

Clerk's Note: Correction on page 5 #8 to reflect "FY10"

Resolution No.:	<u>16-1374</u>
Introduced:	<u>May 27, 2010</u>
Adopted:	<u>May 27, 2010</u>

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Approval of and Appropriation for the FY11 Operating Budget of the Montgomery County Public School System

Background

1. As required by the Education Article, Sections 5-101 and 5-102 of the Maryland Code, the Board of Education sent to the County Executive and the County Council the FY11 Operating Budget for the Montgomery County Public School (MCPS) system as shown below.
2. The Executive sent to the Council his recommendations regarding this budget.
3. As required by Section 304 of the County Charter, the Council held public hearings on the Operating Budget and the Executive's recommendations on April 5, 6, 7, and 8, 2010.
4. The appropriation in this resolution is based on the following projected revenues for FY11:

State:	\$488,622,834
Federal:	\$119,047,528
Other:	\$ 15,011,659
Enterprise:	\$ 56,120,675
5. This appropriation requires a local contribution of \$1,415,085,344 to Montgomery County Public Schools.
6. This resolution reappropriates \$10,300,000 of projected FY10 MCPS Current Fund balance. As a result of agreement with the County Executive and the Board of Education, other MCPS FY10 savings totaling \$21,700,000 will not be reappropriated to MCPS in FY11. Of this total, \$19,700,000 adds to available County Government General Fund undesignated reserves, and MCPS will use \$2,000,000 to pay for higher FY11 Fuel Energy Tax payments.

7. Federal grant revenue totaling \$31,261,214 to be received in FY11 through the State from the State Fiscal Stabilization Fund of the American Recovery and Reinvestment Act is unrestricted in use but is considered as restricted revenue in this appropriation as required by the United States Department of Education for the purpose of financial reporting.
8. The Superintendent submitted to the Council proposed reductions by State category to meet the approved expenditure level as reflected in this appropriation.

Action

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

1. The Council approves the FY11 Operating Budget for the Montgomery County Public School system and appropriates the funds as shown below.

FY 2011 OPERATING BUDGET FOR MONTGOMERY COUNTY PUBLIC SCHOOLS

The Council approves and appropriates the following amounts:

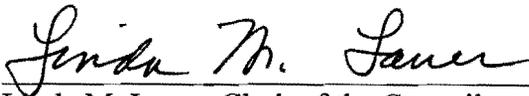
I. Current Fund	BOE Request March, 2010	Council (Reduction)/ Addition	Council Approved Budget
Category			
1 Administration	41,941,991	(2,790,846)	39,151,145
2 Mid-level Administration	141,874,583	(3,070,468)	138,804,115
3 Instructional Salaries	871,191,332	(36,226,208)	834,965,124
4 Textbooks and Instructional Supplies	34,041,281	(9,139,326)	24,901,955
5 Other Instructional Costs	15,098,889	(725,298)	14,373,591
6 Special Education	291,393,563	(12,227,925)	279,165,638
7 Student Personnel Services	11,306,567	(105,233)	11,201,334
8 Health Services	44,590		44,590
9 Student Transportation	96,187,296	(2,241,237)	93,946,059
10 Operation of Plant and Equipment	115,877,577	(877,050)	115,000,527
11 Maintenance of Plant	33,905,007	(889,040)	33,015,967
12 Fixed Charges	553,555,446	(90,266,621)	463,288,825
14 Community Services	208,495		208,495
Subtotal, including specific grants	2,206,626,617	(158,559,252)	2,048,067,365
Less Specific grants	128,379,488	(154,869)	128,224,619
Subtotal, Spending Affordability	2,078,247,129	(158,404,383)	1,919,842,746
II. Enterprise Funds			
37 Instructional Television Fund	1,619,507	(128,997)	1,490,510
51 Real Estate Management Fund	3,074,719	(3,624)	3,071,095
61 Food and Nutrition Services Fund	47,363,001	(322,747)	47,040,254
71 Field Trip Fund	2,369,952	(15,236)	2,354,716
81 Entrepreneurial Fund	2,232,614	(68,514)	2,164,100
Subtotal, Enterprise Funds	56,659,793	(539,118)	56,120,675
Total Budget for MCPS	2,263,286,410	(159,098,370)	2,104,188,040

2. This resolution appropriates \$9,422,091 for the account titled "Provision for Future Supported Projects", which provides funds for specific programs designated in a grant, contribution, reimbursement, or other non-county funding source received in FY11. When MCPS receives funds for a program from one of these sources, MCPS may transfer funds from this appropriation to the program. The following conditions are established on the use of this transfer authority:
 - a) The program must not require any present or future County funds.
 - b) Subject to the balance in the account, any amount can be transferred in FY11 for any program which meets at least one of the following four conditions: (1) the amount is \$200,000 or less; (2) the program was funded in FY 2010; (3) the program was included in the FY11 budget; (4) the program was funded by the Council in a supplemental or special appropriation in FY11. Any program that does not meet one of these four conditions must be funded by a supplemental or special appropriation.
 - c) MCPS must notify the Executive and the Council within 30 days after each transfer.
3. Any appropriation authorized in this resolution for any expenditure funded by non-County funds is contingent on the receipt of the non-County funds.
4. This resolution reappropriates or appropriates revenue received from non-County sources for programs funded in whole or in part from those non-County funds:
 - a) together with matching County funds, if any; and
 - b) to the extent that the program period approved by the non-County source encompasses more than one fiscal year, in order to complete the grant program under the terms of receipt of the non-County revenues.
5. This resolution reappropriates the fund balance of the Warehouse account.
6. The Council continues the procedure for transfers adopted in Resolution 12-889. This procedure applies only to the non-County portion of grant programs, and therefore only applies to those grant programs for which MCPS keeps separate accounts for County and non-County funds.
 - a) The Council will not take action on these transfers, so the transfers will be automatically approved after 30 days, as provided by State law.
 - b) MCPS staff must report each transfer to the Executive and the Council within 30 days after the transfer.

Corrected Page

7. The following provision applies when MCPS receives more non-County funds than were budgeted for a project that also receives some County funds:
 - a) Council approval is not required to substitute non-County funds for County funds. In this case, there is no change in the appropriation.
 - b) Council approval is required to increase the appropriation. The Council may decide to substitute non-County funds for the County funds instead of increasing the appropriation.
8. This resolution reappropriates encumbered appropriations, permitting them to be spent in FY11. Unencumbered appropriations lapse at the end of FY10 except as reappropriated elsewhere in this resolution.

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council