

#15 - Aggregate Operating Budget - Requires 7 Affirmative Votes

Resolution No.: 16-169  
Introduced: May 24, 2007  
Adopted: May 24, 2007

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

---

By: County Council

---

Subject: Approval of the FY 2008 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 third Tuesday in December. The guidelines must specify a ceiling on property taxes for FY 2008, and a ceiling on the aggregate operating budget for FY 2008. Section 20-60 also permits the Council to revise the guidelines: not later than the second Tuesday after the General Assembly adjourns its regular session each year, the Council may amend the resolution establishing the guidelines to reflect a significant change in conditions. An amendment may increase or decrease any guideline. However, any increase of a guideline must not exceed the projected net increase in available resources since the guideline was adopted, applying the tax rates that were assumed in adopting that guideline and considering the rates of any tax approved or repealed since that guideline was adopted.
  
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 3.6 percent for the 12-month period preceding December 1, 2006.


4. In Resolution No. 16-18, adopted December 12, 2006, the Council adopted the following spending affordability guideline for the FY 2008 aggregate operating budget:
  - the ceiling on the aggregate operating budget \$3,571.3 million
5. The Council did not revise the guidelines in April 2005.
5. In Resolution No. 16-94, adopted on April 17, 2007, the Council revised the guidelines:
  - the revised ceiling on the aggregate operating budget \$3,656.1 million
6. On May 25, 2006, in Resolution 15-1476, the Council approved the FY 2007 aggregate operating budget in the amount of \$3,402.4 million. If that aggregate operating budget increased at the 3.6% rate of inflation for the 12-month period preceding December 1, 2006, it would be \$3,524.9 million.

**Action**

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

The Council approves the FY 2008 aggregate operating budget in the amount of \$3,661.0 million, as calculated on the attached page. Because the FY 2008 aggregate operating budget exceeds the final revised spending affordability guideline ceiling of \$3,656.1 million, 7 affirmative votes are required to adopt this resolution. Because the FY 2008 aggregate operating budget exceeds the FY 2007 aggregate operating budget, as increased for inflation, of \$3,524.9 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 08 aggregate operating budget, which excludes enterprise funds, specific grants, and tuition and tuition-related charges at the College, is calculated as follows.

Fund or District	Appropriation
General Fund	\$ 923,679,060
Fire District	188,813,850
Economic Development Fund	802,440
Mass Transit	109,277,580
Recreation District	31,054,970
Urban Districts	6,964,640
MCPS	1,852,160,947
Montgomery College	197,417,872
MNCPPC:	
Administration Fund	26,548,700
Park Fund	71,885,700
Debt service on County bonds and Park bonds	244,149,290
Current revenue for the Capital Budget	42,511,000
Current Revenue for PAYGO	27,500,000
Total Appropriations	3,722,766,049
Less College Tuition and Tuition-Related Charges	(61,720,476)
<b>AGGREGATE OPERATING BUDGET</b>	<b>3,661,045,573</b>
<b>SUMMARY:</b>	
MCPS	1,852,160,947
College, Total	197,417,872
Less College Tuition & Tuition-Related Charges	(61,720,476)
College, Net	135,697,396
County Government	1,260,592,540
MNCPPC	98,434,400
Debt service on County bonds and Park bonds	244,149,290
Total Current Revenue for Capital Budget	70,011,000
Total Appropriations	3,722,766,049
Less College Tuition and Tuition-Related Charges	(61,720,476)
<b>AGGREGATE OPERATING BUDGET</b>	<b>3,661,045,573</b>
Aggregate operating budget, prior year	3,402,423,770
\$ increase	258,621,803
% increase	7.6%