

Resolution No.:	<u>17-448</u>
Introduced:	<u>May 24, 2012</u>
Adopted:	<u>May 24, 2012</u>

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Approval of the FY 2013 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 FY 2013.
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 3.33 percent for the 12-month period preceding December 1, 2011.
4. On May 26, 2011, in Resolution 17-154, the Council approved the FY 2012 aggregate operating budget in the amount of \$3,770,513,897. If that aggregate operating budget increased at the 3.33% rate of inflation for the 12-month period preceding December 1, 2011, it would be \$3,896,072,010.

5. In Resolution No. 17-362, adopted February 14, 2012, the Council adopted the following spending affordability guideline for the FY 2013 aggregate operating budget, which the Council set as the FY 2012 aggregate operating budget plus 4.8% which represents the increase in personal income for the 12-months preceding December 1, 2011:

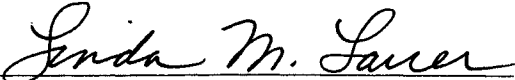
- the ceiling on the aggregate operating budget \$3,951.6 million

Action

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

The Council approves the FY 2013 aggregate operating budget in the amount of \$4,014.7 million, as calculated on the attached page. Because the FY 2013 aggregate operating budget exceeds the spending affordability guideline ceiling of \$3,951.6 million, 7 affirmative votes are required to adopt this resolution. Because the FY 2013 aggregate operating budget exceeds the FY 2012 aggregate operating budget as increased for inflation, of \$3,896.1 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 2013 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	1,009,467,726
Fire District	204,946,888
Economic Development Fund	5,090,020
Mass Transit	113,854,693
Recreation District	25,979,636
Urban District	7,644,852
Montgomery County Public Schools	2,028,871,395
Montgomery College	218,786,599
Maryland-National Park and Planning Commission:	
Administration Fund	25,627,300
Park Fund	76,661,055
Debt Service on County Bonds and Leases	298,792,040
Debt Service on Park Bonds	4,754,800
Current Revenue for the Capital Budget	50,224,000
Current Revenue for PAYGO	29,500,000
Total Appropriations	4,100,201,004
Less College Tuition and Tuition-Related Charges	(85,462,717)
AGGREGATE OPERATING BUDGET	4,014,738,287
SUMMARY:	
Montgomery County Public Schools	2,028,871,395
Montgomery College Total	218,786,599
Less College Tuition and Tuition-Related Charges	(85,462,717)
Montgomery College Net	133,323,882
County Government	1,264,964,241
Maryland-National Park and Planning Commission	98,923,855
Retiree Health Insurance Pre-Funding	105,384,074
Debt Service on County Bonds and Park Bonds	303,546,840
Current Revenue and PAYGO for Capital Budget	79,724,000
TOTAL APPROPRIATIONS	4,100,201,004
Less College Tuition and Tuition-Related Charges	(85,462,717)
AGGREGATE OPERATING BUDGET	4,014,738,287
Aggregate Operating Budget for FY 2012	3,770,513,897
\$ increase	244,224,390
% change	6.48%
Inflation in prior calendar year	3.33%
FY2012 Aggregate Operating Budget + inflation	3,896,072,010