

Agenda Item #2DD
July 28, 2009
Action

MEMORANDUM

TO: County Council July 23, 2009
FROM: *CHS*
Charles H. Sherer, Legislative Analyst
SUBJECT: Resolution to approve the FY10 schedule of revenue estimates and appropriations

Introduction The schedule summarizes in one place all FY10 revenue estimates and appropriations in the operating budget, including current revenue for the Capital Improvements Program, as of May 21, 2009, the date the Council approved the appropriation resolutions.

Background On May 14, the Council made most of its appropriation decisions for the FY10 operating budget. Council and Executive staff spent the next week preparing the various appropriation resolutions. On May 21, the Council approved the appropriation resolutions. The Council based its appropriations on the revenue estimates on that day: the Council appropriated 95% of the revenue estimates, leaving 5% as the reserve.

The Council has not yet approved the revenue estimates on which the May 21 appropriations were based, because staff cannot prepare the various revenue schedules in the short period between the appropriation decisions and formal approval of the resolutions. The attached one-page schedule is based on eight “back-up” schedules.

The purpose of the resolution is to have the Council formally approve the revenue estimates on which the May 21 appropriations were based. Although the Charter **does** require the Council to approve the appropriations, the Charter **does not** require the Council to approve the revenue estimates on which the appropriations were based. However, such approval provides symmetry and balance, and the Council has approved such a schedule since at least FY75. If the Council does not approve the schedule, then there will be no “official” document approving the revenues.

While revenue estimates today would no doubt be lower than they were on May 21, revised estimates should not be used in the resolution. The purpose of the resolution is to show the revenue estimates on which the May 21 appropriations were based, not to show the latest revenue estimates. OMB uses the May 21 revenue estimates in the FY10 approved operating budget, and Finance uses the revenue estimates in the annual financial report.

Resolution No: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

SUBJECT: Approval of FY10 Schedule of Revenue Estimates and Appropriations

BACKGROUND

1. On May 21, 2009, the Council appropriated funds for the FY10 Operating and Capital Budgets for the County Government, the Montgomery County Public School System, Montgomery College, the Maryland-National Capital Park and Planning Commission, and the Washington Suburban Transit Commission.
2. As required by Section 305 of the County Charter and applicable State laws, the County Council must fund these appropriations. On May 22, 2009, the Council set the tax rates for FY10.
3. The Council has examined all sources of revenue, including local taxes, to identify those sources from which receipts are restricted as to use, so that the Council may allocate those revenues which are not restricted to respond best to the needs of County residents.

ACTION

The County Council approves the following resolution:

1. The Council approves the attached Schedule of FY10 Revenue Estimates and Appropriations.

2. Unrestricted revenues are allocated to fund the budgets to the extent that the budgets are not fully funded from restricted revenues expected during FY10. However, before allocating unrestricted revenues to the Montgomery County Public School System, the following MCPS resources must first be used to fund the FY10 budget: all unanticipated revenues; all realized expenditure savings (excess of appropriations over actual expenditures and encumbrances); and all other sources of available reserve. For the College, the unrestricted revenue is the County's contribution for the Current Fund and the Emergency Plant Maintenance and Repair Fund.

3. The County Executive must allocate the unrestricted revenues through appropriate fiscal agencies of the County, including the Director of Finance.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

APPROVED BY COUNCIL ON

FY10 REVENUES ESTIMATES AND APPROPRIATIONS (Assessable Base in \$Billions; Tax Rate in \$ per \$100 of Assessable Base; Other items in \$ Thousands)																						
APPROVED BY COUNCIL ON																						
1	2	3	County Government = sum col L thru S												Revenue Stabil. Fund	Grants & Enter. Funds	Budgets for SAG = V - U	Sub-Total				
			= col I : U		MCPS	College	MNCPPC	Debt Service	General Fd Storm Drain	Mass Transit	Recr Distr	Fire Distr	Urban Distrs	Noise Abate					Eco Dev	TOTAL	TOTAL	TOTAL
			Estimated Revenues	Unrestricted																		
4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23			
6	A	PROPERTY TAXES																				
7		General Fund	1,218,112																	1,218,112		
8		Prior Year	2,040																	2,040		
9		Penalties/Interest/Homeowner Credit	(173,830)																	(173,830)		
10		Storm Drain District		4,481				4,481												4,481		
11		Mass Transit District		65,881				65,881												65,881		
12		Recreation District		29,385					29,385											29,385		
13		Fire District		186,995						186,995										186,995		
14		Urban Districts		1,342							1,342									1,342		
15		Noise Abatement Districts		41								41								41		
16		MNCPPC (Admin, Parks and ALARP)		106,480		106,480														106,480		
17		Parking Districts		10,849																10,849		
18		TOTAL PROPERTY TAXES																		1,451,775		
19	B	Income Tax	1,214,770																	1,214,770		
20		Transfer Tax	64,970																	64,970		
21		Recordation Tax	58,389	3,047																61,436		
22		Energy Tax	130,360																	130,360		
23		Telephone Tax	32,840																	32,840		
24		Hotel-Motel Tax	20,014																	20,014		
25		Admissions Tax	2,130																	2,130		
26		Tobacco Tax	0																	0		
27	C	General Grants	34,424	562,042	440,334	32,801	0	36,947	22,795	0	2,010			0						27,154		
28		Specific Grants		259,650			0													259,650		
29	D	Investment Income	600	7,996	390	300	2,575		260	110	310	10	0	20	1,316					2,705		
30		Licenses and Permits	9,132	2,711					809		1,901									11,843		
31		Charges for Services	10,259	348,357	5,990	71,126	2,167	0	17,941	10,282	1,895	264								238,692		
32		Fines & Forfeitures	37,543	500					500		0									38,043		
33		Miscellaneous	14,383	209,628	0	915	74	79,537	500	(105)	0	0		222						128,485		
34		Revenues	2,676,136	1,799,384	446,324	105,232	109,022	82,112	41,428	108,686	39,671	193,111	1,616	41	242	1,316	670,583	4,475,520	3,804,937	3,804,937		
35			2,717,564	1,799,384																3,804,937		
36		Transfers to General Fund or other funds	(172,807)	(92,939)		(450)		0	(13,044)	(12,556)	(8,634)	(424)	(36)	0	(1,316)	(56,479)	(265,747)			(209,268)		
37		Transfers from Gen. Fund or other funds	66,979	209,948		(2,753)	165,704	0	8,058	1,409	0	6,484		611		30,435	276,927	246,492		37,224		
38																						
39																						
40		Revenues plus Transfers	2,570,307	1,916,393	446,324	104,782	106,268	247,817	41,428	103,700	28,524	184,477	7,676	5	852	0	644,538	4,486,700	3,842,161	3,842,161		
41				1,916,393																		
42		Beginning Reserve - Undesignated	32,240	222,219	44,200	9,445	9,302	0	0	5,350	3,764	10,646	561	10	0	119,648	19,293	254,460	235,167	235,167		
43		Beginning Reserve - Designated	0																	0		
44		Resources Available for Appropriations	2,602,548	2,138,612	490,524	114,228	115,570	247,817	41,428	109,050	32,288	195,124	8,237	15	852	119,648	663,831	4,741,160	4,077,329	4,077,329		
45		Appropriation for Operating Budget			(2,020,078)	(217,549)	(111,600)	(246,501)	(910,428)	(108,458)	(30,529)	(192,974)	(7,932)	0	(852)		(627,076)	(4,473,977)	(3,846,901)	(3,846,901)		
46		Appropriation for Capital Budget: PAYGO	0					(1,316)										(1,316)		(1,316)		
47		Appropriation for Capital Budget: Other			(7,065)	(3,696)	(270)	(19,399)	(129)	0	(185)	0	0	0			(36,964)	(67,708)	(30,744)	(32,060)		
48		Total Appropriation			(2,027,143)	(221,245)	(111,870)	(247,817)	(929,827)	(108,587)	(30,529)	(193,159)	(7,932)	0	(852)	0	(664,040)	(4,543,001)	(3,878,961)	(3,878,961)		
49		Appropriation from Restricted Revenue		(2,007,207)	(490,524)	(110,470)	(111,870)	(247,817)	(41,428)	(108,587)	(30,529)	(193,159)	(7,932)	0	(852)	0	(664,040)	(2,007,207)	(1,343,168)			
50		Appropriation from Unrestricted Revenue	(2,535,793)		(1,536,619)	(110,775)	0	0	(888,399)	0	0	0	0	0	0	0	0	(2,535,793)	(2,535,793)	(3,878,961)		
51		Projected ending reserve, total	66,754	131,405	0	3,758	3,700	0	0	463	1,760	1,965	305	15	0	119,648	(209)	198,159	198,367	198,367		
52		Less reserve designated for specific uses	(2,540)	(119,439)	0	0	0	0	0	0	0	0	0	0	0	(119,648)	209	(121,979)	(122,188)	(122,188)		
53		Projected ending reserve, undesignated	64,214	11,966	0	3,758	3,700	0	0	463	1,760	1,965	305	15	0	0	0	76,180	76,180	76,180		

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