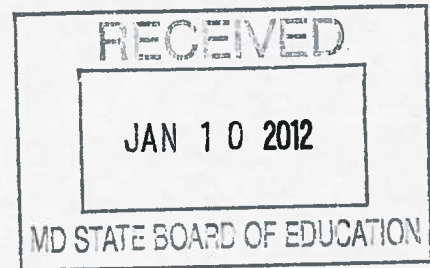


County Executive John R. Leopold
P.O. Box 2700, Annapolis, MD 21404
410-222-1821



January 10, 2012

Bernard J. Sadusky, Ed. D.
Interim State Superintendent of Schools
Maryland State Department of Education
200 West Baltimore Street
Baltimore, MD 21201

Re: Notice of Non-Compliance with Maintenance of Effort

Dear Dr. Sadusky:

I am in receipt of your letter dated December 13, 2011, in which you notify Anne Arundel County that you believe that the County is in non-compliance with the State Maintenance of Effort (MOE) requirement. Please note that, in accordance with § 5-213(b) of the Education Article of the State Code, Anne Arundel County disputes your finding and requests that the matter be referred to the State Board of Education for a final determination. Additionally, I request that the County be given a hearing before the Board on the dispute.

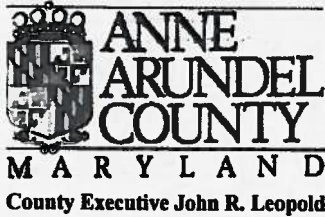
Enclosed are the documents in support of the County's position. The point of contact for the County regarding this matter is Anne Arundel County Budget Officer John R. Hammond, telephone number 410-222-1222.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Leopold".

John R. Leopold
County Executive

Enclosures



Arundel Center
44 Calvert Street
Annapolis, MD 21401

John R. Hammond
Budget Officer
Chairman, Board of Trustees of the Anne
Arundel County Retirement & Pension System
Chairman, Pension Investment Committee
410-222-1222
410-222-1108 FAX
jhammond@aacounty.org

January 10, 2012

Bernard J. Sadusky, Ed. D.
Interim State Superintendent of Schools
Maryland State Board of Education
200 West Baltimore Street
Baltimore, Maryland 21201

Re: Notice of Non-Compliance with Maintenance of Effort

Dear Dr. Sadusky:

A copy of your letter of December 13, 2011 to County Executive John R. Leopold was forwarded to me as Budget Officer for a detailed response disputing your determination of Anne Arundel County's non-compliance with its FY2012 maintenance of effort requirement. Your finding was based upon the dollar amounts shown in a Maintenance of Effort Certificate Statement dated November 16, 2012 supplied by Dr. Kevin M. Maxwell, Superintendent of Anne Arundel County Public Schools.

The Certification Statement executed by Dr. Maxwell, states that Anne Arundel County provided a Net Local Appropriation of \$556,105,600 for FY2012. The Certification Statement also states that the Maintenance of Effort Level is \$568,068,888. Unfortunately, the Certified Statement by Dr. Maxwell as to Anne Arundel County's funding of the School System for FY2012 is not consistent with the funding for the School System as approved by the Anne Arundel County Council. Attached to this letter is a copy of the approved FY2012 Annual Budget and Appropriation Ordinance of Anne Arundel County, which shows on page 2 and on page 1 of Exhibit 1, that \$609,972,000 of County funds were appropriated to the Board of Education.

Dr. Maxwell's Certification Statement ignores the full appropriation of \$609,972,000 made by the Anne Arundel County Council by omitting the County Council's appropriation for debt service to Anne Arundel County Public Schools; thereby failing to recognize the methodology that was utilized by Anne Arundel County in order to determine its maintenance of effort requirement for FY2012. This methodology was carefully explained to the Board of Education and Dr. Maxwell during the FY2012 budget approval process, and was reviewed by the County Council in legislative session prior to its approval of the FY2012 budget.

Bernard J. Sadusky, Ed. D

January 10, 2012

Page 2

In developing and approving its FY2012 funding of the Anne Arundel County School System, the Administration and County Council took great care to meet its obligation under the Maintenance of Effort requirement of the State Code. In doing so, the County relied upon an opinion of the Attorney General (94 Op. Attorney General 177), which is also attached to this letter, in which a method for funding maintenance of effort that includes debt service was outlined (pages 194-200). In that opinion the Attorney General concludes "***an appropriation of local funds in the school operating budget for recurring debt service payments for public school construction may be counted toward satisfaction of a county's MOE target.***" (94 Op. Attorney General 177 at page 196 - Emphasis added).

Anne Arundel County chose to include the appropriation of recurring debt service for school construction as part of its maintenance of effort funding for the School System for FY2012. This was not the case for FY2011. In utilizing an appropriation for debt service for FY2012, the County recognized the requirements stated in the Attorney General's Opinion that an adjustment in the maintenance of effort calculation must be made in order to get a true comparison ("apples to apples" 94 Op. Attorney General 177, at page 198) between the two years (FY2011 and FY2012). Anne Arundel County's approach in following the Attorney General's prescribed methodology for including debt service costs contrasts with the situation that caused the Attorney General to address this question in 2009 when both Montgomery County and Prince George's County attempted to utilize a debt service appropriation in their FY2010 budgets in order to meet the maintenance of effort requirement for that year.

The Opinion of the Attorney General states: "***The shifting of debt service to the school board budget for the first time for Fiscal Year 2010 artificially satisfies the MOE requirement, unless a corresponding adjustment is made to the prior year's budget in computing the MOE target amount.***" (94 Op. Attorney General 177 at page 200 - Emphasis added)

Anne Arundel County followed the Attorney General's methodology of adjusting the County's prior year funding to assure that the County met the FY2012 maintenance of effort requirement. Attached to this letter is a schedule (MOE Schedule) which details the MOE calculation had it been calculated without debt service (which is consistent with Dr. Maxwell's certification), and an Adjusted MOE calculation (which Dr. Maxwell has chosen to ignore) based upon including debt service in **FY2011 and FY2012**. The adjusted amount in this schedule (line 12, \$609,971,812) is consistent with the approved funding by the Anne Arundel County Council for the Board of Education for FY2012.

As the previously referenced MOE Schedule demonstrates, the County, in determining the FY2012 MOE funding for the Board of Education did **make an adjustment to the previous year's (FY2011) MOE calculation** (which both Montgomery and Prince George's Counties failed to do per the Attorney General's opinion), by adding FY2011 debt service in order to determine an adjusted FY2011 per pupil amount (line 10 of MOE Schedule). Accordingly, Anne Arundel County did meet its obligation under Section 5-202 of the Education Article contrary to the certification signed by Dr Maxwell.

Bernard J. Sadusky, Ed. D

January 10, 2012

Page 3

Finally, I have also attached a revised Certification Statement which is properly completed and therefore correctly reports the funding approved by the Anne Arundel County Council for the Anne Arundel County Board of Education and demonstrates that the County did indeed meet its maintenance of effort requirement for FY2012.

As requested by the County Executive's attached cover letter to you, Anne Arundel County asks that the State Board of Education conduct a hearing, and conclude that the County has complied with the provisions of Section 5-202 for FY2012. If you have questions or require additional information, please do not hesitate to contact me.

Sincerely,



John R. Hammond
Budget Officer

Enclosures: Approved FY2012 Annual Budget Appropriation Ordinance
Attorney General Opinion (94 Op. Attorney General 177)
MOE Schedule
Revised Certification Statement

cc: James DeGraffenreidt
Dr. Kevin M. Maxwell
Anthony South
Elizabeth M. Kameen
Stephen Brooks
Aleksy L. Szachnowicz
John R. Leopold
Dennis Callahan
Members of the County Council
Teresa O. Sutherland
Robert Leib
Jonathan Hodgson
David Plymyer
Marc Burford

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2011, Legislative Day No. 9

Bill No. 27-11

Introduced by Mr. Ladd, Chairman
(by request of the County Executive)

By the County Council, May 2, 2011

Introduced and first read on May 2, 2011
Public Hearing set for and held on May 9 and May 11, 2011
Bill AMENDED on May 20 and 24, 2011
Bill Voted on May 24, 2011

By Order: Judy C. Holmes, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE concerning: Annual Budget and Appropriation Ordinance of Anne
2 Arundel County

3
4 FOR the purpose of adopting the County Budget, consisting of the Current Expense
5 Budget for the fiscal year ending June 30, 2012, the Capital Budget for the fiscal year
6 ending June 30, 2012, the Capital Program for the fiscal years ending June 30, 2012,
7 June 30, 2013, June 30, 2014, June 30, 2015, June 30, 2016, and June 30, 2017; and
8 appropriating funds for all expenditures for the fiscal year beginning July 1, 2011,
9 and ending June 30, 2012.

10
11 SECTION 1. *Be it enacted by the County Council of Anne Arundel County,*
12 *Maryland,* That the Current Expense Budget for the fiscal year ending June 30, 2012, as
13 amended by this Ordinance, is hereby approved and finally adopted for such fiscal year;
14 and funds for all expenditures for the purposes specified in the Current Expense Budget
15 beginning July 1, 2011, and ending June 30, 2012, are hereby appropriated in the
16 amounts hereinafter specified and will be used by the respective departments and major
17 operating units thereof and by the courts, bureaus, commissions, offices, agencies, and
18 special taxing districts of the County in the sums itemized in said budget and summarized
19 in Exhibit A, hereby adopted and made part of this Ordinance, for the principal objectives
20 and purposes thereof; and the total sum of General Fund appropriations herein provided
21 for the respective departments and major operating units thereof and by the courts,
22 bureaus, commissions, offices, agencies, and special taxing districts as are set out
23 opposite each of them as follows:

EXPLANATION: Underlining indicates amendments to bill.
~~Strikeover~~ indicates matter stricken from bill by amendment.

1	1. Office of Administrative Hearings	\$ 247,600	<u>\$ 246,400</u>
2			
3	2. Board of Education	\$ 609,972,000	
4			
5	3. Board of Supervisors of Elections	\$ 3,198,300	
6			
7	4. Board of License Commissioners	\$ 645,500	<u>\$ 645,100</u>
8			
9	5. Office of Central Services	\$ 17,842,600	\$ 17,793,500
10			<u>\$ 17,442,600</u>
11			<u>\$ 17,393,500</u>
12			
13	6. Chief Administrative Officer	\$ 6,570,800	\$ 6,569,200
14			<u>\$ 6,562,500</u>
15			<u>\$ 6,820,800</u>
16			<u>\$ 6,810,900</u>
17			<u>\$ 10,579,600</u>
18			
19	7. Circuit Court	\$ 4,442,500	<u>\$ 4,422,500</u>
20			
21	8. Anne Arundel Community College	\$ 33,822,700	\$ 30,281,400
22			<u>\$ 26,831,400</u>
23			<u>\$ 28,556,400</u>
24			
25	9. Cooperative Extension Service	\$ 223,800	
26			
27	10. Office of the County Executive	\$ 3,552,200	\$ 3,546,200
28			<u>\$ 3,530,100</u>
29			<u>\$ 3,524,100</u>
30			
31	11. Department of Aging	\$ 7,589,700	\$ 7,565,200
32			<u>\$ 7,470,700</u>
33			<u>\$ 7,446,200</u>
34			
35	12. Office of Information Technology	\$ 14,117,600	\$ 14,082,400
36			<u>\$ 14,009,300</u>
37			<u>\$ 13,974,100</u>
38			
39	13. Office of Detention Facilities	\$ 41,002,800	\$ 40,856,700
40			<u>\$ 40,766,800</u>
41			<u>\$ 40,620,700</u>
42			
43	14. Ethics Commission	\$ 163,900	<u>\$ 163,300</u>
44			
45	15. Fire Department	\$ 93,539,800	\$ 93,165,300
46			<u>\$ 92,492,800</u>
47			<u>\$ 92,452,800</u>
48			<u>\$ 92,078,300</u>

1	16. Department of Health	\$ 30,281,500	<u>\$ 30,129,000</u>
2			
3	17. Department of Inspections and Permits	\$ 10,768,600	<u>\$ 10,709,100</u>
4			
5	18. Office of Law	\$ 3,500,500	<u>\$ 3,484,800</u>
6			
7	19. Legislative Branch	\$ 3,266,000	<u>\$ 3,257,100</u>
8			
9	20. Office of Finance	\$ 7,114,100	<u>\$ 7,084,800</u>
10			
11	21. Office of Finance (Non-Departmental)	\$ 92,189,200	\$ 89,790,200
12			<u>\$ 93,290,200</u>
13			
14	22. Office of the Budget	\$ 887,000	<u>\$ 883,300</u>
15			
16	23. Office of the Sheriff	\$ 7,396,200	<u>\$ 7,362,700</u>
17			
18	24. Office of the State's Attorney	\$ 8,614,500	<u>\$ 8,577,000</u>
19			
20	25. Orphan's Court	\$ 119,600	<u>\$ 118,900</u>
21			
22	26. Office of Personnel	\$ 5,728,900	\$ 5,709,600
23			<u>\$ 5,624,400</u>
24			<u>\$ 5,605,100</u>
25			
26	27. Office of Planning and Zoning	\$ 7,839,400	\$ 7,805,500
27			<u>\$ 7,835,900</u>
28			<u>\$ 7,802,000</u>
29			
30	28. Police Department	\$ 101,896,700	\$ 101,512,600
31			<u>\$ 99,866,300</u>
32			<u>\$ 99,558,600</u>
33			
34	29. Department of Public Libraries	\$ 14,798,500	<u>\$ 14,678,500</u>
35			
36	30. Department of Public Works	\$ 33,714,300	\$ 33,598,200
37			<u>\$ 33,661,800</u>
38			<u>\$ 33,545,700</u>
39			
40	31. Department of Recreation and Parks	\$ 22,433,100	<u>\$ 22,393,800</u>
41			
42	32. Department of Social Services	\$ 4,741,100	\$ 4,720,300
43			<u>\$ 4,720,100</u>
44			<u>\$ 4,699,300</u>
45			

46 SECTION 2. *And be it further enacted*, That funds in the amount of \$39,842,400 are
 47 appropriated for the Water and Wastewater Sinking Fund during the fiscal year beginning
 48 July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B, adopted
 49 and made part of this Ordinance.

1 SECTION 3. *And be it further enacted,* That funds in the amount of ~~\$89,492,000~~
 2 ~~\$89,342,600~~ ~~\$89,086,200~~ \$88,936,800 are appropriated for the Water and Wastewater
 3 Operating Fund during the fiscal year beginning July 1, 2011, and ending June 30, 2012,
 4 for the purposes set forth in Exhibit B, adopted and made part of this Ordinance.

5
 6 SECTION 4. *And be it further enacted,* That funds in the amount of ~~\$14,652,300~~
 7 \$14,625,900 are appropriated for the Garage Working Capital Fund during the fiscal year
 8 beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B,
 9 adopted and made part of this Ordinance.

10
 11 SECTION 5. *And be it further enacted,* That funds in the amount of \$3,604,400 are
 12 appropriated for the Reforestation Fund during the fiscal year beginning July 1, 2011, and
 13 ending June 30, 2012, for the purposes set forth in Exhibit B, adopted and made part of
 14 this Ordinance.

15
 16 SECTION 6. *And be it further enacted,* That funds in the amount of \$1,200,000 are
 17 appropriated for the Anne Arundel Workforce Development Corporation Fund during the
 18 fiscal year beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in
 19 Exhibit B, adopted and made part of this Ordinance.

20
 21 SECTION 7. *And be it further enacted,* That funds in the amount of \$1,100,000 are
 22 appropriated for the Park Place Tax Increment Fund during the fiscal year beginning July
 23 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B, adopted and
 24 made part of this Ordinance.

25
 26 SECTION 8. *And be it further enacted,* That funds in the amount of \$1,002,500 are
 27 appropriated for the Inmate Benefit Fund during the fiscal year beginning July 1, 2011,
 28 and ending June 30, 2012, for the purposes set forth in Exhibit B, adopted and made part
 29 of this Ordinance.

30
 31 SECTION 9. *And be it further enacted,* That funds in the amount of \$420,500 are
 32 appropriated for the Parking Garage Special Revenue Fund during the fiscal year
 33 beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B,
 34 adopted and made part of this Ordinance.

35
 36 SECTION 10. *And be it further enacted,* That funds in the amount of ~~\$52,679,300~~
 37 ~~\$52,642,200~~ ~~\$51,823,300~~ ~~\$52,323,300~~ \$52,286,200 are appropriated for the Waste
 38 Collection Fund during the fiscal year beginning July 1, 2011, and ending June 30, 2012,
 39 for the purposes set forth in Exhibit B, adopted and made part of this Ordinance.

40
 41 SECTION 11. *And be it further enacted,* That funds for the purposes herein specified
 42 are appropriated for the Higher Education Fund during the fiscal year beginning July 1,
 43 2011, and ending June 30, 2012 as follows:

44
 45 Anne Arundel Community College

46			
47	1. Instruction	\$ 55,859,500	<u>\$ 55,202,400</u>
48			<u>\$ 53,383,400</u>

1			<u>\$ 56,338,000</u>
2			<u>\$ 54,292,800</u>
3			
4	2. Academic Support	\$ 14,483,700	<u>\$ 14,313,300</u>
5			<u>\$ 13,841,600</u>
6			<u>\$ 14,921,400</u>
7			<u>\$ 14,077,500</u>
8			
9	3. Student Services	\$ 8,789,600	<u>\$ 8,686,200</u>
10			<u>\$ 8,400,000</u>
11			<u>\$ 8,846,200</u>
12			<u>\$ 8,543,100</u>
13			
14	4. Plant Operations	\$ 11,118,100	<u>\$ 10,987,300</u>
15			<u>\$ 10,625,300</u>
16			<u>\$ 11,125,600</u>
17			<u>\$ 10,806,300</u>
18			
19	5. Institutional Support	\$ 15,696,600	<u>\$ 15,511,900</u>
20			<u>\$ 15,000,800</u>
21			<u>\$ 15,716,300</u>
22			<u>\$ 15,256,400</u>
23			
24	6. Auxiliary and Other	\$ 45,558,000	
25			

SECTION 12. *And be it further enacted,* That funds for the purposes herein specified are appropriated for the School Current Expense Fund during the fiscal year beginning July 1, 2011, and ending June 30, 2012, as follows:

Board of Education

31			
32	1. Administration	\$	24,076,300
33			
34	2. Mid-Level Administration	\$	62,958,400
35			
36	3. Instructional Salaries and Wages	\$	354,101,200
37			
38	4. Other Instructional Costs	\$	14,021,400
39			
40	5. Textbooks and Classroom Supplies	\$	23,901,700
41			
42	6. Pupil Services	\$	5,635,700
43			
44	7. Pupil Transportation	\$	41,417,200
45			
46	8. Operation of Plant	\$	65,119,900
47			
48	9. Maintenance of Plant	\$	13,282,800

1	10. Fixed Charges	\$	186,992,300
2			
3	11. Community Services	\$	99,400
4			
5	12. Capital Outlay	\$	3,300,100
6			
7	13. Special Education	\$	116,321,500
8			
9	14. Food Services	\$	25,536,000

10
11 SECTION 13. *And be it further enacted*, That funds in the amount of \$4,897,600 are
12 appropriated for the Nursery Road Tax Increment Fund during the fiscal year beginning
13 July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B, adopted
14 and made part of this Ordinance.

15
16 SECTION 14. *And be it further enacted*, That funds in the amount of ~~\$4,310,900~~
17 \$4,296,900 are appropriated for the Recreation and Parks Child Care Fund during the
18 fiscal year beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in
19 Exhibit B, adopted and made part of this Ordinance.

20
21 SECTION 15. *And be it further enacted*, That funds in the amount of \$1,000,000 are
22 appropriated for the Piney Orchard WWS Fund during the fiscal year beginning July 1,
23 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B, adopted and
24 made part of this Ordinance.

25
26 SECTION 16. *And be it further enacted*, That funds in the amount of \$1,300,000 are
27 appropriated for the Developer Streetlight Fund during the fiscal year beginning July 1,
28 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B, adopted and
29 made part of this Ordinance.

30
31 SECTION 17. *And be it further enacted*, That funds in the amount of \$191,000 are
32 appropriated for the Forfeiture and Asset Seizure Team (FAST) Fund during the fiscal
33 year beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in
34 Exhibit B, adopted and made part of this Ordinance.

35
36 SECTION 18. *And be it further enacted*, That funds in the amount of ~~\$19,327,000~~
37 \$19,320,100 are appropriated for the Self-Insurance Fund during the fiscal year
38 beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B,
39 adopted and made part of this Ordinance.

40
41 SECTION 19. *And be it further enacted*, That funds in the amount of \$1,701,000 are
42 appropriated for the Partnership for Children, Youth & Families Special Fund during the
43 fiscal year beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in
44 Exhibit B, adopted and made part of this Ordinance.

45
46 SECTION 20. *And be it further enacted*, That funds in the amount of \$98,661,000 are
47 appropriated for the Health Insurance Fund during the fiscal year beginning July 1, 2011,
48 and ending June 30, 2012, for the purposes set forth in Exhibit B, adopted and made part
49 of this Ordinance.

1 SECTION 21. *And be it further enacted*, That funds in the amount of \$5,211,100 are
2 appropriated for the West County Development District Tax Increment Fund during the
3 fiscal year beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in
4 Exhibit B, adopted and made part of this Ordinance.

5
6 SECTION 22. *And be it further enacted*, That funds for the purposes herein specified
7 are appropriated for the Library Fund during the fiscal year beginning July 1, 2011, and
8 ending June 30, 2012, as follows:

9

10	1. Personal Services	\$ 14,710,000 \$ <u>14,050,000</u>
11		
12	2. Contractual Services	\$ 992,600
13		
14	3. Supplies and Materials	\$ 3,296,900
15		
16	4. Business and Travel	\$ 78,100
17		

18 SECTION 23. *And be it further enacted*, That funds in the amount of \$5,893,900 are
19 appropriated for the Community Development Fund during the fiscal year beginning July
20 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B, adopted and
21 made part of this Ordinance.

22
23 SECTION 24. *And be it further enacted*, That funds in the amount of \$564,300 are
24 appropriated for the Farmington Village Special Taxing District Fund during the fiscal
25 year beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in
26 Exhibit B, adopted and made part of this Ordinance.

27
28 SECTION 25. *And be it further enacted*, That funds in the amount of \$12,203,600 are
29 appropriated for the Parole Town Center Development District Tax Increment Fund
30 during the fiscal year beginning July 1, 2011, and ending June 30, 2012, for the purposes
31 set forth in Exhibit B, adopted and made part of this Ordinance.

32
33 SECTION 26. *And be it further enacted*, That funds in the amount of \$4,839,600 are
34 appropriated for the Route 100 Development District Tax Increment Fund during the
35 fiscal year beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in
36 Exhibit B, adopted and made part of this Ordinance.

37
38 SECTION 27. *And be it further enacted*, That funds in the amount of ~~\$2,095,300~~
39 \$1,430,300 are appropriated for the Agricultural and Woodland Preservation Sinking
40 Fund during the fiscal year beginning July 1, 2011, and ending June 30, 2012, for the
41 purposes set forth in Exhibit B, adopted and made part of this Ordinance.

42
43 SECTION 28. *And be it further enacted*, That funds in the amount of \$743,100 are
44 appropriated for the Laurel Race Track Community Benefit Fund during the fiscal year
45 beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B,
46 adopted and made part of this Ordinance.

47
48 SECTION 29. *And be it further enacted*, That funds in the amount of \$1,299,900 are

1 appropriated for the Dorchester Special Taxing District during the fiscal year beginning
2 July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B, adopted
3 and made part of this Ordinance.

4
5 SECTION 30. *And be it further enacted*, That funds in the amount of ~~\$5,446,300~~
6 ~~\$4,429,300~~ \$5,929,300 are appropriated for the Garage Vehicle Replacement Fund
7 during the fiscal year beginning July 1, 2011, and ending June 30, 2012, for the purposes
8 set forth in Exhibit B, adopted and made part of this Ordinance.

9
10 SECTION 31. *And be it further enacted*, That funds in the amount of \$181,000 are
11 appropriated for the Court Fines and Fees Special Revenue Fund during the fiscal year
12 beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B,
13 adopted and made part of this Ordinance.

14
15 SECTION 32. *And be it further enacted*, That funds in the amount of \$6,663,300 are
16 appropriated for the Pension Fund during the fiscal year beginning July 1, 2011, and
17 ending June 30, 2012, for the purposes set forth in Exhibit B, adopted and made part of
18 this Ordinance.

19
20 SECTION 33. *And be it further enacted*, That funds in the amount of \$2,272,900 are
21 appropriated for the Bond Premium Special Revenue Fund during the fiscal year
22 beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B,
23 adopted and made part of this Ordinance.

24
25 SECTION 34. *And be it further enacted*, That funds in the amount of \$1,836,000 are
26 appropriated for the National Business Park - North Fund during the fiscal year beginning
27 July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B, adopted
28 and made part of this Ordinance.

29
30 SECTION 35. *And be it further enacted*, That funds in the amount of \$1,056,000 are
31 appropriated for the Village South at Waugh Chapel Fund during the fiscal year
32 beginning July 1, 2011, and ending June 30, 2012, for the purposes set forth in Exhibit B,
33 adopted and made part of this Ordinance.

34
35 SECTION 36. *And be it further enacted*, That funds in the amount of \$33,819,400 are
36 appropriated for the Grants Special Revenue Fund during the fiscal year beginning July 1,
37 2011, and ending June 30, 2012, for the purposes set forth in Exhibit C, adopted and
38 made part of this Ordinance.

39
40 SECTION 37. *And be it further enacted*, That funds for the purposes herein specified
41 are appropriated for the respective Special Taxing District Funds during the fiscal year
42 beginning July 1, 2011, and ending June 30, 2012, as follows:

- 43
- | | | | |
|----|----------------------------|----|---------|
| 44 | 1. Amberley SCBD | \$ | 39,383 |
| 45 | | | |
| 46 | 2. Annapolis Roads SCBD | \$ | 410,529 |
| 47 | | | |
| 48 | 3. Arundel on the Bay SCBD | \$ | 211,323 |

1	4. Avalon Shores SCBD	\$	70,378
2			
3	5. Bay Highlands SCBD	\$	70,900
4			
5	6. Bay Ridge SCBD	\$	243,453
6			
7	7. Beverly Beach SCBD	\$	32,375
8			
9	8. Bittersweet SCBD	\$	8,607
10			
11	9. Cape Anne SCBD	\$	10,050
12			
13	10. Cape St. Claire SCBD	\$	267,943
14			
15	11. Capetowne SCBD	\$	45,300
16			
17	12. Carrollton Manor SCBD	\$	111,257
18			
19	13. Cedarhurst on the Bay SCBD	\$	137,410
20			
21	14. Chartwell SCBD	\$	91,111
22			
23	15. Columbia Beach SCBD	\$	93,737
24			
25	16. Crofton SCBD	\$	1,333,167
26			
27	17. Deale Beach SCBD	\$	7,320
28			
29	18. Eden Wood SCBD	\$	16,492
30			
31	19. Epping Forest SCBD	\$	617,461
32			
33	20. Fairhaven Cliffs SCBD	\$	16,948
34			
35	21. Felicity Cove SCBD	\$	38,187
36			
37	22. Franklin Manor SCBD	\$	105,750
38			
39	23. Gibson Island SCBD	\$	448,794
40			
41	24. Greenbriar Gardens SCBD	\$	13,860
42			
43	25. Greenbriar II SCBD	\$	21,000
44			
45	26. Heritage SCBD	\$	49,362
46			
47	27. Hillsmere SCBD	\$	245,450
48			
49	28. Homewood Community Association SCBD	\$	8,000

1	29. Hunters Harbor SCBD	\$	18,887
2			
3	30. Idlewilde SCBD	\$	9,789
4			
5	31. Indian Hills SCBD	\$	130,652
6			
7	32. Little Magothy River SCBD	\$	161,106
8			
9	33. Long Point on the Severn SCBD	\$	19,010
10			
11	34. Magothy Beach SCBD	\$	4,419
12			
13	35. Magothy Forge SCBD	\$	5,288
14			
15	36. Manhattan Beach SCBD	\$	92,700
16			
17	37. North Beach Park SCBD	\$	22,115
18			
19	38. Owings Beach SCBD	\$	60,467
20			
21	39. Owings Cliffs SCBD	\$	1,900
22			
23	40. Oyster Harbor SCBD	\$	924,537
24			
25	41. Parke West SCBD	\$	91,701
26			
27	42. Pine Grove Village SCBD	\$	18,430
28			
29	43. Pines on the Severn SCBD	\$	59,005
30			
31	44. Provinces SCBD	\$	28,174
32			
33	45. Queens Park SCBD	\$	41,816
34			
35	46. Rockview Beach/Riviera Isles SCBD	\$	11,399
36			
37	47. Selby on the Bay SCBD	\$	222,112
38			
39	48. Severndale SCBD	\$	29,024
40			
41	49. Severn Grove SCBD	\$	7,263
42			
43	50. Sherwood Forest SCBD	\$	1,228,760
44			
45	51. Shoreham Beach SCBD	\$	39,862
46			
47	52. Snug Harbor SCBD	\$	69,613

1	53. South River Heights SCBD	\$	12,158
2			
3	54. South River Manor SCBD	\$	8,636
4			
5	55. South River Park SCBD	\$	40,298
6			
7	56. Steedman Point SCBD	\$	9,017
8			
9	57. Stone Haven SCBD	\$	3,954
10			
11	58. Sylvan View on the Magothy SCBD	\$	20,276
12			
13	59. Upper Magothy Beach SCBD	\$	27,967
14			
15	60. Venice Beach SCBD	\$	78,142
16			
17	61. Venice on the Bay SCBD	\$	15,171
18			
19	62. Warthen Knolls SCBD	\$	42,097
20			
21	63. Wilelinor SCBD	\$	75,991
22			
23	64. Woodland Beach SCBD	\$	587,504
24			
25	65. Woodland Beach (Pasadena) SCBD	\$	7,689
26			
27	66. Annapolis Cove SECD	\$	6,260
28			
29	67. Annapolis Landing SECD	\$	3,298
30			
31	68. Arundel on the Bay SECD	\$	66,200
32			
33	69. Bay Ridge SECD	\$	273,982
34			
35	70. Camp Wabana SECD	\$	9,687
36			
37	71. Cape Anne SECD	\$	21,210
38			
39	72. Cedarhurst on the Bay SECD	\$	90,020
40			
41	73. Columbia Beach SECD	\$	252,158
42			
43	74. Elizabeth's Landing SECD	\$	25,244
44			
45	75. Franklin Manor SECD	\$	163,240
46			
47	76. Idlewilde SECD	\$	21,000
48			
49	77. Mason's Beach SECD	\$	134,120

1	78. North Beach Park SECD	\$	262,560
2			
3	79. Riviera Beach SECD	\$	239,000
4			
5	80. Snug Harbor SECD	\$	5,900
6			
7	81. Amberley WID	\$	5,789
8			
9	82. Brown's Pond WID	\$	39,826
10			
11	83. Buckingham Cove WID	\$	9,000
12			
13	84. Cattail Creek WID	\$	5,400
14			
15	85. Johns Creek WID	\$	7,266
16			
17	86. Lake Hillsmere II WID	\$	8,050
18			
19	87. Romar Estates WID	\$	13,041
20			
21	88. Snug Harbor WID	\$	87,200
22			
23	89. Spriggs Pond WID	\$	25,812
24			
25	90. Whitehall WID	\$	7,588
26			

27 SECTION 38. *And be it further enacted,* That funds for expenditures for the projects
 28 hereinafter specified are appropriated for the Water and Wastewater Capital Project Fund
 29 for the various items and Capital Projects listed below during the fiscal year beginning
 30 July 1, 2011, and ending June 30, 2012.

31
 32 A. WATER

33			
34	12" St Marg/Old Mill Bttm	\$3,353,000	
35			
36	Crofton Meadows II Exp Ph 2	\$645,000	
37			
38	Crofton Meadows II WTP Upgr	\$6,654,000	
39			
40	Demo Abandoned Facilities	\$254,000	
41			
42	Disney Road Booster Station	\$750,000	
43			
44	East/West TM – North	\$3,337,000	
45			
46	Exist Well Redev/Repl	\$600,000	
47			
48	Fire Hydrant Rehab	\$350,000	

1	North Co Water Dist Imp	\$5,675,000
2		
3	Northeast Water Facility	\$3,638,000
4		
5	Routine Water Extensions	\$200,000
6		
7	TM Meade to Jessup	\$1,120,000
8		
9	Water Main Repl/Recon	\$4,200,000
10		
11	Water Proj Mgmt	\$1,000,000
12		
13	Water Storage Tank Painting	\$4,218,000
14		
15	Water Strategic Plan	\$50,000
16		
17	Woodland Beach Water	\$1,811,000
18		
19	WTR Infrastr Up/Retro	\$500,000
20		
21	B. <u>WASTEWATER</u>	
22		
23	Balto. County Sewer Agreement	\$800,000
24		
25	Cinder Cove FM Rehab	\$4,717,000
26		
27	Cinder Cove SPS Mods	\$4,605,000
28		
29	Cox Creek WRF ENR	\$4,605,000
30		
31	Cox Creek WRF Non-ENR	\$19,239,000
32		
33	Jennifer Road PS Upg	\$8,850,000
34		
35	Marley SPS Upgrade	\$100,000
36		
37	Maryland City WRF Exp	\$18,933,000
38		
39	Mayo Collection Sys Upgrade	\$500,000
40		
41	Odenton Town Cntr Sewr	\$2,810,000
42		
43	Pasadena ES Sewer	\$200,000
44		
45	Patuxent WRF Exp	\$19,187,000
46		
47	Ridgeview SPS & FM	\$898,000

1	Riva Woods PS Upg	\$250,000
2		
3	Sewer Main Repl/Recon	\$5,400,000
4		
5	Sewer Proj Mgmt	\$1,000,000
6		
7	SPS Fac Gen Replace	\$3,409,000
8		
9	State Hwy Reloc-Sewer	\$200,000
10		
11	Upgr/Retrofit SPS	\$4,775,000
12		
13	Wastewater Strategic Plan	\$150,000
14		
15	WW Project Planning	\$2,000,000
16		
17	WW Service Connections	\$1,600,000
18		

19 SECTION 39. *And be it further enacted,* That funds for expenditures for the Capital
 20 Projects hereinafter specified are appropriated for the County Capital Construction Fund
 21 during the fiscal year beginning July 1, 2011, and ending June 30, 2012, and the funds for
 22 expenditures specified in Subsection D of this Section are specifically appropriated to the
 23 School Construction Fund, as described in § 5-101(b) of the Education Article, Annotated
 24 Code of Maryland, for the fiscal year beginning July 1, 2011, and ending June 30, 2012;
 25 provided that the remainder of funds for those projects set forth under Subsection D of
 26 this Section are appropriated, contingent upon funding of these projects by the State of
 27 Maryland pursuant to §5-301 of the Education Article, Annotated Code of Maryland; and
 28 further provided that, if the State does not provide its share of funding as finally shown in
 29 the applicable Bond Authorization Ordinance for any project set forth under Subsection
 30 D, the Board of Education shall resubmit the State-funded portion of the project to the
 31 County Executive and County Council for fiscal or funding review and future authority
 32 and, if the Board of Education or County Council does not approve (as necessary, by the
 33 adoption or amendment of a Bond Authorization Ordinance) the expenditure of County
 34 funds for that portion of such project which the State does not fund, or if the Board of
 35 Education does not resubmit the State-funded portion of the project for fiscal and funding
 36 review and further authority, the appropriation for such portion shall lapse.

37
 38 **A. General County**

39			
40	Agricultural Preservation Prgm	\$3,825,000	<u>\$2,187,500</u>
41			
42	CATV PEG	\$1,680,000	
43			
44	County Facilities & Sys Upgrad	\$1,500,000	
45			
46	Demo Bldg Code/Health	\$60,000	
47			
48	Facility Renov/Reloc	\$220,000	
49			

1	Failed Sewage&Private Well Fnd	\$30,000	
2			
3	Information Technology Enhance	\$1,650,000	
4			
5	Reforest Prgm-Land Acquisition	\$25,000	
6			
7	Roads Ops Facility	\$479,000	
8			
9	Rural Legacy Program	\$2,140,000	
10			
11	Septic System Enhancements	\$1,950,000	
12			
13	Undrgrd Storage Tank Repl	\$100,000	
14			
15	<u>B. School Off-Sites</u>		
16			
17	Drvwy & Park Lots	\$750,000	
18			
19	<u>C. Stormwater Runoff Controls</u>		
20			
21	Culvert and Closed SD Rehab	\$600,000	
22			
23	Emergency Storm Drain	\$600,000	
24			
25	Storm Drainage/SWM Infrastr	\$1,000,000	
26			
27	Stormwtr Pond Maint	\$300,000	
28			
29	<u>D. Board of Education</u>		
30			
31	Aging Schools	\$690,000	<u>\$630,000</u>
32			
33	All Day K and Pre K	\$9,000,000	<u>\$9,000,000</u>
34			
35	Asbestos Abatement	\$1,000,000	
36			
37	Barrier Free	\$400,000	
38			
39	Belle Grove ES	\$1,072,000	
40			
41	Benfield ES	\$735,000	<u>\$1,249,000</u>
42			
43	Building Systems Renov	\$10,685,000	<u>\$10,685,000</u>
44			
45	Crofton ES	\$818,000	<u>\$2,207,000</u>
46			
47	Debt Service	\$53,866,400	
48			
49	Folger McKinsey ES	\$8,848,000	<u>\$8,848,000</u>

1	Health & Safety	\$500,000	
2			
3	Health Room Modifications	\$200,000	
4			
5	Lothian ES	\$779,000	<u>\$2,104,000</u>
6			
7	Maintenance Backlog	\$5,000,000	<u>\$6,000,000</u>
8			
9	Mills-Parole ES	\$814,000	<u>\$2,194,000</u>
10			
11	Northeast HS	\$19,398,000	<u>\$18,633,000</u>
12			<u>\$20,163,000</u>
13			
14	Open Space Classrm. Enclosures	\$8,000,000	<u>\$8,000,000</u>
15			
16	Phoenix Annapolis	\$9,105,000	
17			
18	Point Pleasant ES	\$10,371,000	<u>\$10,371,000</u>
19			
20	Relocatable Classrooms	\$1,000,000	
21			
22	Rolling Knolls ES	\$746,000	<u>\$2,012,000</u>
23			
24	Roof Replacement	\$2,000,000	
25			
26	School Bus Replacement	\$700,000	
27			
28	School Furniture	\$500,000	
29			
30	Science Lab Modernization	\$4,000,000	<u>\$4,000,000</u>
31			
32	Security Related Upgrades	\$1,000,000	
33			
34	Severna Park HS	\$3,579,000	
35			
36	TIMS Electrical	\$200,000	<u>\$200,000</u>
37			
38	Upgrade Various Schools	\$300,000	
39			
40	Vehicle Replacement	\$350,000	
41			
42	West Annapolis ES	\$620,000	<u>\$1,675,000</u>
43			
44	<u>Additions</u>	<u>\$5,000,000</u>	
45			
46	<u>Athletic Stadium Improvements</u>	<u>\$400,000</u>	
47			
48	<u>E. Fire and Police</u>		

1	Det Center Fire Alarms	\$918,000	
2			
3	Detention Center Renovations	\$250,000	<u>\$250,000</u>
4			
5	Fire Suppression Tanks	\$400,000	
6			
7	New Eastern PS	\$8,401,000	
8			
9	Rep/Ren Volunteer FS	\$100,000	<u>\$100,000</u>
10			
11	<u>Ordinance Rd. Det Fac</u>	<u>\$ 0</u>	
12			
13	<u>F. Roads and Bridges</u>		
14			
15	Brock Bridge/MD 198	\$282,000	
16			
17	Cap St Claire Rd Wide	\$750,000	
18			
19	Chstrfld Rd Brdg/Bacon Ridge Br	\$990,000	
20			
21	Edwin Raynor Blvd Ext	\$4,472,000	
22			
23	Hwy Sfty Improv (HSI)	\$350,000	
24			
25	Masonry Reconstruction	\$1,000,000	
26			
27	Mjr Bridge Rehab (MBR)	\$400,000	
28			
29	Pasadena Rd Improvements	\$1,587,000	
30			
31	Rd Reconstruction	\$11,000,000	
32			
33	Ridge Rd Double Left	\$117,000	
34			
35	Riva Rd at Gov Bridge Rd	\$3,085,000	
36			
37	Road Resurfacing	\$5,000,000	
38			
39	Sands Rd Bridge Repl	\$50,000	
40			
41	Wayson Rd/Davidsonville	\$228,000	
42			
43	<u>G. Traffic Control</u>		
44			
45	Guardrail	\$60,000	<u>\$20,000</u>
46			
47	New Streetlighting	\$75,000	

1	New Traffic Signals	\$500,000	
2			
3	State Highway Proj	\$100,000	
4			
5	Traffic Signal Mod	\$225,000	
6			
7	H. <u>Community College</u>		
8			
9	Administration Bldg Renov	\$512,000	<u>\$482,000</u>
10			
11	Campus Improvements	\$700,000	
12			
13	Library Renovations	\$10,398,000	<u>\$10,115,000</u>
14			
15	Walkways, Roads & Parking Lots	\$500,000	
16			
17	I. <u>Library</u>		
18			
19	Library Renovation	\$250,000	<u>\$250,000</u>
20			
21	J. <u>Recreation and Parks</u>		
22			
23	Adaptive Rec Athletic Complex	\$239,000	
24			
25	Deale School Lighting	\$114,000	<u>\$40,000</u>
26			
27	Facility Lighting	\$400,000	<u>\$250,000</u>
28			
29	Greenways, Parkland&OpenSpace	\$2,920,000	
30			
31	Hot Sox Park Acquisition	\$14,000	
32			
33	Park Renovation	\$400,000	
34			
35	R & P Project Plan	\$55,000	
36			
37	School Outdoor Rec Facilities	\$200,000	
38			
39	Shoreline Erosion Contrl	\$350,000	
40			
41	K. <u>Water Quality Improvements</u>		
42			
43	Crofton Trib Restoration	\$835,000	
44			
45	NPDES Permit Program	\$1,100,000	
46			
47	NPDES SD Retrofits	\$500,000	
48			
49	Picture Spring Branch Str Rest	\$368,000	<u>\$323,000</u>

1	Rutland Rd Fish Passage	\$284,000	
2			
3	Shipleys Choice Dam Rehab	\$1,705,000	
4			
5	Stream & Ecological Restor	\$300,000	
6			
7	Stream Monitoring	\$575,000	
8			
9	<u>L. Dredging</u>		
10			
11	DMP Site Management	\$100,000	
12			
13	Duvall Creek Dredging	\$2,646,000	<u>\$1,480,000</u>
14			
15	SAV Mitig & Uplnd Ret	\$370,000	
16			
17	SAV Monitoring	\$50,000	
18			
19	<u>M. Waste Management</u>		
20			
21	Landfill Gas Mangt Sys Upgd	\$500,000	
22			
23	Solid Waste Renovations	\$1,300,000	
24			

25 SECTION 40. *And be it further enacted*, That the Capital Budgets for the fiscal years
26 1972-73, 1973-74, 1974-75, 1975-76, 1976-77, 1977-78, 1978-79, 1979-80, 1980-81,
27 1981-82, 1982-83, 1983-84, 1984-85, 1985-86, 1986-87, 1987-88, 1988-89, 1989-90,
28 1990-91, 1991-92, 1992-93, 1993-94, 1994-95, 1995-96, 1996-97, 1997-98, 1998-99,
29 1999-00, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08,
30 2008-09, 2009-10, and 2010-11 be and they are amended by reduction of the following
31 appropriations in the projects hereinafter set forth:

- 32
- 33 1. Reduce the \$159,010 appropriation for Advance Land Acquisition by \$60,000.
- 34
- 35 2. Reduce the \$2,510,000 appropriation for Parking Garage Rehab by \$14,000.
- 36
- 37 3. Reduce the \$50,000 appropriation for Urban Design Studies by \$1,000.
- 38
- 39 4. Reduce the \$4,714,300 appropriation for Cape St. Claire S/D by \$45,000.
- 40
- 41 5. Reduce the \$20,866,000 appropriation for Arundel HS Sci Lab & Addition by
42 \$243,000.
- 43
- 44 6. Reduce the \$21,952,000 appropriation for Gambrills Area ES by \$226,000.
- 45
- 46 7. Reduce the \$26,433,000 appropriation for Germantown ES by \$2,500,000.
- 47
- 48 8. Reduce the \$30,198,000 appropriation for Marley MS by \$536,000.

- 1 9. Reduce the \$19,690,000 appropriation for Pasadena ES by \$534,000.
- 2
- 3 10. Reduce the \$27,596,000 appropriation for Pershing Hill ES by ~~\$5,000,000~~
- 4 \$5,000,000.
- 5
- 6 11. Reduce the \$750,000 appropriation for Realign Special Centers by \$32,000.
- 7
- 8 12. Reduce the \$55,192,000 appropriation for Severna Park MS by ~~\$1,500,000~~
- 9 \$1,500,000.
- 10
- 11 13. Reduce the \$26,537,000 appropriation for Southgate ES by ~~\$2,500,000~~ \$2,500,000.
- 12
- 13 14. Reduce the \$4,519,000 appropriation for Police Headquarters Renov by \$14,000.
- 14
- 15 15. Reduce the \$206,000 appropriation for Comm College Left Turn Lane by \$3,000.
- 16
- 17 16. Reduce the \$3,498,000 appropriation for Forest Drive by \$500,000.
- 18
- 19 17. Reduce the \$3,106,000 appropriation for MD173/MD607 Improvements by
- 20 \$505,000.
- 21
- 22 18. Reduce the \$1,507,000 appropriation for Odenton Rd Sidewalk by \$70,000.
- 23
- 24 19. Reduce the \$346,115 appropriation for Sidewalk/Bikeway Fund by \$25,000.
- 25
- 26 20. Reduce the \$10,656,500 appropriation for Kinder Park Development by \$413,000.
- 27
- 28 21. Reduce the \$931,000 appropriation for Patuxent Greenway by \$57,000.
- 29
- 30 22. Reduce the \$362,000 appropriation for So County Athletic Complex by \$30,000.
- 31
- 32 23. Reduce the \$10,343,000 appropriation for Stadium Renovations by ~~\$469,000~~
- 33 \$469,000.
- 34
- 35 24. Reduce the \$774,000 appropriation for Bodkin/Main by \$2,000.
- 36
- 37 25. Reduce the \$568,000 appropriation for Brady and Old Glory Coves Drdg by
- 38 \$182,000.
- 39
- 40 26. Reduce the \$2,034,000 appropriation for Broadwater Creek Dredging by \$20,000.
- 41
- 42 27. Reduce the \$1,195,000 appropriation for Carrs Creek Dredging by ~~\$59,000~~ \$59,000.
- 43
- 44 28. Reduce the \$395,000 appropriation for Locust Cove Dredging by \$9,000.
- 45
- 46 29. Reduce the \$629,000 appropriation for Mill Creek Ent & Maint Channel by
- 47 \$181,000.

- 1 30. Reduce the \$3,162,000 appropriation for Parish Creek Dredging by \$768,000.
- 2
- 3 31. Reduce the \$680,000 appropriation for Parker Creek Maint Dredging by \$5,000.
- 4
- 5 32. Reduce the \$2,677,000 appropriation for Town Point DMP Site Upgrade by \$56,000.
- 6
- 7 33. Reduce the \$61,000 appropriation for Warehouse Creek Dredging by \$50,000.
- 8
- 9 34. Reduce the \$3,879,000 appropriation for Hanover Road Sewer Ext by \$150,000.
- 10
- 11 35. Reduce the \$8,027,000 appropriation for Parole SPS Upgrade by \$1,000,000.
- 12
- 13 36. Reduce the \$5,109,000 appropriation for Riva Road Force Main by \$800,000.
- 14
- 15 37. Reduce the \$1,314,000 appropriation for Dorsey Road TM by \$400,000.
- 16
- 17 38. Reduce the \$34,235 appropriation for General County Project Planning by \$34,000.
- 18
- 19 39. Reduce the \$980,000 appropriation for MD175/Odenton Town Center \$24,000.
- 20
- 21 40. Reduce the \$622,000 appropriation for Gateway Village Drive by \$621,000.
- 22
- 23 41. Reduce the \$4,407,000 appropriation for Lake Shore Complex Expansion by
\$343,000
- 24
- 25 42. Reduce the \$5,997,000 appropriation for WB & A Trail by \$600,000.
- 26
- 27 43. Reduce the \$27,196,000 appropriation for Annapolis WRF ENR by \$6,640,055.
- 28
- 29 44. Reduce the \$14,981,000 appropriation for Broadwater WRF ENR by \$6,763,050.
- 30

31 SECTION 41. *And be it further enacted,* That the Capital Budget and Program for
32 the fiscal years ending June 30, 2012, June 30, 2013, June 30, 2014, June 30, 2015, June
33 30, 2016, and June 30, 2017, is approved as constituting the plan of the County to receive
34 and expend funds for capital projects during those fiscal years excepting MD 295 West
35 Nursery Interchange in the amount of \$4,081,000 in the fiscal year ending June 30, 2014
36 and \$6,919,000 in the fiscal year ending June 30, 2015; Ridge Road Design and Land
37 Acquisition in the amount of \$3,500,000 in the fiscal year ending June 30, 2014; Stadium
38 Renovation in the amount of \$640,000 in the fiscal year ending June 30, 2013; Point
39 Pleasant ES in the amount of \$237,000 in the fiscal year ending June 30, 2014; All Day K
40 and Pre-K in the amount of \$0 in the fiscal year ending June 30, 2013, \$0 in the fiscal
41 year ending June 30, 2014, \$0 in the year ending June 30, 2015, \$0 in the year ending
42 June 30, 2016 and \$0 in the year ending June 30, 2017; Building Systems Renovation in
43 the amount of \$0 in the fiscal year ending June 30, 2013, \$0 in the fiscal year ending June
44 30, 2014, \$0 in the year ending June 30, 2015, \$0 in the year ending June 30, 2016 and \$0
45 in the year ending June 30, 2017; Aging Schools in the amount of \$138,000 in the fiscal
46 year ending June 30, 2013, \$138,000 in the fiscal year ending June 30, 2014, \$138,000 in
47 the year ending June 30, 2015, \$138,000 in the year ending June 30, 2016 and \$138,000
48 in the year ending June 30, 2017; Open Space Classroom Enclosure in the amount of \$0

1 in the fiscal year ending June 30, 2013, \$0 in the fiscal year ending June 30, 2014, \$0 in
2 the year ending June 30, 2015, \$0 in the year ending June 30, 2016 and \$0 in the year
3 ending June 30, 2017; Folger McKinsey ES in the amount of \$0 in the fiscal year ending
4 June 30, 2013; and Northeast High School in the amount of \$765,000 in the fiscal year
5 ending June 30, 2013; Severna Park High School in the amount of \$40,142,000 in the
6 fiscal year ending June 30, 2013, and \$40,345,000 in the fiscal year ending June 30,
7 2014, and \$14,898,000 in the fiscal year ending June 30, 2015; Lothian Elementary
8 School in the amount of \$8,794,000 in the fiscal year ending June 30, 2015, and
9 \$3,740,000 in the year ending June 30, 2016; Crofton Elementary School in the amount
10 of \$10,854,000 in the fiscal year ending June 30, 2015, \$13,367,000 in the fiscal year
11 ending 2016, and \$4,042,000 in the fiscal year ending June 30, 2017; Mills-Parole
12 Elementary School in the amount of \$14,834,000 in the fiscal year ending 2016, and
13 \$13,340,000 in the fiscal year ending June 30, 2017; Rolling Knolls Elementary School
14 in the amount of \$1,451,000 in the fiscal year ending June 30, 2016, and \$7,821,000 in
15 the fiscal year ending June 30, 2017; West Annapolis Elementary School in the amount
16 of \$7,288,000 in the fiscal year ending June 30, 2017; Benfield Elementary School in the
17 amount of \$1,249,000 in the fiscal year ending June 30, 2015, \$13,317,000 in the fiscal
18 year ending June 30, 2016, and \$11,885,000 in the year ending June 30, 2017 and
19 including additional amounts programmed for the New Eastern PS in the amount of
20 \$8,401,000 in the fiscal year ending June 30, 2014; additional amounts programmed for
21 the Point Pleasant ES in the amount of \$237,000 in the fiscal year ending June 30, 2014;
22 Severna Park High School in the amount of \$30,959,500 in the fiscal year ending June
23 30, 2016, and \$41,410,000 in the fiscal year ending June 30, 2017; Lothian Elementary
24 School in the amount of \$10,077,000 in the fiscal year ending June 30, 2013, and
25 \$1,132,000 in the fiscal year ending June 30, 2014; Crofton Elementary School in the
26 amount of \$10,600,000 in the fiscal year ending June 30, 2013, and \$16,274,000 in fiscal
27 year ending June 30, 2014; Mills-Parole Elementary School in the amount of \$9,135,000
28 in the fiscal year ending June 30, 2013, \$19,039,000 in the fiscal year ending June 30,
29 2014, and \$2,667,000 in the fiscal year ended June 30, 2015; Rolling Knolls Elementary
30 School in the amount of \$11,635,000 in the fiscal year ending 2015; West Annapolis
31 Elementary School in the amount of \$11,484,000 in the fiscal year ending June 30, 2015,
32 and \$9,776,000 in the fiscal year ending 2016, and it is hereby confirmed that no capital
33 project set forth in the Capital Budget and Program for those fiscal years as having a
34 current estimated project cost shall be deemed abandoned.

35
36 SECTION 42. *And be it further enacted*, That the monies appropriated as "Other"
37 under Sections 13, 21, 25, and 26 of this Ordinance are those monies accruing to the Tax
38 Increment Fund for taxable year 2012 in excess of the debt service payable on the Bonds
39 issued by the County with respect to the Nursery Road Tax Increment Fund, the West
40 County Tax Increment Fund, the Parole Town Center Development Tax District
41 Increment Fund, the Route 100 Development District Tax Increment Fund.

42
43 SECTION 43. *And be it further enacted*, That the payments to volunteer fire
44 companies provided for in Section 1, Paragraph 15 of this Ordinance shall be paid to each
45 company only on receipt by the County of an accounting for all income and expenditures
46 of funds received from the County.

47
48 With sufficient stated reason, the Chief Administrative Officer or the designee of the
49 Chief Administrative Officer, on written request, shall have the right to inspect the

1 financial records pertaining to County payments to each company.
2

3 If a company fails to comply with the above, an immediate hearing shall be requested
4 before the Fire Advisory Board to make recommendations to the Chief Administrative
5 Officer or the designee of the Chief Administrative Officer.
6

7 SECTION 44. *And be it further enacted*, That the appropriations made by this
8 Ordinance for expenditures in the Current Expense Budget for the fiscal year ending June
9 30, 2012, as amended, adopted, and approved by this Ordinance, are conditioned on
10 expenditure in accordance with the departmental personnel summaries in the Current
11 Expense Budget; provided that this condition shall not apply to appropriations for
12 expenditures for positions in the Miscellaneous Exempt Employees Pay and Benefit Plan
13 and except that the Police Department may have 32 police lieutenants and shall not have
14 more than eight police captains.
15

16 SECTION 45. *And be it further enacted*, That the appropriation for the Homewood
17 Community Association SCBD under Section 37, Number 28 of this Ordinance is
18 contingent upon Bill No. 22-11 taking effect on or before July 1, 2011, and if Bill No. 22-
19 11 does not become effective on or before July 1, 2011, the appropriation for Homewood
20 Community Association SCBD under Section 37, Number 28 of this Ordinance shall be
21 null and void without further action of the County Council.
22

23 SECTION 46. *And be it further enacted*, That the County Council hereby approves
24 the exercises of eminent domain in the acquisition of the parcels described in Capital
25 Budget and Program approved by this Ordinance.
26

27 SECTION 47. *And be it further enacted*, That the County Council hereby approves
28 the acceptance of gifts, grants, and contributions to support appropriations in this
29 Ordinance and those shown as funding sources in the Capital Budget and Program
30 approved by this Ordinance.
31

32 SECTION 48. *And be it further enacted*, That the County Budget for the fiscal year
33 ending June 30, 2012, as finally adopted by this Ordinance, shall take effect on July 1,
34 2011.

AMENDMENTS ADOPTED: May 20 and 24, 2011

READ AND PASSED this 24th day of May, 2011

By Order:

Judy C. Holmes
Administrative Officer

FY2012 Appropriation Control Schedule

Fund: General Fund

Agency	Character	Object	Proposed	
Administrative Hearings				
	305-Office of Admin.Hearings			
		7001-Personal Services	239,500	<u>238,300</u>
		7200-Contractual Services	2,100	
		8000-Supplies & Materials	6,000	
		8400-Business & Travel	0	
Board of Education			609,972,000	
Board of Election Supervisors				
	480-Brd of Supervisor of Elections			
		7001-Personal Services	1,522,700	
		7200-Contractual Services	1,311,000	
		8000-Supplies & Materials	317,300	
		8400-Business & Travel	48,300	
		8500-Capital Outlay	1,000	
Board of License Commissioners				
	475-Board of License Commissnrs			
		7001-Personal Services	519,100	<u>518,700</u>
		7200-Contractual Services	88,600	
		8000-Supplies & Materials	23,500	
		8400-Business & Travel	14,300	
		8500-Capital Outlay	0	
Central Services				
	165-Administration			
		7001-Personal Services	608,900	
		7200-Contractual Services	53,600	<u>43,600</u>
				<u>43,600</u>
		8000-Supplies & Materials	5,100	
		8400-Business & Travel	3,000	<u>0</u>
				<u>0</u>
	170-Purchasing			
		7001-Personal Services	1,574,900	
		7200-Contractual Services	99,900	
		8000-Supplies & Materials	82,400	<u>62,400</u>
				<u>62,400</u>
		8400-Business & Travel	5,900	
	180-Facilities Management			
		7001-Personal Services	5,359,500	<u>5,310,400</u>
				<u>5,310,400</u>
		7200-Contractual Services	9,059,500	<u>8,692,500</u>
				<u>8,692,500</u>
		8000-Supplies & Materials	713,000	
		8400-Business & Travel	300	
		8500-Capital Outlay	0	
	185-Real Estate			
		7001-Personal Services	241,700	
		7200-Contractual Services	28,100	
		8000-Supplies & Materials	6,800	
		8400-Business & Travel	0	

FY2012 Appropriation Control Schedule

Fund:: General Fund

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43

Agency	Character	Object	Proposed	
Chief Administrative Office				
	110-Management & Control			
		7001-Personal Services	416,700	<u>416,100</u>
				<u>416,100</u>
				<u>415,100</u>
		7200-Contractual Services	13,600	<u>8,300</u>
				<u>8,300</u>
				<u>8,300</u>
		8000-Supplies & Materials	8,500	
		8400-Business & Travel	3,000	0
				0
				0
		8500-Capital Outlay	2,000	
		8700-Grants, Contributions & Oth	1,067,000	<u>1,317,000</u>
				<u>1,317,000</u>
				<u>1,317,000</u>
	115-Contingency			
		8700-Grants, Contributions & Oth	4,000,000	<u>7,768,700</u>
	122-Community Development Svcs Cor			
		8700-Grants, Contributions & Oth	665,000	
	124-Workforce Development Corp.			
		8700-Grants, Contributions & Oth	395,000	
Circuit Court				
	460-Disposition of Litigation			
		7001-Personal Services	3,916,000	<u>3,896,000</u>
		7200-Contractual Services	327,000	
		8000-Supplies & Materials	104,000	
		8400-Business & Travel	85,500	
		8500-Capital Outlay	10,000	
	Community College		33,822,700	<u>30,281,400</u>
				<u>26,831,400</u>
				<u>28,556,400</u>
Cooperative Extension Service				
	485-Cooperative Extension Service			
		7001-Personal Services	9,800	
		7200-Contractual Services	196,500	
		8000-Supplies & Materials	7,500	
		8400-Business & Travel	10,000	
County Executive				
	100-County Executive			
		7001-Personal Services	1,684,200	<u>1,688,200</u>
				<u>1,688,200</u>
		7200-Contractual Services	66,100	<u>43,000</u>
				<u>43,000</u>
		8000-Supplies & Materials	65,500	
		8400-Business & Travel	7,000	
		8500-Capital Outlay	1,000	
	102-Conference & Visitors Bureau			
		8700-Grants, Contributions & Oth	0	
	103-Economic Development Corp			

FY2012 Appropriation Control Schedule

1
 2
 3
 4
 5
 44
 45
 46
 47
 48
 49
 50
 51
 52
 53

Fund: General Fund

Agency	Character	Object	Proposed	
		7001-Personal Services	169,400	
		8700-Grants, Contributions & Oth	1,550,000	
Department of Aging	360-Direction/Administration			
		7001-Personal Services	928,900	<u>903,900</u>
				<u>903,900</u>
		7200-Contractual Services	115,400	<u>103,400</u>
				<u>103,400</u>
		8000-Supplies & Materials	44,700	
		8400-Business & Travel	8,700	
		8500-Capital Outlay	0	
		8700-Grants, Contributions & Oth	0	

FY2012 Appropriation Control Schedule

Fund:: General Fund

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46

Agency	Character	Object	Proposed	
	365-Nutrition			
		7001-Personal Services	155,800	
		7200-Contractual Services	102,400	
		8000-Supplies & Materials	93,700	
		8400-Business & Travel	1,600	
		8500-Capital Outlay	2,600	
	370-Transportation			
		7001-Personal Services	156,400	
		7200-Contractual Services	2,262,500	<u>2,256,500</u>
				<u>2,256,500</u>
		8000-Supplies & Materials	2,900	
		8400-Business & Travel	1,600	
		8500-Capital Outlay	0	
		8700-Grants, Contributions & Oth	81,500	
	375-Senior Centers			
		7001-Personal Services	1,221,300	<u>1,145,300</u>
				<u>1,145,300</u>
		7200-Contractual Services	329,300	
		8000-Supplies & Materials	65,800	
		8400-Business & Travel	10,400	
		8500-Capital Outlay	2,300	
	380-Outreach & Referral			
		7001-Personal Services	215,300	
		8000-Supplies & Materials	0	
		8400-Business & Travel	0	
	385-Volunteers & Employment			
		7001-Personal Services	106,800	
		7200-Contractual Services	17,500	
		8000-Supplies & Materials	0	
		8400-Business & Travel	0	
	390-Long Term Care			
		7001-Personal Services	1,611,300	<u>1,586,800</u>
				<u>1,586,800</u>
		7200-Contractual Services	34,300	
		8000-Supplies & Materials	12,500	
		8400-Business & Travel	4,200	
		8500-Capital Outlay	0	
	Detention Center			
	395-Jennifer Road - Pretrial			
		7001-Personal Services	18,029,400	<u>18,883,300</u>
				<u>18,921,400</u>
				<u>18,775,300</u>
		7200-Contractual Services	3,721,000	
		8000-Supplies & Materials	878,400	
		8400-Business & Travel	1,400	
		8500-Capital Outlay	0	

FY2012 Appropriation Control Schedule

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43

Fund:: General Fund

Agency	Character	Object	Proposed	
	400-Ordinance Road - Inmates			
		7001-Personal Services	11,870,400	<u>11,807,400</u>
				<u>11,807,400</u>
		7200-Contractual Services	2,353,900	
		8000-Supplies & Materials	748,900	
		8400-Business & Travel	6,800	
		8500-Capital Outlay	0	
	405-Admin/Support Service			
		7001-Personal Services	1,346,200	
		7200-Contractual Services	341,700	<u>326,700</u>
				<u>326,700</u>
		8000-Supplies & Materials	702,600	<u>652,600</u>
				<u>652,600</u>
		8400-Business & Travel	2,100	
	Ethics			
	425-Ethics Commission			
		7001-Personal Services	152,700	<u>152,100</u>
		7200-Contractual Services	3,100	
		8000-Supplies & Materials	5,200	
		8400-Business & Travel	2,300	
		8500-Capital Outlay	0	
		8700-Grants, Contributions & Oth	600	
	Fire Department			
	260-Planning & Logistics			
		7001-Personal Services	9,656,400	
		7200-Contractual Services	6,175,700	<u>5,968,700</u>
				<u>5,928,700</u>
				<u>5,928,700</u>
		8000-Supplies & Materials	1,221,000	<u>721,000</u>
				<u>721,000</u>
				<u>721,000</u>
		8400-Business & Travel	1,200	
		8500-Capital Outlay	95,500	
	265-Operations			
		7001-Personal Services	73,224,700	<u>72,850,200</u>
				<u>72,904,700</u>
				<u>72,904,700</u>
				<u>72,530,200</u>
		7200-Contractual Services	761,700	
		8000-Supplies & Materials	1,129,100	
		8400-Business & Travel	107,100	
		8500-Capital Outlay	492,400	
		8700-Grants, Contributions & Oth	220,000	
	278-Emergency Management			
		7001-Personal Services	141,600	
		7200-Contractual Services	280,100	<u>260,100</u>
				<u>260,100</u>
				<u>260,100</u>
		8000-Supplies & Materials	33,300	
		8400-Business & Travel	0	

FY2012 Appropriation Control Schedule

1
2
3
4
5
44
45
46
47
48
49
50
51

Fund: General Fund

Agency	Character	Object	Proposed
		8500-Capital Outlay	0
Health Department	535-Administration & Operations		
		7001-Personal Services	2,243,000
		7200-Contractual Services	573,600
		8000-Supplies & Materials	174,500
		8400-Business & Travel	12,000
		8500-Capital Outlay	21,500

FY2012 Appropriation Control Schedule

Fund:: General Fund

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51

Agency	Character	Object	Proposed	
	540-Disease Prevention & Mgmt			
		7001-Personal Services	2,188,300	
		7200-Contractual Services	242,200	
		8000-Supplies & Materials	493,700	
		8400-Business & Travel	5,100	
		8500-Capital Outlay	0	
	545-Environmental Health Services			
		7001-Personal Services	4,857,900	
		7200-Contractual Services	208,000	
		8000-Supplies & Materials	60,200	
		8400-Business & Travel	20,900	
		8500-Capital Outlay	0	
	550-School Health & Support			
		7001-Personal Services	10,854,700	10,702,200
		7200-Contractual Services	277,200	
		8000-Supplies & Materials	132,200	
		8400-Business & Travel	69,700	
		8500-Capital Outlay	0	
	551-Behavioral Health Services			
		7001-Personal Services	2,207,800	
		7200-Contractual Services	1,226,500	
		8000-Supplies & Materials	42,200	
		8400-Business & Travel	19,400	
		8500-Capital Outlay	0	
		8700-Grants, Contributions & Oth	641,800	
	555-Family Health Services			
		7001-Personal Services	3,195,400	
		7200-Contractual Services	374,900	
		8000-Supplies & Materials	80,200	
		8400-Business & Travel	24,400	
		8500-Capital Outlay	34,200	
		8700-Grants, Contributions & Oth	0	
	Information Technology			
	206-Office of Info. Technology			
		7001-Personal Services	7,964,700	<u>7,929,500</u>
		7200-Contractual Services	5,900,600	<u>7,929,500</u>
		8000-Supplies & Materials	66,500	<u>5,804,300</u>
		8400-Business & Travel	36,800	<u>33,800</u>
		8500-Capital Outlay	140,000	<u>33,800</u>
	Inspections and Permits			
	280-Permits Application			
		7001-Personal Services	2,245,800	
		7200-Contractual Services	25,300	
		8000-Supplies & Materials	77,700	
		8400-Business & Travel	4,800	
		8500-Capital Outlay	0	

FY2012 Appropriation Control Schedule

Fund:: General Fund

Agency	Character	Object	Proposed	
	285-Inspection Services			
		7001-Personal Services	7,786,309	<u>7,726,800</u>
		7200-Contractual Services	536,800	
		8000-Supplies & Materials	79,100	
		8400-Business & Travel	9,800	
		8500-Capital Outlay	3,000	
Law Office				
	210-Office of Law			
		7001-Personal Services	3,374,109	<u>3,358,400</u>
		7200-Contractual Services	70,300	
		8000-Supplies & Materials	29,300	
		8400-Business & Travel	20,500	
		8500-Capital Outlay	1,500	
		8700-Grants, Contributions & Oth	4,800	
Legislative Branch				
	410-County Council			
		7001-Personal Services	1,631,609	<u>1,622,700</u>
		7200-Contractual Services	41,900	
		8000-Supplies & Materials	28,000	
		8400-Business & Travel	39,600	
	415-County Auditor			
		7001-Personal Services	977,700	
		7200-Contractual Services	148,300	
		8000-Supplies & Materials	7,400	
		8400-Business & Travel	9,400	
	420-Board of Appeals			
		7001-Personal Services	248,400	
		7200-Contractual Services	126,100	
		8000-Supplies & Materials	7,200	
		8400-Business & Travel	400	
Office of Finance				
	130-Accounting & Control			
		7001-Personal Services	1,998,900	
		7200-Contractual Services	677,500	
		8000-Supplies & Materials	56,900	
		8400-Business & Travel	4,000	
	135-Billings & Customer Svc			
		7001-Personal Services	3,113,709	<u>3,084,400</u>
		7200-Contractual Services	375,900	
		8000-Supplies & Materials	436,200	
		8400-Business & Travel	4,200	
		8500-Capital Outlay	2,300	
	140-Operations			
		7001-Personal Services	437,400	
		7200-Contractual Services	4,000	
		8000-Supplies & Materials	3,000	
		8400-Business & Travel	100	

FY2012 Appropriation Control Schedule

Fund: General Fund

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51

Agency	Character	Object	Proposed	
Office of Finance Non-Departme				
150-Pay As You Go				
		8700-Grants, Contributions & Oth	1,500,000	
155-Debt Service				
		7200-Contractual Services	300,000	
		8600-Debt Service	49,430,300	
		8700-Grants, Contributions & Oth	1,601,900	
156-Mandated Grants				
		8700-Grants, Contributions & Oth	4,250,000	
157-Contrib to Parking Garage Fund				
		8700-Grants, Contributions & Oth	170,000	
158-Contrib to IPA Fund				
		8700-Grants, Contributions & Oth	2,028,000	<u>1,429,000</u>
				<u>1,429,000</u>
159-Contribution to Self Insur				
		8700-Grants, Contributions & Oth	12,939,000	
162-Contrib to Retiree Health Ins				
		8700-Grants, Contributions & Oth	19,700,000	<u>17,900,000</u>
				<u>17,900,000</u>
163-Contrib to Community Dev				
		8700-Grants, Contributions & Oth	270,000	
168-Contrib to Grants Fund				
		8700-Grants, Contributions & Oth	0	
<u>Contribution to Revenue Reserve Fund</u>				
		8700-Grants, Contributions & Oth	5,000,000	
Office of the Budget				
145-Budget & Management Analysis				
		7001-Personal Services	855,400	<u>851,700</u>
		7200-Contractual Services	12,400	
		8000-Supplies & Materials	16,800	
		8400-Business & Travel	2,400	
		8500-Capital Outlay	0	
Office of the Sheriff				
435-Office of the Sheriff				
		7001-Personal Services	6,551,000	<u>6,517,500</u>
		7200-Contractual Services	458,500	
		8000-Supplies & Materials	111,300	
		8400-Business & Travel	11,800	
		8500-Capital Outlay	5,800	
		8700-Grants, Contributions & Oth	257,800	
Office of the State's Attorney				
		8500-Capital Outlay	0	
430-Office of the State's Attorney				
		7001-Personal Services	8,221,600	<u>8,184,100</u>
		7200-Contractual Services	135,700	
		8000-Supplies & Materials	121,000	
		8400-Business & Travel	70,200	
		8500-Capital Outlay	7,300	
		8700-Grants, Contributions & Oth	58,700	

FY2012 Appropriation Control Schedule

Fund: General Fund

Agency	Character	Object	Proposed	
Orphans Court				
470-Orphans Court				
		7001-Personal Services	442,800	<u>112,200</u>
		7200-Contractual Services	1,800	
		8000-Supplies & Materials	1,500	
		8400-Business & Travel	3,400	
Personnel Office				
215-Office of Personnel				
		7001-Personal Services	3,789,100	<u>3,769,800</u>
				<u>3,769,800</u>
		7200-Contractual Services	1,874,400	<u>1,769,900</u>
				<u>1,769,900</u>
		8000-Supplies & Materials	61,800	
		8400-Business & Travel	3,100	
		8700-Grants, Contributions & Other	500	
Planning and Zoning				
290-Administration				
		7001-Personal Services	3,573,300	<u>3,539,400</u>
				<u>3,539,400</u>
		7200-Contractual Services	138,300	<u>132,800</u>
				<u>132,800</u>
		8000-Supplies & Materials	52,500	
		8400-Business & Travel	3,900	
		8700-Grants, Contributions & Other	939,400	
300-Development				
		7001-Personal Services	3,134,000	
Police Department				
230-Executive Services				
		7001-Personal Services	4,171,100	<u>4,140,400</u>
				<u>4,140,400</u>
		7200-Contractual Services	250,700	
		8000-Supplies & Materials	57,000	
		8400-Business & Travel	77,100	
		8500-Capital Outlay	0	
240-Patrol Services				
		7001-Personal Services	50,800,100	<u>50,416,000</u>
				<u>50,094,600</u>
				<u>49,710,500</u>
		7200-Contractual Services	604,900	
		8000-Supplies & Materials	274,600	
		8400-Business & Travel	3,800	
		8500-Capital Outlay	0	
245-Special Services				
		7001-Personal Services	20,685,100	<u>20,494,800</u>
				<u>20,494,800</u>
		7200-Contractual Services	807,100	<u>775,100</u>
				<u>775,100</u>
		8000-Supplies & Materials	395,900	
		8400-Business & Travel	17,200	
		8500-Capital Outlay	90,400	<u>14,000</u>

FY2012 Appropriation Control Schedule

1
 2
 3
 4
 5
 47
 48
 49
 50
 51
 52
 53

Fund: General Fund

Agency	Character	Object	Proposed	
	250-Admin Services			<u>90.400</u>
		7001-Personal Services	12,858,700	<u>12,841,700</u>
		7200-Contractual Services	9,329,100	<u>12,841,700</u>
		8000-Supplies & Materials	1,000,100	<u>8,464,100</u>
		8400-Business & Travel	61,800	<u>8,464,100</u>
		8500-Capital Outlay	412,000	<u>298,500</u>
Public Libraries			14,798,500	<u>298,500</u>
				<u>14,678,500</u>

FY2012 Appropriation Control Schedule

Fund:: General Fund

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50

Agency	Character	Object	Proposed	
Public Works				
	308-Director's Office			
		7001-Personal Services	450,200	
		7200-Contractual Services	13,200	<u>7,700</u>
				<u>7,700</u>
		8000-Supplies & Materials	6,400	
		8400-Business & Travel	4,400	
		8700-Grants, Contributions & Oth	0	
	310-Bureau of Engineering			
		7001-Personal Services	7,408,100	
		7200-Contractual Services	247,500	<u>233,500</u>
				<u>233,500</u>
		8000-Supplies & Materials	92,700	
		8400-Business & Travel	24,200	
		8500-Capital Outlay	800	
	315-Bureau of Highways			
		7001-Personal Services	12,357,100	<u>12,241,000</u>
				<u>12,241,000</u>
		7200-Contractual Services	11,382,600	<u>11,349,600</u>
				<u>11,349,600</u>
		8000-Supplies & Materials	1,563,900	
		8400-Business & Travel	25,700	
		8500-Capital Outlay	137,500	
Recreation and Parks				
	325-Director's Office			
		7001-Personal Services	552,600	
		7200-Contractual Services	67,100	
		8000-Supplies & Materials	46,700	
		8400-Business & Travel	1,800	
		8500-Capital Outlay	0	
		8700-Grants, Contributions & Oth	15,700	
	330-Recreation			
		7001-Personal Services	4,421,300	
		7200-Contractual Services	2,139,200	
		8000-Supplies & Materials	481,100	
		8400-Business & Travel	3,300	
		8500-Capital Outlay	7,500	
		8700-Grants, Contributions & Oth	1,154,800	
	335-Parks			
		7001-Personal Services	5,479,600	<u>5,440,300</u>
		7200-Contractual Services	1,775,400	
		8000-Supplies & Materials	448,600	
		8400-Business & Travel	5,100	
		8500-Capital Outlay	36,000	
		8700-Grants, Contributions & Oth	229,300	
	357-Golf Courses			
		7200-Contractual Services	3,828,600	
		8600-Debt Service	1,739,400	
		8700-Grants, Contributions & Oth	0	

FY2012 Appropriation Control Schedule

1
 2
 3
 4
 5
 6
 7
 8
 9
 10
 11
 12
 13
 14
 15
 16
 17
 18
 19
 20
 21
 22

Fund: General Fund

Agency	Character	Object	Proposed	
Social Services				
500-Adult Services				
		7001-Personal Services	945,900	
		7200-Contractual Services	38,200	
		8000-Supplies & Materials	1,000	
		8700-Grants, Contributions & Other	563,200	
505-Family & Youth Services				
		7001-Personal Services	2,660,300	<u>2,639,500</u>
		7200-Contractual Services	46,800	<u>2,639,500</u>
		8000-Supplies & Materials	28,100	
		8400-Business & Travel	14,000	
		8700-Grants, Contributions & Other	87,800	
511-Family Preservation				
		7001-Personal Services	330,800	
		7200-Contractual Services	4,000	
		8400-Business & Travel	21,000	
		8700-Grants, Contributions & Other	0	0

EDUCATION**PUBLIC SCHOOLS – COUNTIES – MAINTENANCE OF
EFFORT REQUIREMENT**

November 4, 2009

*Dr. Nancy S. Grasmick
State Superintendent of Schools
Maryland State Department of Education*

*The Honorable Isiah Leggett
County Executive for Montgomery County*

*Fulton P. Jeffers, Esquire
Attorney for Wicomico County Board of Education*

You have each requested our opinion concerning a county's efforts to comply with the "maintenance of effort" ("MOE") provisions of the State education law, which set a minimum level of funding that a county must provide for its local school system. You each ask whether the method by which a county government sought to satisfy the MOE requirement for Fiscal Year 2010 is consistent with that law.

Your requests collectively relate to three instances in which a county government requested that the State Board of Education ("State Board") grant a partial waiver of the MOE requirement for the county for Fiscal Year 2010, as permitted by the State education law. In each instance, the State Board denied the request. Each county then enacted a budget that included the full amount of MOE funding for the school system, but also directed the school system to make payments through the county for debt service on school facilities – payments that had been made in previous fiscal years from the county budget rather than the school system budget. The counties relied on two slightly different mechanisms.

The governing bodies in Montgomery and Prince George's counties each restricted MOE funds by requiring that the local school system pay a part of the appropriation back to the county for debt service on school facilities. In Wicomico County, the County Council did not require that the local school board use budgeted MOE funds to pay debt service. Rather, at the suggestion of the

local board of education, it passed a separate resolution directing the local board to defray part of the cost of debt service from the local board's school construction fund – which had been accumulated from surplus funds from prior years' appropriations and was not part of the MOE computation for Fiscal Year 2010.

In our opinion, the budget restriction imposed by Montgomery and Prince George's counties is not a permissible means of satisfying a county's MOE obligation for Fiscal Year 2010. The MOE law states that shifting appropriations between a county budget and the school budget "may not be used to artificially satisfy" the MOE requirement. The shifting of debt service to the school board budget for the first time for Fiscal Year 2010 and its payment from MOE funds artificially satisfies the MOE requirement, unless a corresponding adjustment is made to the prior year's budget in computing the MOE target amount.¹ By contrast, Wicomico County has fully funded the MOE target without requiring the expenditure of a portion of those funds for an item paid by the County in previous years. The use, at the suggestion of the local board, of surplus funds in its school construction fund for debt service appears consistent with the State education law and the purpose of that fund.

I

Local Funding of Public Schools

Public schools in Maryland are funded, for the most part, by appropriations from the State and county governments.² On average, the counties provide approximately one-half of the funding of public schools while the State provides a little less than one-half and federal funds account for a little over 5% of total funding. The MOE requirement relates to the local portion of school funding. To

¹ In using the term "artificially" in this context we do not mean to imply improper conduct or subterfuge on anyone's part; rather, we are simply construing the statutory language. Our opinion relates only to whether the MOE requirement may be satisfied through this particular device as a matter of law. We do not assess whether either county has, or may, satisfy the MOE requirement in some other way. The factual determination whether a county has satisfied the MOE requirement rests with the State Superintendent and ultimately the State Board. Annotated Code of Maryland, Education Article, §5-213.

² As in most contexts, "county" includes Baltimore City. Annotated Code of Maryland, Education Article, §1-101(c).

place the MOE requirement in context, it is useful to review first the State law that sets parameters for the budget of a local board of education.

A. Budget of Local Board of Education

1. Local Board's Proposed Budget

State law requires that a local board of education prepare a proposed annual budget that is broken down according to categories listed in the statute or required by the State Board. Annotated Code of Maryland, Education Article ("ED"), §5-101; COMAR 13A.02.01.02C (incorporating State Board's financial reporting manual). Part I of the local board's budget deals with the board's "current expense fund"; Part II concerns its "school construction fund." ED §5-101(b). Once the local board prepares its proposed annual budget, it is subject to the county budget process and procedures. *Chesapeake Charter, Inc. v. Anne Arundel County Board of Education*, 358 Md. 129, 139, 747 A.2d 625 (2000).

With respect to the current expense fund portion of the budget, revenue is divided into five categories, based on source: (1) local sources; (2) State sources; (3) federal sources; (4) unliquidated surplus from prior fiscal years; (5) all other sources. ED §5-101(b)(1). The fourth category of revenues, "unliquidated surplus" is defined as "the actual from the previous fiscal year and the estimated from the current fiscal year, whether accrued from revenues or expenditures." ED §5-101(b)(1)(iv). On the expenditure side, there are 14 major categories of appropriations. ED §5-101(b)(2).³ With respect to the school construction fund portion of the budget, there are seven categories of revenue and six

³ These categories include: (1) administration at the local board and executive level; (2) mid-level administration, including school principals and other administrative and supervisory staff; (3) instructional salaries; (4) textbooks and classroom instructional supplies; (5) other instructional costs; (6) special education; (7) student personnel services; (8) health services; (9) student transportation; (10) operation of plant and equipment; (11) maintenance of plant; (12) fixed charges; (13) food services; and (14) capital outlay. ED §5-101(b)(2).

categories of appropriations, including "debt service." ED §5-101(b)(3)-(4).⁴

2. County Authority to Reduce or Condition Local Board's Budget

The local school board must submit its proposed budget to the county government for approval. ED §5-102. In those counties, like Wicomico, Prince George's and Montgomery, which are governed by a County Executive and County Council, the County Executive may deny in whole or reduce in part major categories of the local school board's proposed budget. The County Executive must explain in writing the reasons for the denial or reduction. The County Council may restore any denial or reduction. ED §5-102(c); see generally 93 *Opinions of the Attorney General* 114, 115 (2008). By implication, the county's power to reduce the local board's budget means that it also has some power to condition the expenditure of the funds it does appropriate, within certain limits.⁵ 85 *Opinions of the Attorney General* 167, 171-72 (2000).

3. Expenditures, Transfers, and Surplus

State law mandates that a local board spend "[a]ll revenues received by the county board ... in accordance with the major

⁴ The school construction fund includes the following categories of estimated receipts: (1) local sources; (2) bonds; (3) State General Public School Construction Loan; (4) State sources; (5) Federal sources; (6) unliquidated surplus; and (7) all other sources. ED §5-101(b)(3). The school construction fund also includes the following categories of appropriations: (1) Land for school sites; (2) buildings and the equipment that will be an integral part of a building by project; (3) school site improvement by project; (4) remodeling by project; (5) additional equipment by project; and (6) debt service. ED §5-101(b)(4).

⁵ The power to regulate a school system's expenditures by conditioning how appropriated funds must be spent is constrained by the State's preemption of education policy. 85 *Opinions of the Attorney General* 167, 172 & n.2; see also *McCarthy v. Board of Education of Anne Arundel County*, 280 Md. 634, 643-651, 374 A.2d 1155 (1977), *Board of Education of Montgomery County v. Montgomery County*, 237 Md. 191, 205 A.2d 202 (1964). In other words, any conditions set by a county government on local board expenditures may not impinge on the school board's discretion to set education policy in accordance with State law.

categories of its annual budget" ED §5-105(a). A transfer of funds among the major categories may only be accomplished with the approval of the county governing body. ED §5-105(b). Funds that are not expended or encumbered that fiscal year are reflected in the subsequent fiscal year's budget as surplus. ED §5-101(b)(1)(iv).

B. Maintenance of Effort Requirement

1. Foundation Program and Maintenance of Effort

A county government's power to reduce a local school board's budget is limited by the State "foundation program" and the MOE requirements in the State education law. *See 64 Opinions of the Attorney General 51, 53 (1979)* (requirement to levy taxes to raise sufficient funds for the minimum county share – what is now called the foundation program – is mandatory); *76 Opinions of the Attorney General 153, 162 (1991)* (failure of county to meet its MOE requirement would result in forfeit of increase in State aid otherwise due the local board). The foundation program is essentially a computation based on pupil enrollment and a dollar amount per pupil. *See* ED §5-202(a)(5). Responsibility for funding the foundation amount in each jurisdiction is divided between the State and the county according to a complex formula that takes into account the relative wealth of each jurisdiction. ED §5-202(a); *see also* COMAR 13A.02.06.03.

In order to receive the full State share of the foundation program for the local school system, a county must satisfy certain conditions. In particular, the county governing body must levy an annual tax sufficient to fund the local share of the foundation program. ED §5-202(d)(1)(i). In addition, it must appropriate local funds for the school operating budget "in an amount no less than the product of the county's full-time equivalent enrollment for the current fiscal year and the local appropriation on a per pupil basis for the prior fiscal year." ED §5-202(d)(1)(ii). Because the latter provision requires the county to maintain at least the same level of per-pupil funding as in the previous year, it is sometimes referred to as the "maintenance of effort" requirement.

2. Computation of Maintenance of Effort Amount

The statute provides further guidance on calculation of the MOE level. In particular, it specifies that "the local appropriation on a per pupil basis for the prior fiscal year" is to be computed by dividing the county's highest local appropriation to the school

operating budget for the prior fiscal year by the county's full-time equivalent enrollment for that year. ED §5-202(d)(2). The statute excludes "non-recurring costs" from the formula for computing the required local funding; also, it bars the shifting of programs between the county and local board budgets "to artificially satisfy" the MOE requirement. ED §5-202(d)(2)-(5).⁶ The statute further identifies

⁶ The statute reads:

(2) Except as provided in paragraph (3) of this subsection, for purposes of this subsection, the local appropriation on a per pupil basis for the prior fiscal year for a county is derived by dividing the county's highest local appropriation to its school operating budget for the prior fiscal year by the county's full-time equivalent enrollment for the prior fiscal year.... Program shifts between a county operating budget and a county school operating budget may not be used to artificially satisfy the requirements of this paragraph.

(3) For purposes of this subsection, for fiscal year 1997 and each subsequent fiscal year, the calculation of the county's highest local appropriation to its school operating budget for the prior fiscal year shall exclude:

(i) A nonrecurring cost that is supplemental to the regular school operating budget, if the exclusion qualifies under regulations adopted by the State Board; and

(ii) A cost of a program that has been shifted from the county school operating budget to the county operating budget.

(4) The county board must present satisfactory evidence to the county government that any appropriation under paragraph (3)(i) of this subsection is used only for the purpose designated by the county government in its request for approval.

(5) Any appropriation that is not excluded under paragraph (3)(i) of this subsection as a qualifying nonrecurring cost shall be included in calculating the county's highest local appropriation to its school operating budget.

(continued...)

certain specific costs as “non-recurring.” ED §5-202(d)(6) (e.g., computer labs, and books other than classroom texts); *see also* COMAR 13A.02.05.03.

State law also allows local boards to request, and county governments to appropriate, funds in excess of the MOE level. ED §5-103(a), (b); *see* 81 *Opinions of the Attorney General* 26 (1996). Local governments have historically exceeded the MOE requirement and funded local school systems at higher levels. *See* Report of the Commission on Education Finance, Equity and Excellence (2002) (“Thornton Report”) at 73. Therefore, it is frequently the case that when the highest local appropriation from the prior fiscal year is calculated, the MOE amount for the upcoming fiscal year ratchets up.⁷

3. Summary of the Local Appropriation in Local Board Budget

Thus, a county’s local appropriation for its school system is made up of the local foundation share, additional amounts necessary to satisfy the MOE requirement, and any amount in excess of the MOE level that the county chooses to appropriate. State law directs county governments to raise “funds from all sources . . . [to] produce the amounts necessary to meet the appropriations made in the approved annual budget of the county board.” ED §5-104(a). Of

⁶ (...continued)

ED §5-202(d)(2)-(5). The last sentence of ED §5-202(d)(2) refers to program shifts that would artificially satisfy the requirements of “this paragraph,” which may raise some question as *paragraph* (d)(2) does not itself impose a requirement but rather helps define the target MOE level. The MOE requirement itself is set forth in *subsection* (d). This anomaly is apparently the result of a drafting error. When the MOE requirement was originally enacted by Chapter 85, Laws of Maryland 1984, it appeared in a paragraph – ED §5-202(b)(3) (1984). A subsequent amendment of ED §5-202 involved a retabulation of its various provisions that converted paragraphs to subsections, including the paragraph containing the MOE requirement. This particular reference was apparently overlooked. *See* Chapter 288, Laws of Maryland 2002.

⁷ In some instances, State law dedicates certain local revenues to educational purposes without affecting the county’s MOE obligation. *See, e.g.,* Annotated Code of Maryland, Article 24, §9-606 (sales and use tax on telecommunications service in Prince George’s County are to be devoted to public schools, but may not supplant State or local aid to the county school system).

course, the county may also pay for items related to the school system through its own budget – expenditures that are not generally considered part of the foundation program or the MOE computation.

4. Waiver of Maintenance of Effort

The statute provides for temporary or partial waivers of the MOE requirement if the State Board finds that the county's fiscal condition "significantly impedes" the county's ability to satisfy the requirements. ED §5-202(d)(7); *see also* COMAR 13A.02.05.04. A county must request a waiver by April 1 during the prior fiscal year; the State Board must decide whether to grant the request by May 15 of that year. *Id.*

5. Penalty Provision

Enforcement of the MOE requirement is assigned to the State Board. If the State Superintendent finds that a county is out of compliance, the Superintendent is to notify the county of its non-compliance. ED §5-213(b)(1). The county may dispute that finding before the State Board, which makes a final determination as to the county's compliance. ED §5-213(b)(2). A certification of non-compliance is sent to the State Comptroller, who is to withhold a portion of the local board's State aid. ED §5-213(b)(3). The penalty is defined as the amount by which "the State's aid due the county in the current fiscal year [under ED §5-202] exceeds the amount which the county received in the prior fiscal year." *Id.*; *see also* 76 *Opinions of the Attorney General* at 161-62; Letter of Assistant Attorney General Bonnie A. Kirkland to Senator Richard S. Madaleno, Jr. (May 20, 2009).

C. Purposes of the Maintenance of Effort Requirement

The MOE requirement serves at least two purposes. First, it obviously encourages a county to increase steadily its financial support of public schools. This happens because the minimum level of local funding for one year is based on the county's "highest local appropriation" to the school operating budget for the prior year.

Second, by requiring a minimum level of local funding, it ensures that State policy decisions to improve public education through enhanced financial support are not defeated by local funding decisions. Similar requirements appear in many federal statutes that provide educational funding, and for the same reason. *See, e.g.*, 20 U.S.C. §§6321(a), 7901. For example, assume the Governor and

General Assembly intend to improve public education in the State and appropriate State funds to increase per pupil funding in each jurisdiction for that purpose. If a county could simply reduce its own financial contribution to its school system by a similar amount and devote those funds to some other purpose – e.g., a new county office building – this would effectively convert a State initiative on public education to that other purpose – new offices. (Whether the other purpose is as worthy as the public schools is not the issue; rather, it is whether the incremental State funding has been diverted to a purpose not contemplated by the Governor and General Assembly). The MOE requirement ensures that a State-level decision to increase education funding is used for that purpose at the local level. Accordingly, if a county fails to meet its MOE obligation, it loses the increment in State funding.

II

County Budget Actions Relating to Maintenance of Effort

Eight counties initially sought waivers of the MOE requirement for Fiscal Year 2010. Ultimately, five counties withdrew their requests and only Wicomico, Montgomery, and Prince George's counties pursued the waiver process. The State Board denied each of those requests. Each of the three counties then passed budgets for the local school system that included the MOE amount. However, each county gave its local board additional directions concerning its expenditures for Fiscal Year 2010.

A. *Montgomery County*

Request for Maintenance of Effort Waiver

On March 31, 2009, with the support of the local board of education,⁸ the Montgomery County government requested a waiver of \$94,852,285 of its MOE amount, which totaled \$1,529,554,447. At a hearing before the State Board on April 27, the County reduced its waiver request to \$79,537,322. The State Board denied the waiver request, although two members dissented from that decision.

⁸ The local board of education placed certain conditions on its support for the waiver – e.g., no further cuts to the school budget and computation of the next year's maintenance of effort level based on the fiscal year 2009 appropriation.

*See In Re: Waiver Request of Montgomery County, Waiver Request No. 2009-1 (May 15, 2009).*⁹

Response of County to Denial of Waiver Request

On May 21, 2009, the Montgomery County Council adopted a Fiscal Year 2010 Operating Budget for the Montgomery County Public Schools. Montgomery County Council Resolution No. 16-971. That resolution was based in part on a County appropriation of \$1,529,554,447 – the full MOE amount. *Id.*, Background ¶5. The Operating Budget included a “non-categorized expenditure” identified as “debt service” in the amount of \$79,537,322 that had been added by the County Council to the budget requested by the local board in order to satisfy the MOE requirement, in light of cuts made by the County government to other portions of the local board’s proposed budget. *Id.*, Action ¶1. This item was further explicated in conditions set forth in the resolution:

10. This resolution appropriates \$79,537,322 for the payment of debt service due in FY 10 for the construction of Montgomery County Public Schools facilities.

a) Montgomery County Public Schools must make payment for the debt service through the Montgomery County Government as provided in subparagraph 10(c). These funds must not be spent for any other purpose.

b) The inclusion of this amount for debt service will be part of the County’s Local Appropriation and part of the calculation of the FY 11 Local Appropriation required to comply with the State maintenance of effort requirement.

c) Reimbursement must occur no less than five days before each applicable debt service payment.

⁹ *See* <www.marylandpublicschools.org/NR/rdonlyres/C7373AA6-0C41-41D2-A526-80EB30FACB95/20058/Montgomery_County.pdf>.

Id., ¶10. Thus, the school budget enacted by the County required the local board to reimburse the County in the amount of \$79,537,322 for debt service for public school facilities and prohibited the school board from using those funds for any other purpose. We understand that debt service for public school construction has not previously been part of the MOE computation in Montgomery County.

Requests for Opinion

Shortly thereafter, the Superintendent of Schools for Montgomery County asked the State Superintendent “whether the council’s action with respect to [the debt service funds] meets the maintenance of local effort requirements of Section 5-202 of the Education Article” Letter of Jerry D. Weast, Ed.D., Superintendent of Schools, to Dr. Nancy S. Grasmick, State Superintendent of Schools (June 4, 2009). The State Superintendent then asked that we provide an opinion addressing this question. More recently, on August 11, 2009, the Montgomery County Executive requested an Attorney General’s opinion on essentially the same question.¹⁰ Consistent with our policy concerning requests from local governments, the County Executive provided an opinion by the County Attorney that concluded that the County’s action was consistent with the State education law.¹¹

¹⁰ The County Executive asserted that the County had also considered transferring to the school budget two other programs that had traditionally been funded in the County’s operating budget: (1) assignment of 117 crossing guards and 38 police officers to the school system; and (2) assignment of 318 nurses and health technicians to the school system.

¹¹ While the memorandum of the County Attorney was well-researched and well-argued, consistent with the usual high standards of that office, we respectfully disagree with some of its conclusions. See Part III.A. below.

We also solicited the views of other county attorneys and counsel for local boards of education through the Maryland Association of Counties and the Maryland Association of Boards of Education on the questions posed on the MOE requirement. We received no submissions in response to those inquiries.

B. Prince George's County

Request for Maintenance of Effort Waiver

On April 1, 2009, Prince George's County requested a waiver of \$23,628,720 of its MOE amount of \$538,114,474. The local school board opposed the waiver request. As in the case of Montgomery County, the State Board denied that request. *See In Re: Waiver Request of Prince George's County*, Waiver Request No. 2009-2 (May 15, 2009).¹²

Response of County to Denial of Waiver Request

On June 1, 2009, the Prince George's County Council adopted a Fiscal Year 2010 Operating Budget that included the budget for the local school system. Bill No. CB-19-2009. That budget included a \$609,503,900 local appropriation for the Board of Education. That appropriation included the full MOE amount of \$538,114,474, as well as additional appropriations not part of the MOE formula.¹³ The budget ordinance placed the following conditions on the school system budget:

SECTION 9. The budget of the Board of Education of Prince George's County includes an appropriation of \$11,814,400 for the payment of debt service due in Fiscal Year 2010 for the construction of Prince George's County Public Schools facilities.

¹² See <www.marylandpublicschools.org/NR/rdonlyres/C7373AA6-0C41-41D2-A526-80EB30FACB95/20059/Prince_George.pdf>. On June 12, 2009, Prince George's County government filed in circuit court a petition for judicial review of the State Board's decision denying the waiver request. The local board has filed a motion to dismiss that action, which is scheduled to be heard on November 16, 2009. That litigation concerns the County's waiver request, not the means by which the county later attempted to meet its MOE obligations.

¹³ Revenues derived from a local sales and use tax on telecommunications service that are devoted to the public schools are not part of the MOE computation. Annotated Code of Maryland, Article 24, §9-606(e). Also, any increment in a local energy tax must be appropriated to the local school system *in addition to* the MOE obligation. *Id.*, §9-603(g).

(a) The Board of Education of Prince George's County must make payment for the debt service through the Prince George's County Government as provided in subparagraph (c). These funds must not be spent for any other purpose.

(b) The inclusion of this amount for debt service will be part of the County's Local Appropriation and part of the calculation of the Fiscal Year 2011 Local Appropriation required to comply with the State maintenance of effort requirement.

(c) Reimbursement must occur no less than five days before each applicable debt service payment.

Id., §9. Thus, employing language virtually identical to that in the Montgomery County budget, the Prince George's County Council required the local school board to reimburse the County in the amount of \$11,814,400 for debt service for public school facilities and prohibited the board from using those funds for any other purpose. We understand that debt service for public school construction had not previously been included in MOE computations for Prince George's County.

Like the Montgomery County Superintendent, the Prince George's County Superintendent sought advice from the State Superintendent as to whether the County's budget action was consistent with the MOE requirement. Letter of Dr. William Hite, Superintendent of Prince George's County Schools, to Dr. Nancy Grasmick, State Superintendent of Schools (June 9, 2009). At the request of the State Superintendent, we agreed to address the Prince George's County issue in this opinion.

C. *Wicomico County*

To recount fully the circumstances in Wicomico County, we must take a short detour to a prior fiscal year.

2007 - Creation of School Construction Savings Plan

In June 2007, the Wicomico County Council passed a resolution establishing a "School Construction Savings Plan," under

which a portion of any surplus school funds at the end of each fiscal year would be transferred to the local board's school construction fund.¹⁴ As noted above, State law allows for a local school board to

¹⁴ The Resolution stated in full:

A RESOLUTION APPROVING THE ESTABLISHMENT OF A SCHOOL CONSTRUCTION SAVINGS PLAN.

WHEREAS, Section 5-105 of the Education Article of the Annotated Code of Maryland provides that a transfer between major categories of the budget of a County Board of Education shall be made only with the approval of the County Council; and

WHEREAS, all unexpended and unencumbered appropriations in the current expense budget remaining at the end of the fiscal year shall revert to the County's General Fund; and

WHEREAS, the Board of Education has requested the establishment of a School Construction Savings Plan on the terms and conditions set forth herein.

NOW, THEREFORE, BE IT RESOLVED, by the County Council of Wicomico County, Maryland that the Wicomico County Board of Education shall be permitted to establish a School Construction Savings Plan as follows:

1. The Board of Education, County Executive and County Council agree that the base level for the Board of Education's end of year undesignated fund balance carryover to the next budget cycle shall be \$300,000.00.

2. The Board of Education, County Executive and County Council agree that any amount exceeding the base level, after completion of the Board's audit and all audit adjustments have been posted, shall be transferred to the Board's School Construction Fund.

3. Expenditures of funds credited to the School Construction Fund under this policy may only be for capital construction projects included in the Wicomico County Capital Improvements Program for Board of Education projects, or capital construction projects included in the capital outlay category in the then current fiscal

(continued...)

transfer funds among the “major categories” of its budget, with the approval of the local governing body. ED §5-105(b). Thus, while surplus funds would ordinarily appear in the revenue estimates in the subsequent year’s budget, *see* ED §5-101(b)(1)(iv), those funds could be transferred to another category – such as the school construction fund – with the consent of the County governing body. In essence, the resolution constituted the County’s advance consent for such a transfer each year of a portion of the local board’s operating surplus to its school construction fund.

We understand that, pursuant to the 2007 resolution, a portion of surplus school board funds have been transferred to the board’s school construction fund during the last two years to become part of

¹⁴ (...continued)

year’s operating budget and reviewed by the School Building Commission.

4. In any given fiscal year, the County Executive with the approval of the County Council may modify the base level prior to June 30. The Board of Education may request a modification of the base level in writing to the County Executive and County Council at least 60 days prior to June 30, stating the rationale for the modification.

5. In any given year, the County Executive or the County Council may elect not to exercise this savings plan, in which event, notification shall be provided to the Board of Education, 30 days prior to June 30.

6. The County Executive and/or the County Council may terminate this policy at any time, and in the event of such termination will notify the Board of Education, in writing. Such notification shall be provided, at least 30 days prior to the end of the fiscal year.

Wicomico County Council Resolution 88-2007 (June 5, 2007). As indicated in the second recital of the resolution, it was apparently adopted under the misunderstanding that unexpended and unencumbered appropriations of the local school board would revert to the County’s general fund. In fact, pursuant to ED §5-101(b)(1)(iv), such funds are to be included as “unliquidated surplus” in the revenue portion of the local board’s budget for the next fiscal year. The resolution was amended in 2009 to correct this misunderstanding. Wicomico County Council Resolution 85-2009 (June 2, 2009).

the available revenues for that portion of the local board's budget. The transferred funds were designated for school capital construction projects. Wicomico County Council Resolution 88-2007 at ¶3. The fund grew to about \$3,000,000 as of June 2009.

2009 – Request for Maintenance of Effort Waiver

On April 1, 2009, Wicomico County government requested that the State Board of Education waive \$2,000,000 of the County's Fiscal Year 2010 MOE requirement of \$50,781,711 for funding education. The local superintendent opposed the waiver request. The State Board denied that request. *See In Re: Waiver Request of Wicomico County*, Waiver Request No. 2009-3 (May 15, 2009).¹⁵

Response of County to Denial of Waiver Request

After the waiver request was denied, the County sought a proposal from the local board as to how to make up the \$2,000,000 shortfall in compliance with the MOE law. Letter of Richard M. Pollitt, Wicomico County Executive, to Dr. John Fredericksen, Wicomico County Superintendent, and Ms. Robin Holloway, Chair, Board of Education (May 15, 2009). The local superintendent proposed, among other things, that the funds transferred to the school construction fund under the 2007 resolution could be utilized. Letter of Dr. John E. Fredericksen, Wicomico County Superintendent, to Richard M. Pollitt, Jr., Wicomico County Executive (May 20, 2009).

On June 2, 2009, the County Council passed a new resolution amending its 2007 resolution to direct the local board of education to make a payment of \$2,000,000 from the school construction fund to the County government for fiscal year 2010 "to partially cover the debt service on school construction projects." Wicomico County Council Resolution No. 85-2009 (June 2, 2009).¹⁶ On that same day,

¹⁵ See <www.marylandpublicschools.org/NR/rdonlyres/C7373AA6-0C41-41D2-A526-80EB30FACB95/20074/AmendedWicCoDecision.pdf>

¹⁶ The 2009 Resolution amended Paragraph 3 of the 2007 Resolution as follows:

3. Expenditures of funds credited to the

(continued...)

it passed its budget bill, which reflected the \$2,000,000 transfer of funds from the local board to the County as "reimbursement for school construction debt service." Bill No. 2009-07, Exhibit A-2.¹⁷ We understand that school construction debt service had been paid from the County budget in prior years and that it has not been part of the MOE calculation for Wicomico County. The budget also

¹⁶ (...continued)

School Construction Fund under this policy may only be for capital construction projects included in the Wicomico County Capital Improvements Program for Board of Education projects, or capital construction projects included in the capital outlay category in the then current fiscal year's operating budget and reviewed by the School Building Commission PROVIDED, HOWEVER, THAT FOR FY 2010 THE FOLLOWING TERMS SHALL APPLY TO EXPENDITURES:

A. THE WICOMICO COUNTY BOARD OF EDUCATION SHALL MAKE A PAYMENT TO THE WICOMICO COUNTY GOVERNMENT TO PARTIALLY COVER THE DEBT SERVICE ON SCHOOL CONSTRUCTION PROJECTS.

B. SUCH EXPENDITURE SHALL EQUAL THE SUM OF TWO MILLION DOLLARS (\$2,000,000), AND SHALL BE PAID IN A LUMP SUM WITHIN 30 DAYS OF THE START OF THE NEW FISCAL YEAR.

C. THE PAYMENT WILL BE SET ASIDE IN A RESERVE FOR THE STATED PURPOSE AND PAYMENTS WILL BE MADE BY THE COUNTY TO THE BOND PAYING AGENT.

D. THIS APPROPRIATION FOR DEBT SERVICE IS REQUIRED FOR FY 2010 ONLY.

Wicomico County Council Resolution No. 85-2009 (June 2, 2009).

¹⁷ The budget was approved by the County Executive on June 10, 2009.

reflected that a \$2,000,000 increment was added to the local board's operating budget "to fully satisfy MOE requirement." *Id.*

The County asked the local board to obtain an Attorney General's opinion on whether these budget actions complied with the MOE requirement in the State education law. Thereafter, Fulton P. Jeffers, Attorney for the Wicomico County Board of Education, requested an opinion, on behalf of that board, whether the County's action satisfied the MOE requirement.

III

Analysis

In an effort to satisfy the MOE requirement, each of the three counties has required its local board to devote part of its budget for Fiscal Year 2010 to the payment of debt service on public school construction that was previously paid from the county's budget. Montgomery and Prince George's counties have done so by transferring part of the obligation to pay debt service to the school operating budget. Wicomico County has done so by transferring part of the debt service obligation to the local board's school construction fund.

A. *Transfer of Debt Service Obligation to Meet Maintenance of Effort Requirement*

Both Montgomery County and Prince George's County have attempted to satisfy the MOE requirement for Fiscal Year 2010 by transferring a particular item (a portion of school debt service obligation), and the funds associated with it, that appeared in the county government budget in Fiscal Year 2009 to the school operating budget for Fiscal Year 2010. In each case, the county appropriated funds in the local board's operating budget for a purpose not requested by the local board of education – payment of debt service for school construction through the county. In each case, the county also placed a condition on the expenditure of those funds that prohibited the local board from spending the funds for any other purpose. We are advised that similar appropriations for debt service and conditions did not appear in the budget of the local boards of education for the prior fiscal year – Fiscal Year 2009 – in either county.

Such an action raises at least two issues under the MOE law. First, the MOE law concerns the local appropriation to the "school

operating budget." Is an appropriation restricted to payment of school debt service properly considered part of the local board's *operating* budget? Second, even if school debt service may properly be part of the school system's operating budget, how does its appearance in that budget for the first time affect the MOE computation for Fiscal Year 2010?

1. Debt Service as Part of the School Operating Budget

With respect to the first issue, the listing of categories for the current expense fund of local school budgets in Part I of ED §5-101(b) does not include a category for debt service for school construction. Categories related to school construction appear in Part II of a local board's budget (referred to as the "school construction fund"), including a specific category for "debt service." ED §5-101(b)(4)(vi). If the "school operating budget" in the MOE statute were equated with the "current expense fund" in the budget statute, an appropriation for debt service would clearly not be taken into account to determine compliance with the MOE requirement.

In a 1991 opinion, this Office was required to construe the phrase "school operating budget" as used in the MOE statute. 76 *Opinions of the Attorney General* 153 (1991). That opinion concerned the effort of Howard County to exclude certain items that had been part of the prior year's appropriation from the concept of "school operating budget" and thereby to reduce the MOE target level for the upcoming fiscal year. Equating "school operating budget" with "basic current expenses" (as the current expense fund was then called), the Howard County Solicitor had found that action legally permissible.

Attorney General Curran concluded that "school operating budget" is a "broadly inclusive term" that is not limited to the list of expenses then defined as "basic current expenses" in ED §5-101. See 76 *Opinions of the Attorney General* at 158. Indeed, for MOE purposes, the "school operating budget" would include "all expenditures for the on-going educational functions of the public school system, as distinct from capital expenditures." *Id.* The opinion rejected the contention that all items excluded from the definition of "basic current expenses" – a list that included debt

service, among other things – would automatically be excluded from “school operating budget.” *Id.* at 159-61.¹⁸

The opinion did not catalog all of the items that could be included or excluded from the “school operating budget” for MOE purposes, but offered a few examples. (At that time, the MOE statute did not specifically provide for non-recurring expenses to be excluded from the prior year’s appropriation in the computation of the MOE target amount). With respect to items that could be excluded, it cited the example of start-up costs to equip a new library that are not recurring. “In our view, such *one-time* costs can fairly be viewed as capital expenditures that may be excluded when calculating the local maintenance of effort amount.” *Id.* at 160 (emphasis added); *see also* Letter of Assistant Attorney General Richard E. Israel to Delegate Norman H. Conway (January 2, 1996) at p. 1 (referring to permissible exclusion of “one-time capital costs” from MOE computation).

After the 1991 opinion was issued, the Legislature amended the MOE statute to provide further guidance on items that can be disregarded for purposes of the MOE computation and delegated further elaboration to the State Board. *See* Chapter 175, Laws of Maryland 1996, *now codified at* ED §5-202(d)(3)-(6); *see also* COMAR 13A.02.05.03. Like the 1991 opinion, this clarification concerned items that could be excluded from the amount of the prior fiscal year’s appropriation to compute the MOE level for the next fiscal year. The exclusion of non-recurring expenses in the prior year’s budget would, of course, have the effect of reducing a county’s required appropriation under the statutory formula for computing the MOE target amount. Debt service was not specifically listed among such items, again suggesting that it is not necessarily excluded from the concept of “school operating budget.”

In our view, an appropriation of local funds in the school operating budget for recurring debt service payments for public school construction may be counted toward satisfaction of a county’s

¹⁸ An appropriation for debt service for public schools was not specifically at issue in the opinion. Howard County’s certification of the prior year’s school budget, which was the starting point for the MOE computation, had not included debt service – and therefore there was no effort to exclude it from the computation. *See 76 Opinions of the Attorney General* at 155-56 n. 5.

MOE target.¹⁹ However, the transfer of a debt service obligation from the county budget to the school system budget may affect how it is counted for MOE purposes in the year in which the transfer is made.

2. Effect of Including Debt Service for the First Time

With respect to the second issue, Montgomery and Prince George's counties are attempting to meet the MOE obligations by effectively including a new item in the local board's budget for the current fiscal year. In both cases, debt service was previously paid from appropriations in the county's budget. Thus, an expense has been shifted from the county budget in the prior fiscal year to the local board budget in the current fiscal year so that the funds associated with that expense appear in the current school budget for the purpose of satisfying the MOE requirement.²⁰

As indicated above, the MOE statute provides that "[p]rogram shifts between a county operating budget and county school operating budget may not be used to artificially satisfy the [maintenance of effort] requirements...." ED §5-202(d)(2).²¹ In

¹⁹ The Montgomery County Attorney concluded that debt service is an expense category properly included in the school operating budget, reasoning that debt service appropriations appear in the State operating budget. The County Attorney also read the 1991 opinion to include debt service as part of a school operating budget. For the reasons indicated in the text, we agree that debt service may be included in the "school operating budget," although it is not required.

Finally, the County Attorney also concluded that ED §5-201(e), which excludes debt service from calculation of the local share of the foundation program, does not preclude including debt service in MOE computations. We agree that this statute pertains only to the computation of the foundation program amount, which is distinct from the MOE target level.

²⁰ It is also notable that the dedication of school board funds to debt service was not requested by the local boards in their proposed budgets, but rather imposed by the counties as a condition on the expenditure of part of the local funds appropriated in the school board budget. The imposition of such a condition on the school board budget could itself be contrary to the State education law if it has the effect of interfering with education policy. See note 5 above.

²¹ Similarly, if a program has been shifted from the school operating
(continued...)

other words, the test whether a county has met its MOE obligation is to be computed on an "apples to apples" basis. See Letter of Assistant Attorney General Robert A. Zarnoch to Delegate Norman H. Conway (January 2, 1996) at pp.2-3 & n. 1 ("artificial" shifting of education expenses to be disregarded for MOE purposes whether it involves shifting into or out of the local board's budget). Thus, it appears that, in order to assess accurately whether a county has met that obligation, the computation must include one of the following adjustments: (1) the debt service appropriation for the current fiscal year must be excluded from the comparison; or (2) an equivalent portion of the appropriation for school debt service in the prior county budget must be included as part of the "highest local appropriation to [the] school operating budget for the prior fiscal year" in the computation of the target MOE level.²² Otherwise, the computation does not accurately assess changes in county support, as intended by the MOE law.

In our opinion, the inclusion of an appropriation for debt service in the Fiscal Year 2010 budget for a local school system cannot be used to satisfy the MOE target if the same expense – and appropriation – were not a part of the computation of the highest local appropriation for the school operating budget for the prior fiscal year – Fiscal Year 2009.

²¹ (...continued)

budget to the county operating budget, it is to be excluded from the prior year's appropriation in computing the target maintenance of effort level for the current fiscal year. ED §5-202(d)(3)(ii).

²² The Montgomery County Attorney takes the position that, although a local government cannot meet its MOE target by artificially shifting a "non-education program" to the school operating budget, it may shift the cost of an education-related program. We agree that a county could not satisfy its MOE obligation by artificially including non-education programs in the school budget. However, the statutory directive to disregard program shifting between the county budget and school board budget is not limited to non-education programs. Indeed, a related statutory provision concerning program shifting that allows a reduction in the MOE target level when a program is shifted from the local board budget to the county budget necessarily concerns education programs. See ED §5-202(d)(3)(ii).

B. Direction to Local Board to Use Other Funds for Debt Service

Wicomico County has appropriated the full MOE amount for the local school system in its Fiscal Year 2010 budget. Unlike Montgomery and Prince George's counties, it has not directed the local board to devote any of the funds comprising the MOE amount to debt service for school construction. Wicomico County did not include debt service payments as part of its MOE computation in prior years and is not purporting to do so for Fiscal Year 2010. Thus, in contrast to the situation in Montgomery and Prince George's counties, the MOE target has not been met by an appropriation that was shifted from the county budget.

It is true that, in a separate resolution, the County has directed the local board to pay \$2,000,000 – the amount of the County's waiver request – from the local board's school construction fund toward debt service. That item was previously paid from the County budget. However, the use of this mechanism appears consistent with the State education law. The funds used for these payments derive from past surplus funds in the local board's budget that could not be counted toward the County's MOE target amount.²³ The funds are available as a result of past transfers of unliquidated surplus from the current expense fund portion of the local board budget to the school construction fund in accordance with ED §5-105. The use of moneys from the school construction fund to pay debt service is

²³ Those funds could not be used to satisfy the MOE obligation for several reasons. First, as indicated in Part I.A.1 above, surplus funds constitute a category of revenue in the school board budget separate from the "local" appropriation. See ED §5-101(b)(1)(i), (iv). The MOE obligation must be satisfied by the appropriation of *local* funds, not surplus funds. ED §5-202(d)(1)(ii); see Letter of Assistant Attorney General Richard E. Israel to Delegate Robert L. Flanagan (June 6, 1996) ("Although surplus is carried over as a receipt, it is not a factor in determining whether maintenance of effort has been satisfied").

Moreover, surplus funds may be originally derived from State, federal, and other sources, while the MOE target must be satisfied by local appropriations. In some cases, it might be possible to attribute a portion of surplus to a local source. Cf. 87 *Opinions of the Attorney General* 66 (2002) (discussing whether Frederick County Commissioners could approve an increase in the school system budget for surplus attributed to "local" sources). Even then, to the extent that a portion of the surplus could be traced to a local appropriation from a prior year, the inclusion of that surplus in the MOE computation in the current year would be to double-count those funds for MOE purposes.

consistent with the purpose of that portion of the school system's budget. See ED §5-101(b)(4)(vi).

Finally, this mechanism was originally proposed by the local board after the State Board denied the County's waiver request. We realize that the local board's proposal to use the surplus in its school construction fund was no doubt inspired by a desire to help the County address budgetary shortfalls and to avoid the adverse effect to the school system of losing the incremental State aid if the MOE obligation were not met. Nevertheless, the County's acquiescence in the local board's request to use those funds for debt service is a lawful use of those funds separate from the MOE computation.

The shifting of the obligation to make a portion of debt service payments from the County budget to the school system's school construction fund does not "artificially satisfy" the MOE requirement because the County has also appropriated the full MOE amount without conditioning the use of the MOE funds. Although similar, there are critical distinctions between the device used by Montgomery and Prince George's counties, on the one hand, and that used by Wicomico County, on the other. While all three counties directed their local boards to expend funds on debt service, Montgomery and Prince George's counties did so by restricting the use of funds for that purpose (for the first time) while Wicomico County did not. Rather, in accordance with the proposal of the local board, Wicomico County was able to tap funds for debt service that were not part of the MOE computation. Thus, in our view, the mechanism employed by Wicomico County may be used to satisfy the County's MOE obligation.

IV

Conclusion

For the reasons set forth above, the measure taken by Montgomery and Prince George's counties is not a permissible means of satisfying a county's MOE obligation for Fiscal Year 2010. The MOE law states that shifting appropriations between a county budget and the school budget "may not be used to artificially satisfy" the MOE requirement. The shifting of debt service to the school board budget for the first time for Fiscal Year 2010 artificially satisfies the MOE requirement, unless a corresponding adjustment is made to the prior year's budget in computing the MOE target amount. By contrast, Wicomico County has fully funded the MOE target without conditioning the expenditure of those funds for debt

service obligation previously paid by the County. The use, at the suggestion of the local board, of separate surplus funds in its school construction fund for debt service appears consistent with the State education law and the purpose of that fund.

Douglas F. Gansler
Attorney General

Elizabeth M. Kameen
Assistant Attorney General

Robert N. McDonald
Chief Counsel
Opinions and Advice

MOE SCHEDULE

FY2012 MOE Calculation Without Debt Service

<u>Line</u>			
1	FY2011 BOE County Funding		\$ 562,360,000
2	September 30, 2009 Students	72,914.50	
3	FY2011 Unadjusted Per Pupil Amount		\$ 7,712.59
4	September 30, 2010 Students	73,654.75	
5	FY2012 Unadjusted MOE Requirement		\$ 568,068,888

FY 2012 Adjusted MOE Calculation (Includes Debt Service)

6	FY2011 BOE County Funding		\$ 562,360,000
7	FY2011 BOE Debt Service		\$ 41,481,100
8	FY2011 Adjusted County Funding		\$ 603,841,100
9	September 30, 2009 Students	72,914.50	
10	FY2011 Adjusted Per Pupil Amount		\$ 8,281.50
11	September 30, 2010 Students	73,654.75	
12	FY2012 Adjusted MOE Requirement		\$ 609,971,812

**CERTIFICATION STATEMENT
STATE SHARE OF THE FOUNDATION PROGRAM
FOR FISCAL YEAR 2012**

Education Article Section 5-202 (b) through (d) requires that to be eligible to receive State Share of the Foundation Program the following must be met:

A. Minimum Share (local wealth x local contribution rate) from Foundation Program Calculation for Fiscal Year 2012	\$ 306,273,807
B. The product of Enrollment for the current fiscal year and the Local appropriation on a per pupil basis for the prior fiscal year	
Fiscal Year 2011 Highest Local Appropriation * to the School Operating Budget	\$ 603,841,100
Divided by	
FTE Enrollment as of 0-30-2009 for Fiscal Year 2011	72,914.50
Fiscal Year 2011 Appropriation Per Student	\$ 8,281.50
Multiplied by	
FTE Enrollment as of 9-30-2010 for Fiscal Year 2012	73,654.75
Equals	
Maintenance of Effort Level	\$ 609,971,812

In accordance with the above requirements of the Acts of the General Assembly,
I hereby certify that the above information is correct and that \$609,972,000
is the Net local Appropriation* that will be provided to the Anne Arundel
County Board of Education fro County sources beginning July 1, 2011

Signature of the Superintendent of Schools

Date

This Certification is to be submitted to the Maryland State Department of Education no later than
December 5, 2011

* See other side for instructions to meet this requirement (amounts shown from G)

**ADJUSTMENTS TO LOCAL APPROPRIATION
ANNE ARUNDEL**

	<u>FY2011</u>	<u>FY2012</u>
A. Operating Budget Appropriation	\$ 562,360,000	\$ 609,972,000
Plus:		
B. Supplemental Appropriations *	_____	_____
C. Total Appropriations (A + B)	\$ 562,360,000	\$ 609,972,000
Less		
D. Approved** Nonrecurring Costs		
1. Qualifying Exclusion	\$ _____	\$ _____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
Total Supplemental & Nonrecurring Costs	\$ _____	\$ _____
E. Program Shifts Between County and Board Budgets*		
1. Qualifying Exclusion	_____	_____
2. _____	_____	_____
3. _____	_____	_____
Total Program Shifts	\$ _____	\$ _____
F. Other Reconciling Items*		
Debt Service Adjustment	\$ 41,481,100	_____
Per Attorney General's Opinion, need to include debt service in previous year if it is included in the current year		
G. Net Local Appropriation (C - D - E +F)	\$ 603,841,100	\$ 609,972,000

* Provide detail separately

** Allowable to the extent that the Appropriation exceeds the minimum Maintenance of Effort Level