




OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

MEMORANDUM

May 9, 2019

TO: Nancy Navarro, President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Recommended Adjustments to the FY20 Operating Budget

Attached for your consideration are recommended adjustments to the FY20 Recommended Operating Budget. These adjustments recognize recent developments, such as increased funding for Montgomery County Public Schools as transmitted to the Council on April 29, 2019. The correct amount of the MCPS amendment is \$29,539,671, which as indicated below is funded by increased State aid. These amendments also include additional resources for vulnerable residents.

FY20 Recommended Operating Budget Amendments

Since the FY20 Recommended Operating Budget was transmitted on March 15, 2019, I received new information about \$572,628 in unanticipated costs. These include:

- Enhanced Legal Representation for Residents Detained for Deportation Proceedings: \$170,000
In addition to the \$725,000 included in the FY20 Recommended Operating Budget (\$370,000 in the HHS base budget and \$355,000 in the Community Grants NDA), this funding enhances services to help defend our most vulnerable residents from deportation proceedings.
- African American Health Program Enhancements: \$158,500
This amount annualizes funding provided in FY19 via a Council approved Special Appropriation that was inadvertently omitted from the recommended budget transmitted on March 15, 2019.
- NDA – Incubator Programs – Economic Development Partnership: \$142,000
Evaluation of the County’s incubator programs is essential to overall economic growth. This funding will be used to conduct an analysis of the County’s Business Innovation Network.

Nancy Navarro, President, County Council

May 9, 2019

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- NDA – Metro Washington Council of Governments: \$102,128

Last year, the Chief Administrative Officers of COG agreed to contribute funding for regional homeland security administrative services provided by COG. These services were previously supported by a funding source that is no longer available, this amount represents the County's share of that agreement.

I am proposing the following amendments to the FY20 Recommended Operating Budget to cover these additional costs:

- FY20 Additional State Aid: \$29,568,461

This amount is the increase in State aid resulting from the recently approved Emergency 911 bill (\$5,000,000), State aid for police protection being higher than expected by (\$143,997), and increased State aid for Education (\$24,424,464).

- NDA – Leases: \$32,754

This amount represents saving incurred from termination of the land lease no longer needed for a PSSM radio antenna site.

- FY20 Unallocated Set Aside: \$511,084

Use of this amount is assumed from the \$3.0 million undesignated set aside, leaving a balance of \$2.48 million available to accommodate the additional funding needed for FRIT.

Total: \$30,112,299

I am also proposing the following technical adjustments to the FY20 Recommended Operating Budget. These adjustments have no impact on the total tax-supported budget.

- Kresge Foundation Opportunity Ecosystem Grant: \$231,664

This grant supports social and economic mobility for children, youth, and families. The funding will be used to provide technical assistance for data collection and performance metrics and will support an equity framework, increased community collaboration, and customer service for East County residents.

Thank you for your consideration of these amendments. The Office of Management and Budget staff will be available to answer any questions you may have about these proposed changes.

ME:jrb

Detail on Recommended FY20 CE Amendments

Tax Supported

EXPENDITURE AMENDMENTS

Health and Human Services

Enhance: Enhance Legal Representation for Residents Detained for Deportation Proceedings 170,000

Increase Cost: African American Health Program Enhancements (Annualization of FY19 Special Appropriation, Resolution 18-1302) 158,500

NDA - Metro Washington Council of Governments

Increase Cost: Regional Homeland Security Support 102,128

NDA - Leases

Decrease Cost: End lease - DTS Antenna (Expenditure savings used as a resource to fund other CE Amendments) -32,754

NDA - Incubator Programs - Economic Development Partnership

Increase Cost: Evaluation of the Business Innovation Network 142,000

Montgomery County Public Schools

Increase Cost: Fund the BOE request 29,539,671

Total Tax Supported Expenditures 30,079,545

RESOURCE AMENDMENTS

Countywide Generic

Use of FY20 unallocated \$3 million set aside 511,084

Police

Additional Police Protection State Aid 143,997

Additional State Aid for Emergency 911 5,000,000

Montgomery County Public Schools

Fund the BOE request 24,424,464

Total Tax Supported Resources 30,079,545

Detail on Recommended FY20 CE Amendments

Non-Tax Supported

EXPENDITURE AMENDMENTS

Health and Human Services

Enhance: Kresge FY20 Grant	231,664
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Total Non-Tax Supported Expenditures	231,664
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RESOURCE AMENDMENTS

Health and Human Services

Kresge FY20 Grant	231,664
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Total Non-Tax Supported Resources	231,664
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