

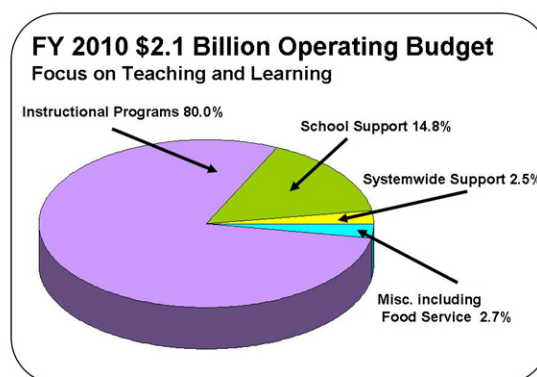
Montgomery County Public Schools
Superintendent's FY 2010 Operating Budget Recommendations
December 11, 2008
OVERVIEW

BACKGROUND: The operating budget for FY 2010 was developed in full partnership with the three employee associations—MCAASP/MCBOA, MCEA, and SEIU Local 500—and with the Montgomery County Council of PTAs. Dr. Rebecca Newman, Ms. Bonnie Cullison, Ms. Merle Cuttitta, and Ms. Kay Romero were involved at every step in the budget process and played critical roles in identifying budget priorities and cost savings and preserving initiatives to improve student achievement. As they developed the budget, MCPS, the employee associations and MCCPTA also considered the input from parents, staff, students, and community members who testified at two community forums in the fall.

FY 2010 Operating Budget Facts

- \$2.1 billion recommended budget.
- \$40.2 million increase, 2% more than FY 2009 budget. This is the smallest percentage increase in more than 20 years.
- Requires no new funding from Montgomery County taxpayers.
- Of the \$40.2 million increase, approximately half will come from the state, and the other half will come from savings accumulated from the FY 2009 MCPS operating budget.
- Much of the increase will be to cover increased enrollment and inflation-related cost increases.
- The budget continues funding of past initiatives to improve student achievement but includes no funding for new initiatives.
- 80% of every dollar is spent on instructional services.
- 2% is spent on central administrative costs—among the lowest in Maryland.

FY 2010 Operating Budget
\$40.2 Million Increase



Budget Reductions and Cost-Savings Efforts

- Deferral of \$11 million for funding of health costs for future retirees.
- More than \$35 million in savings that will be achieved in FY 2010 from program eliminations and reductions, including 30% of the cuts from the central office.
- An estimated \$20 million from FY 2009 MCPS savings would be carried over for use in the FY 2010 operating budget.
- Elimination of \$89 million of negotiated cost-of-living wage adjustments for MCPS employees.

Preserving Our Progress in Student Achievement

- No across-the-board class size increase.
- Preserving initiatives that address student achievement.
- Budget reductions made that will have the least impact on students and classroom instruction.

Salary Agreements

- MCPS and the three unions have tentatively agreed on forgoing cost-of-living adjustments for FY 2010.
- The salary schedule will be preserved.
- Maintain current employee health benefits.

