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| Resolution No.: | <u>19-1290</u> |
| Introduced: | <u>May 26, 2022</u> |
| Adopted: | <u>May 26, 2022</u> |

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: County Council

SUBJECT: Approval of the FY 2023 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 second Tuesday in February. The guidelines must specify a ceiling on the aggregate operating budget for FY 2023.
3. Section 305 of the Charter requires that at least 6 Councilmembers must approve the aggregate operating budget if that budget exceeds the aggregate operating 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 4.16% percent for the 12-month period preceding December 1, 2021.
4. On May 27, 2021, in Council Resolution No. 19-877, the Council approved the FY 2022 aggregate operating budget in the amount of \$5,141,909,322. If that aggregate operating budget increased at the 4.16% percent rate of inflation for the 12-month period preceding December 1, 2021, it would be \$5,355,812,750.

5. In Council Resolution No. 19-1156, adopted February 8, 2022, the Council adopted the following spending affordability guideline for the Fiscal Year 2023 aggregate operating budget:

- FY 2023 ceiling on the aggregate operating budget \$5,260,518,937

Action

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

The Council approves the FY 2023 aggregate operating budget in the amount of \$5,565,968,417 as calculated on the attached page. Because the FY 2023 aggregate operating budget exceeds the FY 2023 ceiling on the aggregate operating budget of \$5,260,518,937, 7 affirmative votes are required to adopt this resolution.

This is a correct copy of Council action.



Judy Rupp
Clerk of the Council

The FY 2023 aggregate operating budget excludes enterprise funds, specific grants, and tuition and tuition-related charges at the College and is calculated as follows.

| Fund or District | Appropriation (\$) |
|---|---------------------------|
| General Fund | 1,408,778,109 |
| Fire District | 252,665,621 |
| Economic Development Fund | 3,996,325 |
| Mass Transit | 167,835,477 |
| Recreation District | 51,443,711 |
| Urban District | 10,394,612 |
| Montgomery County Public Schools | 2,729,660,177 |
| Montgomery College | 275,259,984 |
| Maryland-National Capital Park and Planning Commission: | |
| Administration Fund | 36,847,696 |
| Park Fund | 117,024,459 |
| Debt Service on County Bonds and Leases | 435,195,165 |
| Debt Service on Park Bonds | 6,704,569 |
| Current Revenue for the Capital Budget | 92,389,000 |
| Current Revenue for PAYGO | 33,900,000 |
| Total Appropriations | 5,622,094,905 |
| Less College Tuition and Tuition-Related Charges | (56,126,488) |
| FY 2023 AGGREGATE OPERATING BUDGET | 5,565,968,417 |
| | |
| SUMMARY: | |
| Montgomery County Public Schools | 2,729,660,177 |
| Montgomery College | 275,259,984 |
| County Government | 1,835,985,178 |
| Maryland-National Capital Park and Planning Commission | 150,187,947 |
| Retiree Health Insurance Pre-Funding | 62,812,885 |
| Debt Service on County Bonds and Park Bonds | 441,899,734 |
| Current Revenue and PAYGO for Capital Budget | 126,289,000 |
| Total Appropriations | 5,622,094,905 |
| Less College Tuition and Tuition-Related Charges | (56,126,488) |
| FY 2023 AGGREGATE OPERATING BUDGET | 5,565,968,417 |
| | |
| Aggregate Operating Budget for FY 2022 | 5,141,909,322 |
| \$ increase | 424,059,095 |
| % change | 8.25% |