

**February 2009**

## **MCCPTA Operating Budget Committee Report**

**Chair: Pam Moomau**

The Operating Budget Committee hosted the Operating Budget Forum on January 5th, and an Operating Budget Workshop with cluster coordinators on January 12, where we developed the theme “hold the line” on further budget cuts. Operating budget testimony before the Board of Education is complete. MCPS has provided answers to 18 questions that were asked by BOE members at these hearings. They are posted to the MCCPTA website, under Operating Budget Committee.

[http://www.mccpta.com/opBudg\\_dir/FY2010\\_OpBudg\\_QA.pdf](http://www.mccpta.com/opBudg_dir/FY2010_OpBudg_QA.pdf)

While some answers lack specificity, there is some interesting information about where certain categories of position cuts can be expected to occur.

The next advocacy step will be reminding our State delegation that we are following the budget process in Annapolis, and expect them to advocate strongly for school funding.

The Governor’s proposed budget holds promise for local school funding. It includes continuing state funding of teacher pensions and continued phase-in of funding the GCEI. In addition, it corrects an error in the calculation of the wealth-based Thornton formula for Montgomery County. Offsetting this good news is a reduction in cost-sharing for non-public placements from a state share of 80 percent to a state share of 50 percent. The net result of these and a couple smaller adjustments is that expected revenues for MCPS based on the Governors budget are approximately \$23 million more than MCPS had projected when preparing the Superintendent’s recommended budget. Current plans for those additional funds are to restore funding of various required reserve funds, including pensions and health benefits, that the originally recommended budget had failed to provide. Since it is poor budget process to neglect these reserves to begin with, and the likelihood of more funds being available to catch up next year is small, this is probably a good use of these funds.

The error in Thornton funding to Montgomery County for the current fiscal year (2009) was \$24.5 million. We have heard various estimates of when we can expect to see that money. The most recent information is that it will be sent in April, 2009. However, partially offsetting that \$24.5 million increase is a reduction in the GCEI payment for fiscal year 2009. Thus, MCPS expects a net \$15 million more for the FY2009 budget than had been anticipated at the beginning of the fiscal year.

The County Council postponed its meeting on Spending Affordability Guidelines until February 9. Based on public comments as well as comments at our MCCPTA Operating Budget Forum, we do not expect the County Council to exceed the guidelines. Since the projected County operating budget is still in deficit, we can expect further budget struggles at the County level.