

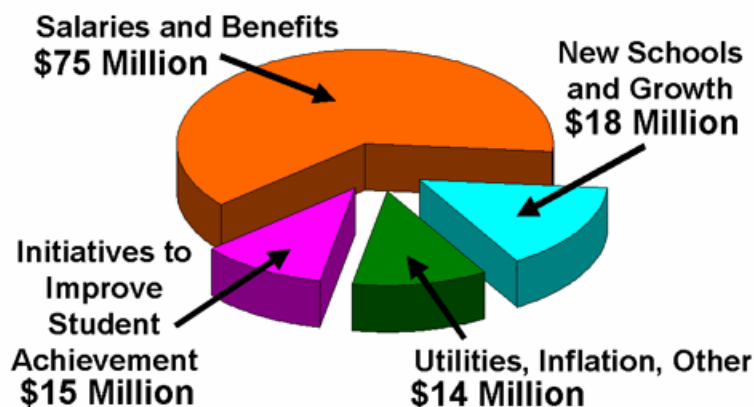
**Montgomery County Public Schools**  
**Superintendent's FY 2007 Operating Budget Recommendations**  
**December 14, 2005**  
**OVERVIEW**

**BACKGROUND:** The budget for FY 2007 was developed through an unprecedented partnership with the three employee associations: MCAASP, MCEA, and SEIU 500. Dr. Rebecca Newman, Ms. Bonnie Cullison, and Ms. Merle Cuttitta were involved at every step in the budget process and played a critical role in identifying budget priorities, cost savings, and initiatives to improve student achievement. As they developed the budget, MCPS and the employee associations also considered the feedback from parents, staff, students, and community members who attended the three community forums in September and October 2005.

**FY 2007 Operating Budget Facts**

- \$1.8 billion recommended budget.
- \$122 million increase. Of that, \$68 million will come from Montgomery County and the remaining will come from the state and federal governments.
- Increase is about 7% over FY 2006 budget. This is less than the six-year average increase of 7.6%.
- Most of the increase will be to maintain current services for more than 139,000 students, open five new schools, and for enrollment growth in special education and ESOL.
- The increase also includes the next phase of initiatives from the multiyear plan designed to improve student achievement.
- The budget includes \$6 million in reductions to help fund improvements.
- Nearly 65% of every dollar is spent on classroom instruction—more than any other district in Maryland.
- 2% is spent on central administrative costs—the third lowest in Maryland.

**FY 2007 Operating Budget**  
**\$122 Million Increase**



### **Salaries and Benefits—\$75 Million Increase**

- 89% of the budget is for salaries and benefits for more than 21,000 employees.
- Negotiated salary increases include 3% increases for MCEA and SEIU employees effective July 1, 2006, and an additional 1% effective on January 1, 2007. MCAASP employees will receive a 4% increase on November 1, 2006.
- Higher benefit contributions required for health insurance and retirement.

### **New Schools and Enrollment Growth—\$18 Million Increase**

- Five new schools will open in FY 2007 along with additional grades at two schools. The new schools include Clarksburg High School and four elementary schools.
- Enrollment in special education (17,684) and ESOL (13,147) continues to increase.
- Enrollment growth requires increased instructional staffing, additional student transportation (buses, operators, and attendants), more textbooks, other school-based supporting services, and new and expanded school facilities.
- Enrollment in grades K-12 has stabilized in the last few years. (2005–06 enrollment is 139,387).

### **Utilities, Inflation, Textbooks, and Other—\$14 Million Increase**

- There are higher costs for natural gas, electricity, and diesel fuel for school buses.
- Inflation has increased to more than 4%.
- Higher inflation rates have increased the costs of textbooks and instructional materials.

### **Initiatives to Improve Student Achievement—\$15 Million Increase**

- Expand full day kindergarten to 17 more schools for a total of 110 schools
- Add 15 elementary assistant principals
- Strengthen special education in middle and high schools. That includes reducing the size of general education classes with special education students
- Lower high school class sizes in core subject areas
- Increase supports at high school to strengthen literacy, improve performance on High School Assessments, and boost the number of students eligible for extracurricular activities
- Support middle school reform
- Expand IB and gifted programs
- Increase foreign language translation services
- Enhance violence prevention programs
- Expand program to improve student safety on buses—*Ride by the Rules*
- Expand Study Circles program
- Improve technology supports for instruction
- Add more support staff—building services workers and teacher aides

