



Committee: T&E
Committee Review: Completed
Staff: Naeem M. Mia, Legislative Analyst
Purpose: To make preliminary decisions – straw vote expected
Keywords: #MotorPool #NewVehicles

AGENDA ITEM #28
 May 10, 2023
Worksession

SUBJECT

Motor Pool Non-Departmental Account (NDA) - FY24 Operating Budget

EXPECTED ATTENDEES

None.

FY24 COUNTY EXECUTIVE RECOMMENDATION

General Fund	FY23 Approved	FY24 CE Recommended	Change from FY22 Approved
Motor Pool NDA	\$66,490	\$0	\$(66,490)
Capital Outlays	\$66,490	\$0	\$(66,490)
Total Expenditures (All Funds)	\$66,490	\$0	\$(66,490)

COMMITTEE RECOMMENDATIONS

- The T&E Committee recommends (3-0) approval of the Motor Pool NDA FY24 operating budget, at a funding level of \$0.

SUMMARY OF KEY ISSUES

- None. The Motor Pool NDA funds the one-time acquisition of *new* vehicles. *Replacement* vehicles are funded through the Fleet Management Services Internal Service Fund (ISF).

This report contains:

April 20, 2023 T&E Staff Report

Pages 1-2

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MEMORANDUM

April 17, 2023

TO: Transportation & Environment (T&E) Committee

FROM: Naeem M. Mia, Legislative Analyst

SUBJECT: **FY24 Recommended Operating Budget – Motor Pool Fund Contribution
Non-Departmental Account (NDA)**

PURPOSE: Vote on recommendations for the Council’s consideration

Expected Attendees:

- Gary Nalven, Fiscal and Policy Analyst, Office of Management and Budget (OMB)

A. Staff Recommendations

- 1) Approve the Executive’s Recommended FY24 Operating Budget request for the Motor Pool Fund Contribution NDA.

B. Overview

New vehicles requested by departments are typically funded through this NDA whereas **replacement** vehicles are covered through the Fleet Management budget through chargebacks to individual departments/funds (“sinking fund”).

For FY24, the recommended budget does not include funding for the acquisition of new vehicles.

This packet contains:

1. Page from FY24 Recommended Operating Budget Book – Motor Pool NDA

Circle Page

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FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	18,647,957	0.00
Increase Cost: Adjustment for Revenue Estimate	667,184	0.00
FY24 Recommended	19,315,141	0.00

☀ **Motor Pool Fund Contribution**

This NDA funds the acquisition of new, additional Motor Pool fleet vehicles, as opposed to replacement vehicles, which are financed through an established chargeback mechanism.

FY24 Recommended Changes	Expenditures	FTEs
FY23 Approved	66,490	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.	(66,490)	0.00
FY24 Recommended	0	0.00

☀ **Payments to Municipalities**

The Montgomery County Municipal Revenue Program, authorized by Chapter 30A of the Montgomery County Code, reimburses municipalities for those public services they provide that would otherwise be provided by the County. The current reimbursement policy goes beyond State law, Section 6-305 of the Tax-Property Article, which requires the County to provide to municipalities only the Property Tax-funded portion of those costs. The County Executive negotiated a new formula with the County's municipal partners over the course of 2021. Changes to the calculation formula were adopted by the County Council on March 1, 2022, with the enactment of Expedited Bill 2-22.

Under Expedited Bill 2-22, a municipality would be reimbursed by the County based upon the County Executive's approximation of the costs that the County would incur if it were to provide the municipality with transportation, police, crossing guards, and park maintenance services. Specifically, as the exact payment amount for the current year cannot be determined until both municipal and County books are closed, reimbursements are based on the final audited cost of performing eligible services during the fiscal year two years prior to the budget year. The new law also provides for a phased-in implementation of the new formula calculation for FY24 (90 percent of the calculation), and FY25 (100 percent of the calculation). The amounts included in the FY24 budget for this program reflect the required 90 percent phased-in payment.