

Office of the County Auditor

Auditor's Analysis

Council Resolution No. 80-2025

Introduced: April 7, 2025

Auditor: Diane Zagorski-Kelly

Fiscal Impact:

There will not be any direct fiscal impact, as this legislation only endorses and authorizes the County Executive to apply for certain grants.

If the grant applications are approved, the County may expect:

- Fiscal Year (FY) 2026 grant revenues of \$6,032,622 (a decrease of \$950,738 over expected FY 2025 grant revenues) designated for the Office of Transportation (OOT).
- Expenditures of approximately \$1,171,265 (an increase of \$200,144 compared to FY 2025) to meet the County match requirement.

These amounts are estimates. The actual amounts will vary based on the grants received. The total project costs and local County match requirement are determined by the State of Maryland.

Per the Administrator of the OOT, all operating grants in the table below will be appropriated in the FY 2026 Operating Budget. Likewise, the required match amounts will come from General Fund appropriations in the County Executive's proposed FY 2026 Operating Budget.

Of the matching Capital grant funds, \$15,000 will be paid from the General Fund and \$400,000 will be paid from the Program Revenue Fund.

FY2026 Federal and State Grants & Matching County Funds

Grant	Fiscal Year 2026 Grant Estimate*	Required Match %	Required Match \$ Amount
Urbanized Area Formula Program Grant (Section 5307/Large Urban)	\$ 2,626,899.00	25%	\$ 656,725.00
State Americans with Disabilities Grant	\$ 430,000.00	10%	\$ 43,000.00
Washington Area Grant	\$ 1,845,828.00	0%	
State Special Transportation Assistance Program	\$ 226,159.00	25%	\$ 56,540.00
Total Operating	\$ 5,128,886.00		\$ 756,265.00
Capital Equipment Grant (Section 5309)	\$ 2,000,000.00	20%	\$ 400,000.00
Preventative Maintenance (Section 5307)	\$ 75,000.00	20%	\$ 15,000.00
Total Capital	\$ 2,075,000.00		\$ 415,000.00
TOTAL - New FY26 Transit Grant Applications	\$ 7,203,886.00		\$ 1,171,265.00

*FY26 Grant Estimate is inclusive of matching funds

Source: Administrative Testimony

Purpose:

Council Resolution 80-2025 endorses and authorizes the Howard County Executive to apply for Federal and State grant funding from the Maryland Transit Administration of the Maryland Department of Transportation.

Other Comments:

According to the Administrator, the Capital Grant funding of \$2,000,000 will be used to purchase four buses and \$75,000 for preventative maintenance. Whereas, the operating grant funds support maintenance costs for the fleet, annual cost of operator salaries, fuel, vehicle repairs, and other transit service operating costs.

The OOT anticipates that the County will continue to overmatch its required local match amounts, as it has done in prior years.