



FY22 Operating Budget: Committee Consent Calendar

T&E Committee #2E

April 15, 2021

Department/Office: Rockville Parking District Nondepartmental Account

Staff: Glenn Orlin, Senior Analyst

1. Staff Recommendation

Council staff recommends approval of the FY22 Rockville Parking District NDA Budget as submitted by the County Executive.

2. Summary of FY22 Recommended Budget

The County Executive's FY22 Recommended Operating Budget for this NDA is attached at ©1-2.

Rockville Parking District NDA	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
General Fund	\$418,700	\$418,000	(0.2%)
Personnel Costs	\$0 0.0 FTEs	\$0 0.0 FTEs	0.0% 0.0 FTEs
Operating Costs	\$418,700	\$418,000	(0.2%)

3. Summary of FY22 Recommended Changes/Adjustments:

This reimbursement to the City of Rockville has three components:

- The annual debt service payment of \$180,000 is unchanged from the FY21 Budget.
- The charge for Rockville Library employee parking is \$99,600, also unchanged from the FY21 Budget.
- The Payment in Lieu of Taxes (PILOT) is \$138,400, \$700 less than the FY21 Budget.

The County's approach to address retiree health benefits funding is to determine an amount which, if set aside on an annual basis and actively invested through a trust vehicle, will build up over time and provide sufficient funds to pay future retiree health benefits and any accrued interest on unfunded liability. This amount, known as an Actuarially Determined Contribution or "ADC", normally consists of two pieces - the annual amount the County would usually pay out for health benefits for current retirees (the pay-as-you-go amount), plus the additional amount estimated to fund retirees' future health benefits (the pre-funding portion). The pay-as-you-go amount can be reasonably projected based on known facts about current retirees, and the pre-funding portion is estimated on an actuarial basis.

The County's policy is to pay the full amount of ADC each year. In FY11, the County Council enacted Bill 17-11 which established the Consolidated Retiree Health Benefits Trust. The Bill amended existing law and provided a funding mechanism to pay for other post employment benefits (OPEB) for employees of Montgomery County Public Schools and Montgomery County College. In FY15, the County and all other agencies implemented the Medicare Part D Employer Group Waiver Program for Medicare eligible retirees/survivors effective January 1, 2015. This has reduced retiree drug insurance costs and the County's OPEB liability. The County achieved full pre-funding in FY15, consistent with Council resolution No. 16-555. In FY21, these contributions were budgeted at \$12.3 million (County General Fund), \$69.4 million (MCPS Consolidated Trust), and \$5.5 million (Montgomery College Consolidated Trust).

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	12,255,660	0.00
Decrease Cost: County Contribution Based on Actuarial Valuation	(1,425,680)	0.00
FY22 Recommended	10,829,980	0.00

Risk Management (General Fund)

This NDA funds the General Fund contribution to the Liability and Property Coverage Self-Insurance Fund. The Self-Insurance Fund, managed by the Division of Risk Management in the Department of Finance, provides comprehensive insurance coverage to contributing agencies. Contribution levels are based on the results of an annual actuarial study. Special and Enterprise Funds, as well as outside agencies and other jurisdictions, contribute to the Self-Insurance Fund directly.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	22,231,024	0.00
Increase Cost: FY22 Claims increase	1,029,671	0.00
FY22 Recommended	23,260,695	0.00

Rockville Parking District

This NDA provides funding towards the redevelopment of the City of Rockville Town Center and the establishment of a parking district. The funding reflects a payment from the County to the City of Rockville for County buildings in the Town Center development and is based on the commercial square footage of County buildings.

Also included are funds for the cost of library employee parking and the County's capital cost contribution for the garage facility as agreed in the General Development Agreement.

FY22 Recommended Changes	Expenditures	FTEs
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FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	418,700	0.00
Decrease Cost: Rockville Parking District	(700)	0.00
FY22 Recommended	418,000	0.00

Skills for the Future

The Skills for the Future Non-Departmental Account was established in May 2019 to provide funding for high-quality Science, Technology, Engineering, Arts, and Mathematics (STEAM) programming in both academic and recreational settings to low-income youth. The intent of this funding is to build a pipeline of technical talent that will ensure equitable access to high-paying jobs and allow Montgomery County to continue to offer one of the best educated work forces in the world. The Department of Recreation will administer these funds that will provide grants and pilot projects that give low-income youth access to STEAM programming.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	250,000	0.00
FY22 Recommended	250,000	0.00

State Positions Supplement

This NDA provides for the County supplement to State salaries and fringe benefits for secretarial assistance for the resident judges of the Maryland Appellate Courts.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	60,756	0.00
FY22 Recommended	60,756	0.00

State Property Tax Services

This NDA funds the reimbursement to the State for three programs that support the property tax billing administration conducted by the Department of Finance: the Montgomery County's Homeowners Credit Supplement, the Homestead Credit Certification Program, and the County's share of the cost of conducting property tax assessments by the State Department of Assessments and Taxation. This NDA also funds the County Renters' Property Tax Relief Supplement (Bill 21-15) enacted in 2016 and administered by the Department of Finance.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	3,565,615	0.00
FY22 Recommended	3,565,615	0.00

State Retirement Contribution

This NDA provides for the County's payment of two items to the State Retirement System:

- Maryland State Retirement System: Unfunded accrued liability, as established by the Maryland State Retirement System