


Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

January 17, 2008

MEMORANDUM

To: Members of the Board of Education

From: Jerry D. Weast, Superintendent of Schools 

Subject: County Executive's Recommendation for the FY 2009 Capital Budget and FY 2009-2014 Capital Improvements Program

This is a follow up to my memorandum dated January 15, 2008, regarding the county executive's Recommended FY 2009 Capital Budget and FY 2009-2014 Capital Improvements Program (CIP) for Montgomery County Public Schools (MCPS). First, I want to thank the county executive for fully funding the first year, FY 2009, of the CIP. This will allow us to begin many school construction projects that have already gone through the planning process.

With that said, however, the county executive is recommending reducing the Board of Education's CIP request by \$75 million and shifting expenditures from FY 2010, FY 2011, and FY 2012 to FY 2013 and FY 2014. Unfortunately, if the recommendations are adopted by the County Council, these expenditure shifts will impact our ability to maintain the construction schedules for many of our projects.

The following table illustrates the Board of Education's request, the county executive's recommendation, and the expenditure schedule differences by fiscal year. The negative numbers in the last row of the table indicate the shortfall between the county executive's recommendation and the Board's request and the positive numbers indicate the surplus between the county executive's recommendation and the Board's request. All tables in this memorandum use this same format.

(\$000s)

	Total Six-Years	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Board of Education's Request	1,497,091	266,603	265,132	269,131	276,543	212,760	206,922
County Executive's Recommendation	1,422,072	266,603	239,754	220,672	238,456	228,127	228,460
Surplus/(Shortfall)	(75,019)	0	(25,378)	(48,459)	(38,087)	15,367	21,538

In my previous memorandum I stated that I would meet with staff to determine the impact of the county executive's recommendations. As a result of those meetings, staff has developed a number of preliminary scenarios that could bring us close to the expenditure schedule set by the county executive. For your consideration, the following are five scenarios staff has developed.

1. Delay high school modernizations one year. This scenario includes delaying Paint Branch High School one year beyond the Board of Education’s requested delay. The expenditure schedule is shown below:

(\$000s)

	Total Six-Years	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Scenario #1	1,425,190	262,494	228,467	220,535	257,972	244,579	211,143
County Executive's Recommendation	1,422,072	266,603	239,754	220,672	238,456	228,127	228,460
Surplus/(Shortfall)	(3,118)	4,109	11,287	137	(19,516)	(16,452)	17,317

2. Delay nine proposed elementary school addition projects, as well as one proposed new elementary school in the Downcounty Consortium one year. The expenditure schedule is shown below:

(\$000s)

	Total Six-Years	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Scenario #2	1,497,091	263,093	230,044	268,272	296,409	229,877	209,396
County Executive's Recommendation	1,422,072	266,603	239,754	220,672	238,456	228,127	228,460
Surplus/(Shortfall)	(75,019)	3,510	9,710	(47,600)	(57,953)	(1,750)	19,064

3. Delay nine proposed elementary school addition projects, as well as one proposed new elementary school in the Downcounty Consortium two years. The expenditure schedule is shown below:

(\$000s)

	Total Six-Years	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Scenario #3	1,497,091	263,093	226,534	233,826	304,457	256,052	213,129
County Executive's Recommendation	1,422,072	266,603	239,754	220,672	238,456	228,127	228,460
Surplus/(Shortfall)	(75,019)	3,510	13,220	(13,154)	(66,001)	(27,925)	15,331

4. Delay elementary school modernizations one year beginning with Cannon Road Elementary School. The expenditure schedule is shown below:

(\$000s)

	Total Six-Years	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Scenario #4	1,442,936	264,917	262,387	237,586	249,595	225,236	203,215
County Executive's Recommendation	1,422,072	266,603	239,754	220,672	238,456	228,127	228,460
Surplus/(Shortfall)	(20,864)	1,686	(22,633)	(16,914)	(11,139)	2,891	25,245

5. Delay high school modernizations one year, with the exception of Wheaton High School, which is delayed two years. Paint Branch High School is delayed one year beyond the Board of Education’s requested delay. The expenditure schedule is shown below:

(\$000s)

	Total Six-Years	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Scenario #5	1,378,049	262,494	228,467	218,542	257,307	207,564	203,675
County Executive's Recommendation	1,422,072	266,603	239,754	220,672	238,456	228,127	228,460
Surplus/(Shortfall)	44,023	4,109	11,287	2,130	(18,851)	20,563	24,785

As evident from the above tables, the scenario that brings our expenditures closest to the county executive’s expenditures, as well as bringing our total CIP within reach of the county executive’s recommendation, is Scenario #1. As you can see, the expenditures for FY 2009, FY 2010, and FY 2011 are less than what the county executive recommended and the expenditures for FY 2012 and FY 2013 are more; however, it may be possible for MCPS to shift some of the expenditures among the years to balance the expenditures and bring them closer to the county executive’s recommendation without further delays beyond Scenario #1. However, none of the above scenarios include expenditures for projects to address capacity issues in the Clarksburg area. These expenditures will total approximately \$85 million and will have the greatest impact on the FY 2011–2013 CIP.

As I previously stated, the scenarios above are preliminary. Staff will continue to evaluate alternative scenarios, and I will forward any additional ones to you. In the interim, if you have any questions, please contact Mr. Larry Bowers, chief operating officer, at 301-279-3626 or Mr. Joseph Lavorgna, acting director, Department of Facilities Management, at 240-314-1060.

JDW:jlc

Copy to:

- Executive Staff
- Mr. Lavorgna
- Ms. Karamihas
- Ms. Cuttitta
- Ms. Cullison
- Dr. de Winter
- Dr. Newman
- Ms. Romero