



Committee: Directly to Council
Committee Review: N/A
Staff: Craig Howard, Deputy Director
Purpose: To introduce agenda item – no vote expected
Keywords: COVID-19; MCFRS

AGENDA ITEM #3E
June 15, 2021
Introduction

SUBJECT

Supplemental Appropriation to the Fiscal Year 2021 Operating Budget; Montgomery County Government; Montgomery County Fire and Rescue Service; \$12,356,000; (Source of Funds: Undesignated Fire Reserve Fund); Lead Sponsor: Council President at the Request of the County Executive

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- Introduction. Public hearing and action scheduled for June 22, 2021.

DESCRIPTION/ISSUE

Costs incurred for emergency COVID-19 response and services were not included in the originally approved FY21 Operating Budget, and due to the nature of the emergency, some departments were permitted to exceed the Council's appropriation to respond to the emergency. The County Executive is recommending FY21 supplemental appropriations for the Department of General Services (DGS), Department of Health and Human Services (DHHS), Office of Public Information (PIO), Office of Emergency Management and Homeland Security (OEMHS), and Montgomery County Fire and Rescue Service (MCFRS) based on the estimates from the FY21 third quarter analysis. The Executive assumed these expenditures in his FY22 Recommended Budget and the Council's approved FY22 Approved Budget assumes these expenditures as well. It is expected that much of these costs will be reimbursed by the Federal Emergency Management Agency (FEMA). However, each department requires additional appropriation authority to align with actual expenditures in FY21.

The Executive's package of supplementals for DGS, DHHS, PIO, OEMHS, and MCFRS are agenda items #3A-#3E on today's agenda.

SUMMARY OF KEY DISCUSSION POINTS

- Emergency response to COVID-19 required certain departments and offices to expend funds that were not included in their original FY21 operating budget appropriations to immediately address the public health and safety of County residents.
- MCFRS personnel costs are projected to exceed the appropriation due to actual overtime costs being greater than budgeted and the impact of COVID-19 related administrative leave. MCFRS operating expenses are projected to exceed the appropriation mainly due to vehicle maintenance and repair, snow removal, facilities maintenance, and medical supplies and equipment.

This report contains:

Memo from County Executive

©1

Supplemental Appropriation Resolution - MCFRS

©2-3

Alternative format requests for people with disabilities. If you need assistance accessing this report you may [submit alternative format requests](#) to the ADA Compliance Manager. The ADA Compliance Manager can also be reached at 240-777-6197 (TTY 240-777-6196) or at adacompliance@montgomerycountymd.gov



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

MEMORANDUM

May 27, 2021

TO: Tom Hucker, President, County Council

FROM: Marc Elrich, County Executive

SUBJECT: Supplemental Appropriation #21-522 to the FY21 Operating Budget
Montgomery County Government
Montgomery County Fire and Rescue Service
General Personnel and Operating Costs, \$12,356,000

I am recommending a supplemental appropriation to the FY21 Operating Budget of the Montgomery County Fire and Rescue Service in the amount of \$12,356,000 for general personnel and operating costs. This appropriation will fund spending through year-end as projected at the end of the third quarter.

This increase is needed to support general personnel and operating expenditures through the end of the year, as actual expenditures are expected to exceed budget. Personnel costs are projected to exceed the appropriation due to actual overtime costs being greater than budgeted and the impact of COVID-19 related administrative leave. Operating expenses are projected to exceed the appropriation mainly due to vehicle maintenance and repair, snow removal, facilities maintenance, and medical supplies and equipment.

I recommend that the County Council approve this supplemental appropriation in the amount of \$12,356,000 and specify the source of funds as Undesignated Fire Fund Reserves. This supplemental will reduce Fire Fund Reserves by \$12,356,000 and is consistent with the fund balance policy for tax supported reserves.

I appreciate your prompt consideration of this action.

ME:rs

Enclosure: Supplemental Appropriation #21-522

cc: Jennifer Bryant, Director, Office of Management and Budget
Scott Goldstein, Chief, Montgomery County Fire and Rescue Service

Resolution No: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #21-522 to the FY21 Operating Budget
Montgomery County Government
Montgomery County Fire and Rescue Service
General Personnel and Operating Costs, \$12,356,000

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 reapprove the appropriation, as if it were an item in the annual budget.
2. The County Executive has requested the following FY21 Operating Budget appropriation increases for the Montgomery County Fire and Rescue Service:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$8,461,000	\$3,895,000	\$0	\$12,356,000	Undesignated Fire Fund Reserve

3. This increase is needed to support general personnel and operating expenditures through the end of the year, as actual expenditures are expected to exceed budget. Personnel costs are projected to exceed the appropriation due to actual overtime costs being greater than budgeted and the impact of COVID-19 related administrative leave. Operating expenses are projected to exceed the appropriation mainly due to vehicle maintenance and repair, snow removal, facilities maintenance, and medical supplies and equipment.
4. The County Executive recommends a supplemental appropriation to the FY21 Operating Budget in the amount of \$12,356,000 for general personnel and operating costs and specifies that the source of funds will be undesignated fire fund reserves.
5. 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 FY21 Operating Budget of the Montgomery County Fire and Rescue Service is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$8,461,000	\$3,895,000	\$0	\$12,356,000	Undesignated Fire Fund Reserve

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council