FY22 Fiscal Outlook and Community Grants Nonprofit Montgomery Briefing

December 15, 2020



Prepared by Montgomery County Office of Management & Budget

FY22 Fiscal Outlook



- FY22 tax-supported revenues are estimated to be \$163.2 million less than the approved FY21-26 Fiscal Plan.
 - Property Tax Revenues Minimal deviation
 - Income Tax Revenues \$57.5 million less
 - Transfer and Recordation Tax Revenues -\$18.9 million less
 - Other Tax Revenues \$25.1 million less

Unknowns

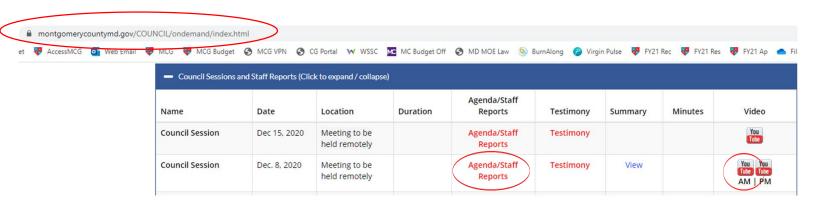


- More Federal Recovery Relief?
- Amount of FEMA Reimbursement?
- Updated February Revenue Estimates?
- Pace of Economic Recovery?
- Increased County Service Demand due to Pandemic Recovery?
- Other Factors?

December 8, 2020 County Council Hearing



- Briefing Packet
- Youtube Video of Hearing



FY21 Funding



FY21 Approved Budget

- \$10.4 million for programs in the Community Grants NDA
- \$3.8 million in additional Community Grants programs moved to Department Base budgets
- \$1.6 million for Cost Sharing Capital Grants
- Highest ever overall funding level for Community Grants

FY21 Savings Plan

- MCG departments, MCPS, and College reduced by up to 6%
- Community Grants NDA not reduced
- Community Grants moved to Department Base budgets also not reduced

Supplemental Appropriations Targeting Key Outcomes

FY22 Community Grants



- Attempt to maintain FY21 funding levels in FY22 for all Community Grant NDA and base shifted programs
- No new programs or enhancements in FY22
- Cost Sharing Capital Grants will only be considered if they receive State matching funds
- Forgo an FY22 application to reduce admin burden on nonprofits

FY22 Community Grants Process



- OMB and departments will review existing reporting for each program.
- If necessary, will make recommendations to the County Executive for:
 - potential reductions
 - additional shifts into base budgets.
- Organizations or programs that are no longer in compliance or meeting their contractual obligations will lose funding.
- The Executive will include specific recommendations for renewal of FY21 programs in his FY22 Recommended Budget on March 15.
- County Council will manage their own review of recommendations and finalize awards for their May budget.

FY22 Community Grants

- Maintain Community Grants funding as much as possible
- Minimal administrative burden on the nonprofit community
- Continue communication with nonprofit community

Questions?



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