

METROPOLITAN WASHINGTON  COUNCIL OF GOVERNMENTS

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*Adjunct Member

Date: May 16, 2011

To: COG Budget and Finance Committee

Andrea Harrison, Prince George's County, COG Board Chair
Frank Principi, Prince William County, COG Board Vice Chair
Phil Mendelson, District of Columbia, COG Board Vice Chair
Muriel Bowser, District of Columbia, TPB Chair
Redella Pepper, City of Alexandria, MWAQC Chair
Sheryl Bass, City of Manassas, COG Secretary-Treasurer

From: David Robertson, Executive Director

Subject: FY 2012 Member Assessment, City of Frederick

Overview

I regret to report that one of COG's 21 member jurisdictions, the City of Frederick, has not included COG membership (\$39,734) in its proposed FY 2012 budget. The City will adopt its budget in early June. No action is requested of the COG Budget and Finance Committee at this time. Additional information and staff actions to date and in the next few weeks are described below.

City of Frederick Status

I have spoken with both the President of the Board of Aldermen, Karen Young, who has participated in the COG Board of Directors and Josh Russin, who is the Executive Assistant to the Mayor. Both indicated that the City's decision is largely economic, as the City is facing additional staff and community service reductions and is having to make even more difficult decisions than last year. City officials also said that travel to COG makes active participation difficult. President Young said if the City drops membership in COG, it does not preclude rejoining at a future date when the economic situation improves.

I asked President Young if there was anything I or COG members (advocacy by elected officials from other Suburban Maryland municipalities, etc.) could do to persuade the Mayor and Board of Aldermen to amend the budget to include funding for COG membership.

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President Young was frank and said given the cuts that the City has had to make and the others that are pending; she said there was very little chance for reinstatement of funding, regardless of persuasion by COG staff or members. Nonetheless, I will follow-up with Mayor McClement and President Young this week.

Status of Other Members

Local jurisdictions in Northern Virginia have completed their budgets and have included FY 2012 funding for COG in adopted budgets. Budgets for Suburban Maryland local governments are still pending, although all (with the exception of the City of Frederick) have included FY 2012 membership in proposed budgets. Generally, Maryland jurisdictions adopt budgets in late May or early June. The District of Columbia has included COG membership in its proposed FY 2012 budget, which is usually adopted in July (the District is on an October 1 fiscal year).

Frederick County has included the COG membership assessment (\$111,354) in the county manager's proposed FY 2012 budget; however, Commissioner David Gray (he serves on the COG Board) reported there has been some discussion concerning continued membership as part of the Commission's budget deliberations. I have also spoken with the interim County Manager David Dunn. I will follow-up with Frederick County officials and staff to provide information on the local and regional benefits of continued Frederick County membership in COG.

The COG membership assessment, which is population-based, was last increased in FY 2009. COG assessments have been frozen, with no increase even for communities that have seen an increase in population in FY 2010, FY 2011 and FY 2012.

By way of background, City of Frederick membership in COG has shifted several times since it first joined in FY 1989. Other than the City of Frederick, membership in COG has been stable for many years.

Fiscal Year	Action
FY 1989	Frederick County and City of Frederick Join COG
FY 1993	City of Frederick Drops COG Membership
FY 1995	City of Frederick Rejoins COG
FY 2000	City of Frederick Drops COG Membership
FY 2007	City of Frederick Rejoins COG

Impact

The loss of the City of Frederick as a COG member would reduce total membership assessments by 1.2 percent and total budgeted revenue by 0.15 percent. Should that occur, I will recommend a reallocation of COG membership assessment revenue to incorporate the City of Frederick reduction and take other administrative actions to reflect the change in membership.

City of Frederick participation in COG has been focused largely on the COG Board of Directors, TPB and MWAQC, with occasional participation in policy committees or special events. Staff will evaluate any direct impact on these policy boards, including membership, leadership, quorum, etc.

COG bylaws require member jurisdictions to pay assessments by the end of the fiscal year for which the assessment was made, so a member jurisdiction technically has until June 30, 2012 to pay its FY 2012 assessment. The City of Frederick could continue to participate as a COG member as long as it pays its FY 2012 assessment by June 30, 2012. As a practice, most jurisdictions pay in a single payment at the start of the fiscal year or quarterly payments.

In the absence of a change in COG assessment policy, the loss of the City of Frederick will put added financial burden on Frederick County beginning FY 2013. In Maryland, the population of COG-member cities within a COG-member county is subtracted from the county for the COG assessment so there is no double-counting (in Virginia, cities are independent from the county and not included in county population). In Maryland, it benefits a county to have its eligible cities be members of COG, as it increases representation and reduces the county's share of the COG assessment.

For example, Frederick County is currently assessed based on its population, exclusive of the City of Frederick population. If the City of Frederick was not a COG member, the County's assessment would be inclusive of the total County population.

Two Additional Issues

Electronic Participation: Members from outer jurisdictions and smaller jurisdictions have previously voiced concerns about the difficulty of active participation in COG. Most elected officials from municipalities have full-time employment and find it a challenge to participate during meetings that are almost exclusively held during the day. Distant and travel are also impediments.

Staff is currently exploring several proposed actions to improve electronic access to COG meetings, chiefly web streaming video of COG meetings and live video conferencing. Elected officials have discussed off-site participation previously at past retreats or during the most recent update to the bylaws. On those occasions, officials stressed the importance of face-to-face participation by elected officials serving on policy boards (COG Board, TPB, MWAQC), rather than permit video conference or other off-site participation.

It may be timely to re-engage this discussion at the upcoming COG leadership retreat. I don't think that off-site participation would have made a significant difference on the City of Frederick's proposed budget action to drop membership in COG, but distance and travel do pose a greater burden on outer jurisdictions, especially smaller municipalities.

Membership Recruitment: With the release of new population data from Census 2010, staff will compile information on the population of cities and counties eligible for COG membership. Recruitment of new member jurisdictions may need to be a higher priority from both policy and revenue perspectives. Recruitment may also be a good topic for the COG leadership retreat.

Next Steps

- Staff follow-up with City of Frederick and Frederick County officials.
- Update COG Board on June 8 concerning the status of FY 2012 budget actions by COG member jurisdictions.
- Amend COG FY 2012 Work Program and Budget, if necessary, on July 13 to reflect any change in COG membership.
- Prepare staff draft retreat program including additional issues described above.

Please contact me if you have questions or need additional information.