

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Approval of and Appropriation for the FY 2024 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 2024 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 15, 2023.
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 11 and 13, 2023.
4. The appropriation in this resolution is based on the following projected revenues for FY 2024:

State:	\$ 933,283,780
Federal:	\$ 111,810,438
Other:	\$ 12,791,137
Enterprise:	\$ 84,951,835
Special Revenue:	\$ 1,681,286
5. This appropriation requires a local contribution of \$1,995,489,035 to Montgomery County Public Schools.
6. Of the funds appropriated in this resolution, \$72,106,533 is appropriated to meet the State’s FY 2024 requirement for the County to fund the shift of teacher pension costs from the State to the County. The State requires that this payment be included in the calculation of the Maintenance of Effort requirement, and that the Montgomery County Public Schools must reimburse the State for this amount of teacher pension costs.
7. This resolution re-appropriates the full amount of FY 2023 MCPS Current Fund balance or \$25,000,000 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 2024 Operating Budget for the Montgomery County Public School system and appropriates the funds as shown below.

FY 2023 OPERATING BUDGET FOR MONTGOMERY COUNTY PUBLIC SCHOOLS

The Council approves and appropriates the following amounts:

I. Current Funds	BOE Request February 2023	Council (Reduction/ Addition)	Council Approved Budget
Category			
1 Administration	76,945,598	(2,624,884)	74,320,714
2 Mid-level Administration	195,150,469	4,105,008	199,255,477
3 Instructional Salaries	1,247,080,168	(10,843,399)	1,236,236,769
4 Textbooks and Instructional Supplies	46,796,116	(14,730,438)	32,065,678
5 Other Instructional Costs	41,581,970	(12,393,569)	29,188,401
6 Special Education	434,330,852	(8,784,817)	425,546,035
7 Student Personnel Services	18,945,792	354,529	19,300,321
8 Health Services	3,009,169	1,120,793	4,129,962
9 Student Transportation	144,202,681	(1,497,200)	142,705,481
10 Operation of Plant and Equipment	177,150,442	(4,139,059)	173,011,383
11 Maintenance of Plant	48,758,922	(4,228,969)	44,529,953
12 Fixed Charges	694,095,476	2,783,886	696,879,362
14 Community Services	1,217,408	(12,554)	1,204,854
Subtotal, including specific grants	3,129,265,063	(50,890,673)	3,078,374,390
Less Specific Grants	100,956,665	23,417,433	124,374,098
Subtotal, Spending Affordability	3,028,308,398	(74,308,106)	2,954,000,292
II. Enterprise Funds			
5 Instructional Television Fund	1,822,775	(141,489)	1,681,286
11 Food and Nutrition Services Fund	68,092,925	0	68,092,925
12 Real Estate Management Fund	4,957,216	0	4,957,216
13 Field Trip Fund	2,854,856	0	2,854,856
14 Entrepreneurial Fund	9,046,838	0	9,046,838
Subtotal, Enterprise Funds	86,774,610	(141,489)	86,633,121
TOTAL BUDGET for MCPS	3,216,039,673	(51,032,162)	3,165,007,511

2. This resolution appropriates \$11,531,204 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 2024. 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 2024 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 2023; (3) the program was included in the FY 2024 budget; (4) the program was funded by the Council in a supplemental or special appropriation in FY 2024. 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 re-appropriates 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 re-appropriates 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 re-appropriates encumbered appropriations, permitting them to be spent in FY 2024. Unencumbered appropriations lapse at the end of FY 2023 except as re-appropriated elsewhere in this resolution.

This is a correct copy of Council action.

Sara R. Tenenbaum
Clerk of the Council