



## HOWARD COUNTY OFFICE OF COUNTY EXECUTIVE

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Howard County Board of Education  
10910 Clarksville Pike  
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Dear Chair Wu and Members of the Board of Education (BOE):

I want to acknowledge the concerns that you have raised regarding our proposed FY2022 operating budget and express my appreciation for the collaborative spirit in which you have engaged with us over the past few weeks. As we are collectively working to resolve challenging issues and ensure the safe return to a full five-day instructional model this fall, I am thankful for the open dialogue and your availability as we strive for a shared solution to provide additional funding for the Howard County Public School System (HCPSS).

Following our discussions and upon further examination, I am pleased to inform you that we plan to work with our County Council to amend our proposed FY2022 operating budget to add \$4 million for HCPSS. If supported by the County Council, this funding will be shifted in anticipation of adjustments to the Maintenance of Effort (MOE) calculation by the Maryland State Department of Education (MSDE), which we expect will increase the MOE level from \$602.7 million to \$620.3 million in the coming days. Providing this additional funding to HCPSS will not come without sacrifice, as we will be adjusting the implementation timeline of our Body Worn Camera program, defunding critical vacant positions within County government, and restructuring costs associated with the opening of the new courthouse to offset the proposed increase to the HCPSS operating budget.

Additionally, we will be working with our County Council to amend the currently proposed categorical allocation and fully fund your requests for the Instruction and Special Education categories. Our educators have continued to provide excellent service to our students during this challenging time, adjusting to new learning models and performing their jobs in both virtual and in-person settings. While final categorical allocation decisions are subject to your approval, this proposed amendment will meet your current request for salary and benefit increases and provide over 70 new positions to meet the needs of our special education students based on your proposed budget.

With this \$4 million in additional County funding for the HCPSS operating budget, the proposed amended operating budget will now place HCPSS funding levels at \$6.5 million above the anticipated revised MOE level. This level of funding would exceed both the 10-year and 5-year averages for County funding above MOE and fully fund your requests for education and special education, while allowing the opportunity for you to provide additional support from your fund balance for the HCPSS operating budget as part of our shared solution. This County funding will be provided in addition to the \$10 million in one-time funding currently proposed by the County to contribute to the resolution of the HCPSS health fund deficit.

In furtherance of our dialogue and collective efforts to increase the amount of funding for HCPSS, I would ask that you consider using your existing fund balance in the FY2022 operating budget to further support our educators during this difficult time.

HCPSS budgeted between \$6-12 million of its fund balance in each of its past three (3) operating budgets but reduces its fund balance usage to \$0 in the currently proposed FY2022 operating budget.

Further, HCPSS has an unassigned fund balance of \$13.1 million at the end of FY2020 and expects to accrue significant additional fund balance in FY2021, with year-to-date spending levels both well below budget and below spending levels at this point in FY2020. School systems across the region are utilizing a significant amount of fund balance in their proposed school budgets. We are asking that you consider taking similar action and use your fund balance to support our educators and children in the currently proposed budget as has been done in previous budgets.

BOE Approved Budget	Use of School Fund Balance		
	FY2020 Budget	FY2021 Budget	FY2022 Request
Baltimore City	\$22M	\$15.3M	\$17.5M
Baltimore County	\$30M	\$31.3M	\$31.3M
Anne Arundel County	\$13M	\$13M	\$13M
Harford County	\$5M	\$2M	\$3M
Frederick County	\$9.4 M	\$14M	\$13.9M
Prince George's County	\$28M	\$43.7M	\$83.9M
Montgomery County	\$25M	\$25M	\$25M
<b>Howard County</b>	<b>\$12M</b>	<b>\$8M</b>	<b>\$0</b>

Moreover, HCPSS has or will receive over \$82 million in federal funding to account for unanticipated expenditures moving into the new fiscal year, including over \$43 million in funds yet to be received from the Elementary and Secondary School Emergency Relief Fund (ESSER).

Last, I would request that you act regarding the use of fund balance in the FY2022 operating budget prior our County Council's vote on May 26<sup>th</sup>. It is our hope that the County Council will be able to consider the totality of our shared contributions to increase funding for HCPSS as it considers this important issue. Your action to indicate the amount of fund balance available for use in the FY2022 operating budget prior to May 26<sup>th</sup> will allow the County Council and the public a full understanding of our shared solution as the Council votes to approve our proposed budget.

I appreciate the challenges that our educators have endured over the past year and am hopeful that our shared efforts to increase the HCPSS operating budget will be used to foster a positive teaching and learning environment for both our children and educators. Thank you for your attention to this matter.

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Calvin Ball  
County Executive

Cc: HCPSS Staff  
Howard County Council  
Howard County Delegation