

Introduction

MEMORANDUM

March 9, 2009

TO: County Council

FROM: *CHS*
Charles H. Sherer, Legislative Analyst

SUBJECT: Executive's recommendation to approve a supplemental appropriation to the FY09 operating budget for County Government, \$10.0 million for the non departmental account for Future Federal, State, or Other Grants

Background This account is funded entirely from non-County sources and permits the County Government to accept and spend funds from grants by transferring funds from this account, rather than requesting a supplemental appropriation. This process saves time and paperwork. The appropriation can only be spent if grants are received.

In November 1994, the voters approved a Charter amendment that **excluded** all specific grants, such as these, from the calculation of the aggregate operating budget for spending affordability purposes. There is no "harm" done if the County receives less than the appropriated amount. If the County receives more, then the Council will have to go through the effort and expense of processing a supplemental appropriation.

This NDA has frequently been under-funded in the budget the Council approves in May, as shown on the next page. Each supplemental appropriations requires the unnecessary expenditure of time and money.

FY09 request In a memorandum dated March 4, 2009, the Executive recommended an FY09 supplemental appropriation in the amount of \$10.0 million. His cover memorandum on ©1 shows that \$14.1 million of the \$10.0 million May appropriation was spent though February 20, 2009.

NDA FOR FUTURE FEDERAL STATE AND OTHER GRANTS
\$million

FY	Appropriation		
	May	Supplemental	Total
1999	8.0	10.0	18.0
2000	15.0	0.0	15.0
2001	15.0	0.0	15.0
2002	15.0	10.0	25.0
2003	15.0	0.0	15.0
2004	15.0	0.0	15.0
2005	10.0	0.0	10.0
2006	10.0	8.0	18.0
2007	10.0	8.0	18.0
2008	10.0	8.0	18.0
2009	10.0	10.0	20.0

BUD, FIN &
ECON DEV



CHB
cc
SBC
LL

040815

OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM



March 4, 2009

TO: Phil Andrews, President, County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Supplemental Appropriation #09-256 to the FY09 Operating Budget
Montgomery County Government
Non-Departmental Account - Future/Federal/State/Other Grants
\$10,000,000

2009 MAR -5 11:00 AM

Montgomery County
Executive Office

I am recommending a supplemental appropriation to the FY09 Operating Budget for the Non-Departmental Account - Future/Federal/State/Other Grants in the amount of \$10,000,000.

In the FY09 Approved Operating Budget, \$10,000,000 was appropriated for this Non-Departmental Account. The purpose of this account is to provide appropriation authority to Departments and Agencies for unanticipated Federal, State, or Other grants under the conditions provided in action item #7 of Appropriation Resolution No. 16-577.

This increase is needed because through February 20, 2009, approximately \$14.1 million in non-tax supported appropriation transfer has been committed from this Non-Departmental Account. Between now and June 30, 2009, additional grant awards will occur which will increase the current Non-Departmental Account deficit.

I recommend that the County Council approve this Supplemental Appropriation in the amount of \$10,000,000 and specify the source of funds as non-tax supported Federal, State, or Other grant revenues.

I appreciate your prompt consideration of this action.

IL:bh

Attachment: Supplemental Appropriation #09-256

c: Joseph F. Beach, Director, Office of Management and Budget
Kathleen Boucher, Assistant CAO, Offices of the County Executive

Intro Mar 17
PH Action Mar 31

Resolution No: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #09-256 to the FY09 Operating Budget
Montgomery County Government
Non-Departmental Account - Future/Federal/State/Other Grants
\$10,000,000

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may re-approve the appropriation, as if it were an item in the annual budget.
2. The County Executive recommends the following FY09 Operating Budget supplemental appropriation increases:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$10,000,000	\$0	\$10,000,000	State/Federal/Other Revenues

3. In the FY09 Approved Operating Budget, \$10,000,000 was appropriated for this Non-Departmental Account. The purpose of this account is to provide appropriation authority to departments and agencies for unanticipated Federal, State, or Other grants under the conditions provided in action item #7 of Appropriation Resolution No. 16-577.

4. This increase is needed because through February 20, 2009, approximately \$14.1 million in non-tax supported appropriation transfer has been committed from this Non-Departmental Account. Between now and June 30, 2009, additional grant awards will occur which will increase the current Non-Departmental Account deficit.
5. The County Executive recommends a supplemental appropriation to the FY09 Operating Budget in the amount of \$10,000,000 for the Non-Departmental Account - Future/Federal/State/Other Grants and specifies the source of funds as non-tax supported Federal, State, or Other grant revenues.
6. Notice of public hearing was given, and a public hearing was held.

Action

The County Council for Montgomery County, Maryland, approves the following action:

A supplemental appropriation to the FY09 Operating Budget of the Non-Departmental Account - Future/Federal/State/Other Grants is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$10,000,000	\$0	\$10,000,000	State/Federal/Other Revenues

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council