

Resolution No:	<u>16-845</u>
Introduced:	<u>January 27, 2009</u>
Adopted:	<u>February 10, 2009</u>

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

Subject: Spending Affordability Guidelines for the FY10 Operating Budget

Background

1. Section 305 of the Charter and Chapter 20 of the Montgomery County Code require the Council to set spending affordability guidelines for the operating budget for the next fiscal year.
2. The guidelines must specify:
 - a) A ceiling on property tax revenues, which are used to fund the aggregate operating budget.
 - b) A ceiling on the aggregate operating budget. The aggregate operating budget is the total appropriation from current operating revenues, including appropriations for capital projects but excluding appropriations for: enterprise funds, the Washington Suburban Sanitary Commission, specific grants for which the spending is contingent on the grants, and expenditures equal to the estimated tuition and tuition-related charges at Montgomery College.
 - c) The spending allocations for the County Government, the Board of Education, Montgomery College, the Maryland-National Capital Park and Planning Commission, debt service and current revenue funding of capital projects. As noted above, the College's allocation excludes expenditures equal to the estimated tuition and tuition-related charges.
3. The legislation lists a number of economic and financial factors to be considered in adopting the guidelines, requires a public hearing before the Council adopts guidelines, and requires that the Council adopt guidelines no later than the second Tuesday in February for the fiscal year starting the following July 1.

4. At the public hearing on February 3, 2009, the public had the opportunity to comment on the following guidelines, in millions of dollars.
- a) The ceiling on property tax revenues excluding the self-supporting parking districts, at the staff estimate of the Charter limit achieved entirely by reducing the property tax rate: \$1,427.4 million
 - b) The ceiling on the aggregate operating budget and the agency allocations:

	\$ Million
MCPS	\$2,004.8
Montgomery College	149.9
County Government	1,324.2
MNCPPC	110.2
County Debt Service	280.3
MNCPPC Debt Service	4.7
Current Revenue, PAYGO	30.0
Current Revenue, specific projects	44.4
AGGREGATE OPERATING BUDGET	3,948.5

Action

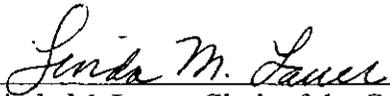
The County Council for Montgomery County approves the following resolution:

1. The spending affordability guidelines for the FY10 Operating Budget in **millions** of dollars are:
 - a) The ceiling on property tax revenues excluding the self-supporting parking districts, at the staff estimate of the Charter limit achieved entirely by an income tax offset credit: \$1,441.0 million.
 - b) The ceiling on the aggregate operating budget and the agency spending allocations are:

MCPS	\$2,003.5
Montgomery College	149.8
County Government	1,323.4
MNCPPC	110.1
County Debt Service	280.3
MNCPPC Debt Service	5.0
Current Revenue, PAYGO	32.0
Current Revenue, other	44.4
AGGREGATE OPERATING BUDGET	3,948.5

2. The Council's intent is that \$5.0 million of the County Government's allocation will be appropriated for Community Grants (this amount excludes Community Service Grants), with Executive-recommended specific Community grants totaling \$2.5 million and Council specific Community grants totaling \$2.5 million. The Council is particularly interested in proposals that provide emergency and other assistance to the neediest members of our community.

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council