



Committee: GO
Committee Review: Completed
Staff: Chris Cihlar, Director, Office of Legislative Oversight
Purpose: To make preliminary decisions – straw vote expected
Keywords: #OLO, #independent audit

AGENDA ITEM #9
 May 12, 2021
Action

SUBJECT

Office of Legislative Oversight and Independent Audit NDA FY22 Operating Budgets

EXPECTED ATTENDEES

None

FY22 COUNTY EXECUTIVE RECOMMENDATION

Office of Legislative Oversight	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
General Fund	\$2,032,256	\$2,198,652	8.2%
Personnel Costs	\$1,986,868 12.67 FTEs	\$2,152,626 13.67 FTEs	8.3% 1.0 FTEs
Operating Costs	\$45,388	\$46,026	1.4%

Independent Audit NDA	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
General Fund	\$425,491	\$426,782	0.3%
Personnel Costs	\$58,215 0.33 FTEs	\$59,506 0.33FTEs	2.2% 0.0 FTEs
Operating Costs	\$367,276	\$367,276	0.0%

COMMITTEE RECOMMENDATIONS

- The GO Committee recommends approval as submitted by the County Executive.

This report contains:

GO Committee Staff Reports

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FY22 Operating Budget: Committee Consent Calendar

GO Committee #9G

May 6, 2021

Department/Office: Office of Legislative Oversight (OLO)

Staff: Chris Cihlar, Director

1. Staff Recommendation

Council staff recommends approval of the FY22 Office of Legislative Oversight budget as submitted by the County Executive.

2. Summary of FY22 Recommended Budget

The County Executive’s complete FY22 Recommended Operating Budget for OLO is attached at ©3-5.

Office of Legislative Oversight	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
General Fund	\$2,032,256	\$2,198,652	8.2%
Personnel Costs	\$1,986,868 12.67 FTEs	\$2,152,626 13.67 FTEs	8.3% 1.0 FTEs
Operating Costs	\$45,388	\$46,026	1.4%
Total Expenditures (All Funds)	\$2,032,256 12.67 FTEs	\$2,198,652 13.67 FTEs	8.2% 7.9%

3. Summary of FY22 Recommended Changes/Adjustments

General Fund - With Service Impact

- An increase of \$123,014 and 1.0 FTE to add a Performance Management and Data Analyst III to perform racial equity and social impact statements for zoning text amendments, per Bill 44-20.

General Fund - No Service Impact

- A net increase of \$42,744 for FY21 and FY22 compensation and benefit adjustments.
- An increase of \$638 for a printing and mail adjustment.



**FY22 Operating Budget:
Committee Consent Calendar**

**GO Committee #9H
May 6, 2021**

Department/Office: Independent Audit NDA
Staff: Chris Cihlar, Office of Legislative Oversight Director

- 4. Staff Recommendation**
Council staff recommends approval of the FY22 Independent Audit NDA budget as submitted by the County Executive.
- 5. Summary of FY22 Recommended Budget**
The County Executive’s complete FY22 Recommended Operating Budget for the Independent Audit NDA is attached at ©6.

Independent Audit NDA	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
General Fund	\$425,491	\$426,782	0.3%
Personnel Costs	\$58,215 0.33 FTEs	\$59,506 0.33FTEs	2.2% 0.0 FTEs
Operating Costs	\$367,276	\$367,276	0.0%
Total Expenditures (All Funds)	\$425,491 0.33 FTEs	\$426,782 0.33 FTEs	0.3% 0.0%

6. Summary of FY22 Recommended Changes/Adjustments

General Fund - No Service Impact

- An increase of \$1,291 for FY21 and FY22 compensation and benefit adjustments.



Legislative Oversight

RECOMMENDED FY22 BUDGET

\$2,198,652

FULL TIME EQUIVALENTS

13.67

 CHRIS CIHLAR, DIRECTOR

MISSION STATEMENT

The mission of the Office of Legislative Oversight (OLO) is to determine the effectiveness of legislation enacted by the County Council and to make findings and recommendations concerning the performance, management, and operation of programs and functions for which funds are appropriated or approved by the Council.

BUDGET OVERVIEW


The total recommended FY22 Operating Budget for the Office of Legislative Oversight is \$2,198,652, an increase of \$166,396 or 8.19 percent from the FY21 Approved Budget of \$2,032,256. Personnel Costs comprise 97.91 percent of the budget for 14 full-time position(s) and no part-time position(s), and a total of 13.67 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 2.09 percent of the FY22 budget.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following is emphasized:

 **Effective, Sustainable Government**

INITIATIVES

 Advance racial equity and social justice through the creation of a Performance Management and Data Analyst III position.

PROGRAM CONTACTS

Contact Blaise DeFazio of the Office of Legislative Oversight at 240.777.7983 or Philip Weeda of the Office of Management and Budget at 240.777.2780 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

✦ Legislative Oversight

The Office of Legislative Oversight (OLO) conducts program evaluations, base budget reviews, and other special studies in accordance with a Council-approved work program. OLO studies the effectiveness of legislation enacted by the Council and makes findings and recommendations concerning the performance, management, and operation of programs and functions for which funds are approved or appropriated by the Council. In addition, OLO is the designated administrator for the Council's audit contracts, as required under Section 315 of the County Charter, and OLO is responsible for preparing economic and racial equity/social justice impact statements for all proposed County legislation.

BUDGET SUMMARY

	Actual FY20	Budget FY21	Estimate FY21	Recommended FY22	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	1,538,527	1,562,430	1,481,361	1,716,050	9.8 %
Employee Benefits	449,191	424,438	361,591	436,576	2.9 %
County General Fund Personnel Costs	1,987,718	1,986,868	1,842,952	2,152,626	8.3 %
Operating Expenses	28,573	45,388	45,388	46,026	1.4 %
County General Fund Expenditures	2,016,291	2,032,256	1,888,340	2,198,652	8.2 %
PERSONNEL					
Full-Time	12	13	13	14	7.7 %
Part-Time	0	0	0	0	—
FTEs	11.67	12.67	12.67	13.67	7.9 %

FY22 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
	FY21 ORIGINAL APPROPRIATION	2,032,256 12.67
<u>Changes (with service impacts)</u>		
Enhance: Performance Management and Data Analyst III - Racial Equity & Social Justice Impact Statements - Bill 44-20 [Legislative Oversight]	123,014	1.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY21 Compensation Adjustment	38,826	0.00
Increase Cost: Annualization of Personnel Costs [Legislative Oversight]	19,680	0.00
Increase Cost: FY22 Compensation Adjustment	14,375	0.00
Increase Cost: Print and Mail Adjustment	638	0.00
Decrease Cost: Retirement Adjustment	(10,457)	0.00

FY22 RECOMMENDED CHANGES

	Expenditures	FTEs
Decrease Cost: Annualization of FY21 Personnel Costs	(19,680)	0.00
FY22 RECOMMENDED	2,198,652	13.67

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY21 Total\$	FY21 FTEs	FY22 Total\$	FY22 FTEs
COUNTY GENERAL FUND					
NDA - Independent Audit	General Fund	58,680	0.33	59,504	0.33

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY22	FY23	FY24	FY25	FY26	FY27
COUNTY GENERAL FUND						
EXPENDITURES						
FY22 Recommended	2,199	2,199	2,199	2,199	2,199	2,199
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	30	30	30	30	30
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	2,199	2,229	2,229	2,229	2,229	2,229

Rockville Innovation Center (RIC) in Rockville Town Square, (both owned by the County), and the Germantown Innovation Center (GIC, on the campus of Montgomery College under lease from the College Foundation until 2036). This NDA also supports the National Cybersecurity Center of Excellence (NCCoE), located at 9700 Great Seneca Highway in Rockville, as a partnership between the National Institute of Standards and Technology (NIST), the State of Maryland, and Montgomery County. The NDA also provides support for non-profit incubator organizations' operations, equipment, and training.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	2,955,913	2.00
Enhance: Staff Capacity to Support Development of County's Entrepreneurial Ecosystem - Three Program Manager II Positions	320,120	3.00
Increase Cost: FY22 Compensation Adjustment	3,477	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	3,501	0.00
FY22 Recommended	3,283,011	5.00

Independent Audit

Section 315 of the County Charter requires the County Council to contract with a Certified Public Accountant for an independent post audit of all financial records and actions of the County government, its officials, and employees. By County Resolution, the Office of Legislative Oversight is the designated administrator for this contract, which also includes an independent audit of the basic financial statement of the Employee Retirement Plans; an independent audit of the Consolidated Retiree Health Benefits Trust; an independent audit of the basic financial statements of the Montgomery County Union Employees Deferred Compensation Plan; and additional services related to reviews, tests, and certifications.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	425,491	0.33
Increase Cost: FY22 Compensation Adjustment	225	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	1,066	0.00
FY22 Recommended	426,782	0.33

Interagency Technology, Policy, and Coordination Commission

This NDA supports the operation of the Interagency Technology Policy and Coordination Committee (ITPCC). The ITPCC was chartered by the Montgomery County Council to promote strategic planning and coordination in the use of information technology across County agencies. The ITPCC reports biannually to the County Council. By regularly convening the agencies' chief executive and chief information officers, the ITPCC provides an effective forum for the coordinated implementation of technology policies and guidelines. Additionally, the ITPCC facilitates interagency communication, the evaluation and sharing of new technologies, and advises policy makers on the strategic uses of technology.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	3,000	0.00
FY22 Recommended	3,000	0.00