.gov
- Jewru Bandeh, **Eastern Regional Services Center**
Jewru.Bandeh@montgomerycountymd.gov
- Luisa Cardona de Vence, **Mid-County Regional Services Center**
Luisa.Cardona@montgomerycountymd.gov
- Jacob Newman, **Silver Spring Regional Services Center**
Jacob.Newman@montgomerycountymd.gov
- Greg Wims, **UpCounty Regional Services Center**
Greg.Wims@montgomerycountymd.gov