

Resolution No.: 20-356  
Introduced: November 28, 2023  
Adopted: December 12, 2023

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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Lead Sponsor: Government Operations and Fiscal Policy Committee

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**SUBJECT:** Transfers of Appropriation for the Year-End Close Out of the FY23 Operating Budget

**Background**

1. Section 309 of the Charter of Montgomery County, Maryland provides that transfers of appropriation between departments, boards, and commissions, or to any new account shall be made only by the County Council upon recommendation of the County Executive.
2. The County Executive recommends the attached transfers of appropriation for the year-end close out of the FY23 Operating Budget as necessary and desirable. The justifications for the recommended transfers, entitled “Justifications for Recommended Transfers of Appropriation”, are also attached.

**Action**

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

The County Council approves the Transfers of Appropriation for the Year-End Close Out of the FY23 Operating Budget as recommended by the County Executive.

This is a correct copy of Council action.



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Sara R. Tenenbaum  
Clerk of the Council

## FY23 YEAR-END TRANSFERS OF APPROPRIATION

FUND, FUNCTION, DEPARTMENT	TRANSFERS TO \$	TRANSFERS FROM \$
<b>TRANSFERS TO:</b>		
<b>GENERAL FUND:</b>		
<b>Legislative and Judicial Branch Departments</b>		
<b>Zoning and Administrative Hearings</b>		
Personnel Costs	7,150	
<b>State's Attorney</b>		
Personnel Costs	396,920	
<b>Subtotal Legislative and Judicial Branch Departments</b>	<b>404,070</b>	
<b>Executive Branch Departments</b>		
<b>Correction and Rehabilitation</b>		
Personnel Costs	55,920	
Operating Expenses	<u>110,670</u>	
	166,590	
<b>County Attorney</b>		
Personnel Costs	573,420	
<b>General Services</b>		
Personnel Costs	763,150	
Operating Expenses	<u>2,545,750</u>	
	3,308,900	
<b>Office of Animal Services</b>		
Personnel Costs	49,470	
Operating Expenses	<u>4,200</u>	
	53,670	
<b>Transportation</b>		
Personnel Costs	261,990	
<b>Subtotal Executive Branch Departments</b>	<b>4,364,570</b>	

**FY23 YEAR-END TRANSFERS OF APPROPRIATION**

<b>FUND, FUNCTION, DEPARTMENT TRANSFERS TO:</b>	<b>TRANSFERS TO \$</b>	<b>TRANSFERS FROM \$</b>
<b>GENERAL FUND:</b>		
<b>Non- Departmental Accounts</b>		
<b>Climate Change Initiative</b>		
Personnel Costs	71,720	
<b>Incubator Programs - Economic Development Partnerships</b>		
Operating Expenses	24,820	
<b>Metro Washington Council of Governments</b>		
Operating Expenses	218,540	
<b>Montgomery County Green Bank</b>		
Operating Expenses	310,000	
<b>Payments to Municipalities</b>		
Operating Expenses	118,260	
<b>Telecommunications</b>		
Operating Expenses	28,390	
<b>Utilities</b>		
Operating Expenses	294,830	
<b>Subtotal Non- Departmental Accounts</b>	<b>1,066,560</b>	
<b>Total General Funds</b>	<b>5,835,200</b>	
<b>TRANSFERS TO:</b>		
<b>SPECIAL FUNDS: Tax Supported</b>		
<b>Fire and Rescue Service</b>		
Personnel Costs	1,056,850	
<b>Mass Transit</b>		
Personnel Costs	682,030	
Operating Expenses	<u>205,810</u>	
	887,840	
<b>TOTAL SPECIAL FUNDS: Tax Supported</b>	<b>1,944,690</b>	
<b>Total Tax Supported</b>	<b>7,779,890</b>	
<b>TRANSFERS TO:</b>		
<b>SPECIAL FUNDS: Non-Tax Supported</b>		
<b>Recreation Non-Tax</b>		
Operating Expenses	1,102,270	
<b>TOTAL SPECIAL FUNDS: Non-Tax Supported</b>	<b>1,102,270</b>	
<b>TRANSFERS TO:</b>		
<b>INTERNAL SERVICE FUNDS</b>		
<b>Employee Health Benefit Self Insurance</b>		
Operating Expenses	3,415,170	

**FY23 YEAR-END TRANSFERS OF APPROPRIATION**

<b>FUND, FUNCTION, DEPARTMENT</b>	<b>TRANSFERS TO \$</b>	<b>TRANSFERS FROM \$</b>
<b>TOTAL INTERNAL SERVICE FUNDS: Non-Tax Supported</b>	<b>3,415,170</b>	
<b>TOTAL TRANSFERS TO</b>	<b>12,297,330</b>	

## FY23 YEAR-END TRANSFERS OF APPROPRIATION

	TRANSFERS TO \$	TRANSFERS FROM \$
<b>FUND, FUNCTION, DEPARTMENT TRANSFERS FROM:</b>		
<b>GENERAL FUND:</b>		
<b>Police</b>		
Personnel Costs		5,500,000
<b>Public Libraries</b>		
Personnel Costs		3,100,000
<b>TOTAL GENERAL FUND</b>		<b>8,600,000</b>
<b>TRANSFERS FROM:</b>		
<b>Total Tax Supported</b>		<b>8,600,000</b>
<b>TRANSFERS FROM:</b>		
<b>Risk Management Self Insurance</b>		
Operating Expenses		3,697,330
<b>TOTAL INTERNAL SERVICE FUNDS: Non-Tax Supported</b>		<b>3,697,330</b>
<b>TOTAL TRANSFERS FROM</b>		<b>12,297,330</b>

**Causes for the projected appropriation surpluses, which are to be transferred, are listed below:**

**1. Police**

The surplus in personnel costs is due to lapse and turnover savings.

**2. Public Libraries**

The surplus in personnel costs is due to lapse and turnover savings.

**3. Risk Management Self Insurance Fund**

The surplus in operating expenses is due to actual workers compensation costs and actual insurance costs being less than budgeted.

**FY23**  
**JUSTIFICATIONS FOR RECOMMENDED TRANSFERS OF APPROPRIATION**

**1. Correction and Rehabilitation**

Personnel costs exceeded the appropriation due to actual overtime costs being greater than budgeted.

Operating expenses exceeded the appropriation due to actual pharmacy, medical, and food costs being greater than budgeted.

**2. County Attorney**

Personnel costs exceeded the appropriation due to incomplete chargebacks and actual performance award costs that were greater than budgeted.

**3. General Services**

Personnel costs exceeded the appropriation due to unbudgeted overtime costs and standby pay.

Operating expenses exceeded the appropriation due to insurance claims filed but not received in FY23 and unbudgeted contract cost increases.

**4. Office of Animal Services**

Personnel costs exceeded the appropriation due to actual overtime costs being greater than budgeted.

Operating expenses exceeded the appropriation due to increases in the pricing of veterinary and animal care products as well as equipment replacement costs.

**5. State's Attorney's Office**

Personnel costs exceeded the appropriation due to retention bonuses paid out in the second quarter.

**6. Transportation**

Personnel costs exceeded the appropriation due to a lump sum leave payouts and a mid-year County Executive Transfer (CET) from the personnel cost appropriation to operating expense appropriation to cover actual motor pool costs that were greater than budgeted.

**7. Zoning and Administrative Hearings**

The total spending in the department was less than budgeted, but a year-end transfer is needed due to insufficient remaining Executive transferability authority. Personnel costs exceeded the appropriation due to compensation increases for two full-time hearing examiners.

**8. NDA Climate Change Initiative**

Personnel costs exceeded the appropriation due to three positions being filled at an amount greater than budgeted.

**9. NDA Incubator Programs**

The total spending in the NDA was less than budgeted, but a year-end transfer is needed due to insufficient remaining Executive transferability authority. Operating expenses exceeded the appropriation due to contract costs being greater than budgeted.

**10. NDA Metro Washington Council of Governments**

Operating expenses exceeded the appropriation due to increased dues payments.

**11. NDA Montgomery County Green Bank**

Operating expenses exceeded the appropriation due to an encumbrance that was inadvertently not liquidated at year end.

**12. NDA Municipal Tax Duplication**

Operating expenses exceeded the appropriation due to the speed camera budget being inadvertently omitted from the budget.

**13. NDA Telecommunications**

Operating expenses exceeded the appropriation due to actual telephone service costs that were greater than budgeted.

**14. NDA Utilities**

Operating expenses exceeded the appropriation due to high commodity prices, especially electricity, which increased significantly in FY23. Additionally, some County facilities were closed during the pandemic and have now reopened.

**15. Fire and Rescue Services**

Personnel costs exceeded the appropriation due to actual overtime expenditures that were greater than budgeted, which included a mid-year supplemental appropriation.

**16. Mass Transit**

Personnel costs exceeded the appropriation due to overtime costs which were greater than budgeted.

Operating expenses exceeded the appropriation due to motor pool costs, maintenance costs, and electrical costs that were greater than budgeted.



**17. Recreation Non-Tax**

Operating expenses exceeded the appropriation due to contract increases in the aquatics division.

**18. Employee Self Insurance**

Operating expenses exceeded the appropriation due to increased claims in group insurance and increased prescription drug costs.