



# Budget Update Information

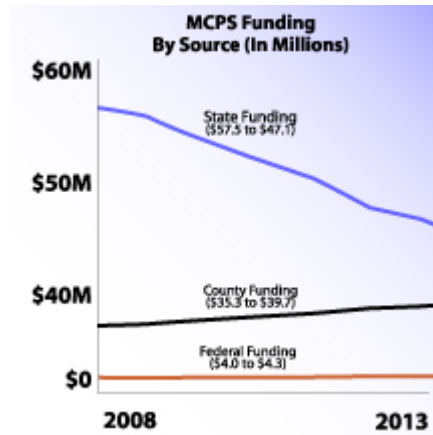
Secure the Future for Montgomery County Public Schools

## Status of School Operating Budget

FY 12-13 (Current Year) \$91,969,180  
 FY 08-09 \$97,385,738

**Net Reduction Past Four Years - \$ 5,416,558**

During this period State Revenue has declined by more than \$10 million which is at a faster rate than the County could replace, as illustrated by this graph:



## What actions have been taken to absorb budget reductions since 2008?

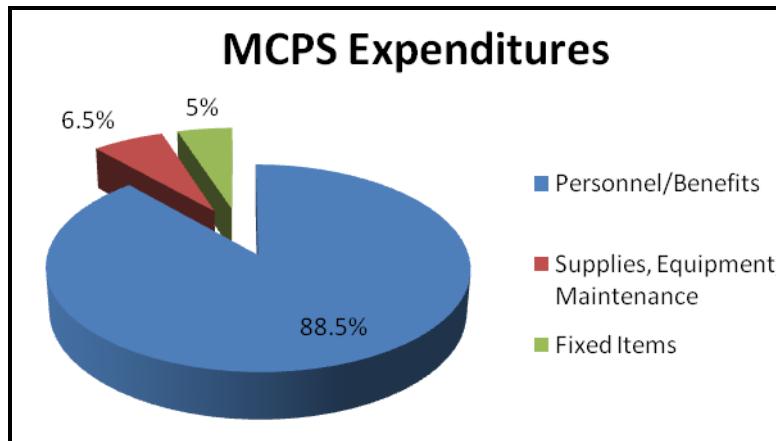
Item	Budget Cut
Staff and Personnel Budget (-57 FTE positions)	- \$ 5,718,579
Instructional Equipment Budget (-59.5%)	- \$ 713,520
Instructional Supply Budget (-41.4%)	- \$ 659,402
Contract/Purchased Services Budget (-55%)	- \$ 540,742
Employee Benefits (-2.5%)	- \$ 484,951
Textbook Budget (-41%)	- \$ 444,670
Summer School (-47%)	- \$ 310,577
Building Energy Savings (-7.7%)	- \$ 222,500
Travel Budget (-35%)	- \$ 53,964
Field Trips Budget (-30%)	- \$ 19,211
Office Supply Budget (-55%)	- \$ 8,030
Postage Costs (-18%)	- \$ 15,000
Other budget deductions	- \$ 336,833
<b>Total Reductions</b>	<b>- \$9,527,979</b>

## What costs have increased during the past four years?

Item	Cost
VRS Contribution Rate Change – State Mandate	\$1,585,339
Salary Increase (1% to all employees)	\$ 847,410
Health Insurance Rates (9.2%)	\$ 773,265
BHS and BMS Temporary Housing	\$ 296,257
21st Century Classroom Technology	\$ 250,000
VRS Health Credit and Life Insurance – State Mandate	\$ 205,810
Utilities and Maintenance for New Elementary Schools	\$ 153,340
<b>Total Increases</b>	<b>\$4,111,421</b>

## How does MCPS spend money?

Item	% of Budget
Personnel/Benefits	88.5%
Supplies, Equipment, Maintenance	6.5%
Fixed Items (insurance, utilities)	5.0%



## Why is more money needed for FY 2013-2014?

This list of additional expenses represents two specific categories of need. The first category includes items that were previously removed as one-time budget cuts but must now be replaced in the budget. The second category includes items that are new revenue losses or new expenditures.

Item	Cost
Restore Pay-to-Play Funds	\$ 72,100
Restore 2 Vacant Maintenance Positions	\$ 97,898
Replace 21st Century Classroom Funds	\$ 150,000
AHS & BHS Increased Operating Costs	\$ 224,000
Health Insurance Increase – Federal and Local Changes	\$ 230,000
Replace Funds for Roof Maintenance Plan	\$ 250,000
Replace One Time Funds for Aging Buses (4)	\$ 350,000
Sequestration – Loss of Federal Funds	\$ 352,068
VRS Contribution Shift (4%)	\$ 552,968
Salary Scale Adjustments	\$ 1,625,000
<b>Total Increased Expenditures</b>	<b>\$3,904,034</b>

## What is the budget outlook for FY 2013-2014?

The FY 2013-14 Operating Budget will be high in need and short in funding. There is an expected increase in state revenue of \$237,985 – these funds will not be enough to fill the expanding hole in the budget as funding for education decreases and the needs of MCPS increase. Additional funds are needed to Secure the Future for MCPS.

More information is available online at [www.mcps.org/budgetupdate](http://www.mcps.org/budgetupdate).