



OFFICE OF MANAGEMENT AND BUDGET

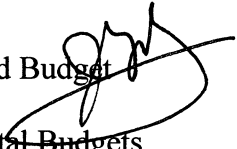
Isiah Leggett  
County Executive

Joseph F. Beach  
Director

MEMORANDUM

July 13, 2007

TO: Interested Readers

FROM: Joseph F. Beach, Director  
Office of Management and Budget 

SUBJECT: FY08 Operating and Capital Budgets  
Amendments to the FY07-12 Capital Improvements Program (CIP)

These volumes contain the Approved FY08 Operating and Capital Budgets and Amendments to the FY07-12 Capital Improvements Program for Montgomery County. In accordance with 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 24, 2007, 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 FY08 Operating Budget from all sources of funds is \$4.16 billion, up \$280.9 million or 7.2 percent from the Approved FY07 Budget. 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 2007, the County Executive recommends and County Council approves only a limited number of CIP amendments, in this case amending the FY07-12 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.

These budgets support:

- Providing nearly \$30 million in total resources for the Montgomery Housing Initiative fund for the acquisition and rehabilitation of affordable housing.

Office of the Director

- Resources to educate more than 137,000 students in the Montgomery County Public Schools, with a local County contribution of \$1,456.9 million, an increase of \$72.2 million from FY07.
- Supporting MCPS programs through expenditures in other County departments, such as Health and Human Services, Police, Recreation, Community Use of Public Facilities, and Environmental Protection.
- Growing enrollment at all Montgomery College campuses with a local County contribution to the College of \$98.6 million, up \$8.6 million over the previous year.
- Increasing our County's commitment to provide access to health care for low-income uninsured residents through the Montgomery Cares Health Care Program, and opening one new behavioral health site.
- Additional resources and expanded services to senior citizens and individuals with disabilities, including the expansion of free hours for Ride On and Metrobus services to include all hours of operation.
- Expanding library services by one hour at all eight libraries open on Sunday.
- Continuation of the Police Staffing Plan, adding 41 new positions, including 38 sworn officers.
- Enhanced programming for the countywide Gang and Youth Violence Prevention Initiative.
- Implementing the second phase of the Four-person staffing initiative on fire and rescue apparatus to enhance the effectiveness of the Fire and Rescue Service.
- Full funding of our employee wage agreements.

This budget, approved at the County Charter limit on property taxes, is balanced through a combination of expenditure restraint and revenue adjustments while providing our citizens with significant tax relief. A tax credit of \$613 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.

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 FY07-12 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](http://www.montgomerycountymd.gov/omb).

JFB:blf