

Resolution No.:	<u>17-154</u>
Introduced:	<u>May 26, 2011</u>
Adopted:	<u>May 26, 2011</u>

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: County Council

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**SUBJECT:** Approval of the FY12 Aggregate Operating Budget

**Background**

1. Section 305 of the County Charter requires the affirmative vote of 7 Councilmembers to approve the aggregate operating budget if that budget exceeds the adopted spending affordability guidelines then in effect. Section 305 excludes from the aggregate operating budget:
  - Specific grants;
  - Enterprise Funds;
  - Tuition and tuition-related charges at Montgomery College;
  - Washington Suburban Sanitary Commission.
2. Section 20-60 of the County Code requires the Council to set spending affordability guidelines by resolution no later than the second Tuesday in February. The guidelines must specify a ceiling on the aggregate operating budget for FY12.
3. Section 305 of the Charter requires that at least 6 Councilmembers must approve the aggregate operating budget if that budget exceeds the budget for the preceding year by more than the rate of inflation, as measured by the annual average increase in the Consumer Price Index for all urban consumers in the Washington-Baltimore Metropolitan area for the 12-month period preceding December 1, which was 1.7 percent for the 12-month period preceding December 1, 2010.
4. On May 27, 2010, in Resolution 16-1378, the Council approved the FY11 aggregate operating budget in the amount of \$3,602.9 million. If that aggregate operating budget increased at the 1.7% rate of inflation for the 12-month period preceding December 1, 2010, it would be \$3,664.1 million.

5. In Resolution No. 17-58, adopted February 8, 2011, the Council adopted the following spending affordability guideline for the FY12 aggregate operating budget, which the Council set as the FY11 aggregate operating budget plus 1.7% inflation:

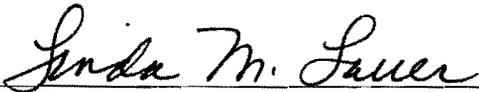
- the ceiling on the aggregate operating budget \$3,664.1 million

**Action**

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

The Council approves the FY12 aggregate operating budget in the amount of \$3,770.5 million, as calculated on the attached page. Because the FY12 aggregate operating budget exceeds the spending affordability guideline ceiling of \$3,664.1 million, 7 affirmative votes are required to adopt this resolution. Because the FY12 aggregate operating budget exceeds the FY11 aggregate operating budget as increased for inflation, of \$3,664.1 million, 6 affirmative votes are required to adopt this resolution.

This is a correct copy of Council action.

  
Linda M. Lauer, Clerk of the Council

The FY 2012 aggregate operating budget excludes enterprise funds, specific grants, and tuition and tuition-related charges at the College, and it is calculated as follows.

Fund or District	Appropriation
General Fund	\$ 903,237,220
Fire District	179,769,870
Economic Development Fund	4,922,280
Mass Transit	102,750,000
Recreation District	24,829,990
Urban Districts	7,399,320
MCPS	1,950,909,291
Montgomery College	218,004,776
MNCPPC:	
Administration Fund	25,342,950
Park Fund	71,561,130
Debt service on County bonds and leases	291,574,070
Debt service on Park bonds	4,672,800
Current revenue for the Capital Budget	35,005,000
Current Revenue for PAYGO	31,000,000
Total Appropriations	3,850,978,697
Less College Tuition and Tuition-Related Charges	(80,464,800)
<b>AGGREGATE OPERATING BUDGET</b>	<b>3,770,513,897</b>
<b>SUMMARY:</b>	
MCPS	1,950,909,291
College, Total	218,004,776
Less College Tuition & Tuition-Related Charges	(80,464,800)
College, Net	137,539,976
County Government	1,222,908,680
MNCPPC	96,904,080
Debt service on County bonds and Park bonds	296,246,870
Total Current Revenue for Capital Budget	66,005,000
Total Appropriations	3,850,978,697
Less College Tuition and Tuition-Related Charges	(80,464,800)
<b>AGGREGATE OPERATING BUDGET</b>	<b>3,770,513,897</b>
Aggregate operating budget, prior year	3,602,894,915
\$ increase	167,618,982
% change	4.7%
Inflation in prior calendar year	1.7%
Prior year AOB + inflation	3,664,144,129