

Resolution No.: 17-1112
Introduced: May 22, 2014
Adopted: May 22, 2014

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Approval of and Appropriation for the FY 2015 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 FY 2015 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 on March 17, 2014.
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 8, 9, and 10, 2014.
4. The appropriation in this resolution is based on the following projected revenues for FY 2015:

State:	\$618,765,933
Federal:	\$ 69,855,580
Other:	\$ 12,324,062
Enterprise:	\$ 60,790,649
5. This appropriation requires a local contribution of \$1,476,855,309 to Montgomery County Public Schools.
6. Of the local funds appropriated in this resolution, \$1,439,045,758 is the County contribution to meet Maintenance of Effort and \$37,809,551 is appropriated to meet the State's requirement for the County to fund the third year phase-in amount of the shift of teacher pension costs from the State to the County. The State requires that this amount be appropriated to the Montgomery County Public Schools in addition to the Maintenance of

Effort requirement during the phase-in period, and that the Montgomery County Public Schools must reimburse the State for this amount of teacher pension costs.

7. This resolution reappropriates the full amount of FY 2014 MCPS Current Fund balance or \$38,172,451 from the MCPS Current Fund balance, whichever amount is less.
8. The Superintendent submitted to the Council proposed changes 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 FY 2015 Operating Budget for the Montgomery County Public School system and appropriates the funds as shown below.

FY 2015 OPERATING BUDGET FOR MONTGOMERY COUNTY PUBLIC SCHOOLS

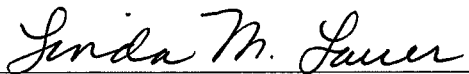
The Council approves and appropriates the following amounts:

I. Current Fund	BOE Request March, 2014	Council (Reduction)/ Addition	Council Approved Budget
Category			
1 Administration	43,957,821	(174,397)	43,783,424
2 Mid-level Administration	140,764,439	955,695	141,720,134
3 Instructional Salaries	899,156,715	(1,136,528)	898,020,187
4 Textbooks and Instructional Supplies	28,872,149	(55,546)	28,816,603
5 Other Instructional Costs	11,524,011	213,381	11,737,392
6 Special Education	308,387,538	257,238	308,644,776
7 Student Personnel Services	11,654,174	(136,638)	11,517,536
8 Health Services	19,590	(16,000)	3,590
9 Student Transportation	101,323,043	402,096	101,725,139
10 Operation of Plant and Equipment	128,760,341	114,069	128,874,410
11 Maintenance of Plant	33,388,100	(34,986)	33,353,114
12 Fixed Charges	548,173,051	(40,969,516)	507,203,535
14 Community Services	523,495	50,000	573,495
Subtotal, including specific grants	2,256,504,467	(40,531,132)	2,215,973,335
Less Specific grants	77,903,934		77,903,934
Subtotal, Spending Affordability	2,178,600,533	(40,531,132)	2,138,069,401
II. Enterprise Funds			
37 Instructional Television Fund	1,595,624		1,595,624
51 Real Estate Management Fund	3,166,047		3,166,047
61 Food and Nutrition Services Fund	51,222,406		51,222,406
71 Field Trip Fund	1,895,960		1,895,960
81 Entrepreneurial Fund	2,910,612		2,910,612
Subtotal, Enterprise Funds	60,790,649		60,790,649
Total Budget for MCPS	2,317,295,116	(40,531,132)	2,276,763,984

2. This resolution appropriates \$8,448,354 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 FY 2015. 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 FY 2015 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 2014; (3) the program was included in the FY 2015 budget; (4) the program was funded by the Council in a supplemental or special appropriation in FY 2015. 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.

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 FY 2015. Unencumbered appropriations lapse at the end of FY 2014 except as reappropriated elsewhere in this resolution.

This is a correct copy of Council action.


Linda M. Lauer, Clerk of the Council