



OFFICE OF MANAGEMENT AND BUDGET

Isiah Leggett
County Executive

Joseph F. Beach
Director

MEMORANDUM

July 27, 2009

TO: Interested Readers

FROM: Joseph F. Beach, Director

SUBJECT: FY10 Operating and Capital Budgets
Amendments to the FY09-14 Capital Improvements Program (CIP)

These volumes contain the Approved FY10 Operating and Capital Budgets and Amendments to the FY09-14 Capital Improvements Program for Montgomery County. In accordance with the law, the County Council, after receiving the recommendations of the County Executive and the advice of interested parties through public hearings and other means, approved the Budgets on May 21, 2009, for the fiscal year that began on July 1. These Budgets reflect the judgment of the County Executive and the County Council on how best to provide a level of services and capital investment commensurate with the expectations of Montgomery County residents at affordable and fair levels of taxation.

The total FY10 Operating Budget from all sources of funds is \$4.47 billion, up \$131.8 million or 3.0 percent from the Approved FY09 Budget.¹ Because Capital Budget appropriations can be made for multiple fiscal years, comparisons from one fiscal year to the next do not provide useful information.

The County Charter provides for a biennial Capital Improvements Program (CIP). The biennial CIP permits the development of a six-year program only in even-numbered years. In the odd-numbered calendar years, like 2009, the County Executive recommends and County Council approves only a limited number of CIP amendments, in this case amending the FY09-14 CIP. Because it is a State agency, the CIP for the Washington Suburban Sanitary Commission (WSSC) is developed annually. In every year, the development of a Capital Budget for all agencies is required.

¹ Excluding the double appropriation of \$79.5 million for payment of debt service for construction of Montgomery County Public Schools facilities, the total FY10 Operating Budget from all sources of funds is \$4.39 billion, up \$52.3 million or 1.2 percent from the Approved FY09 Budget.

As detailed in the Budget Highlights and in the appropriate departmental sections, these Budgets continue to support the County's priority objectives including:

- A Responsive and Accountable County Government
- Affordable Housing in an Inclusive Community
- An Effective and Efficient Transportation Network
- Children Prepared to Live and Learn
- Healthy and Sustainable Communities
- Safe Streets and Secure Neighborhoods
- A Strong and Vibrant Economy
- Vital Living for All of Our Residents

This Budget, approved at the County Charter limit on property taxes, is balanced through a combination of expenditure restraint and revenue adjustments. A tax credit of \$690 per owner-occupied residential household partially offsets rising property assessments to provide tax relief for our residents. No tax rate increases are necessary to fund this Budget. New fees and selected fee increases cover rising program costs and modest improvements. Adequate undesignated reserves are provided for unforeseen contingencies.

In order to reduce costs and minimize our use of paper, we have provided an abbreviated version of the Operating Budget for each County Government Department. You may view a more detailed description of each department's budget by visiting the Office of Management and Budget webpage at www.montgomerycountymd.gov/omb.

You are invited to read the contents of these volumes for a description of the Approved Capital and Operating Budgets and the descriptions of amendments to the FY09-14 CIP. Please call the Office of Management and Budget at (240)777-2800 for further information. This information is also available on the Internet on the Montgomery County home page at www.montgomerycountymd.gov/omb.

JFB:df