



MONTGOMERY COUNTY

# COMMUNITY CONVERSATIONS

FY27 Operating Budget Forums





# Agenda

Welcome & Introduction

Operating Budget Basics

Feedback and Questions  
with the County Executive

Closing Remarks





# Thank you!

## Your Voice Matters

- Citizen Advisory Board Operating Budget Forums
- Council public hearings on the operating budget
- Boards, Committees and Commissions
- Emails/letters to the County Executive, County Council and School Board members
- Public meetings







MONTGOMERY COUNTY

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## County Executive Marc Elrich








# Two Budgets – One County

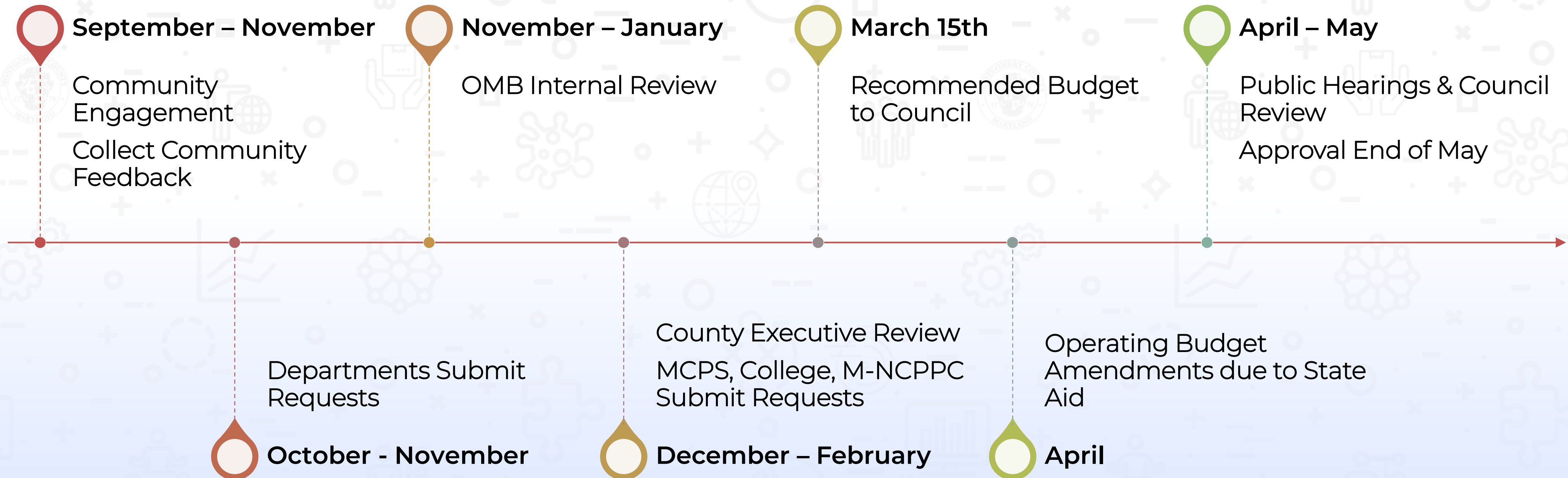
## Operating Budget: Everyday Services

-  Schools
-  Police/fire
-  Health & human services
-  Bus service
-  Trash collection
-  Libraries & parks

## Capital Budget: Big Project and Buildings

-  New school buildings
-  Roads/bridges
-  Transit centers/Metro
-  Government buildings
-  Parks & pools

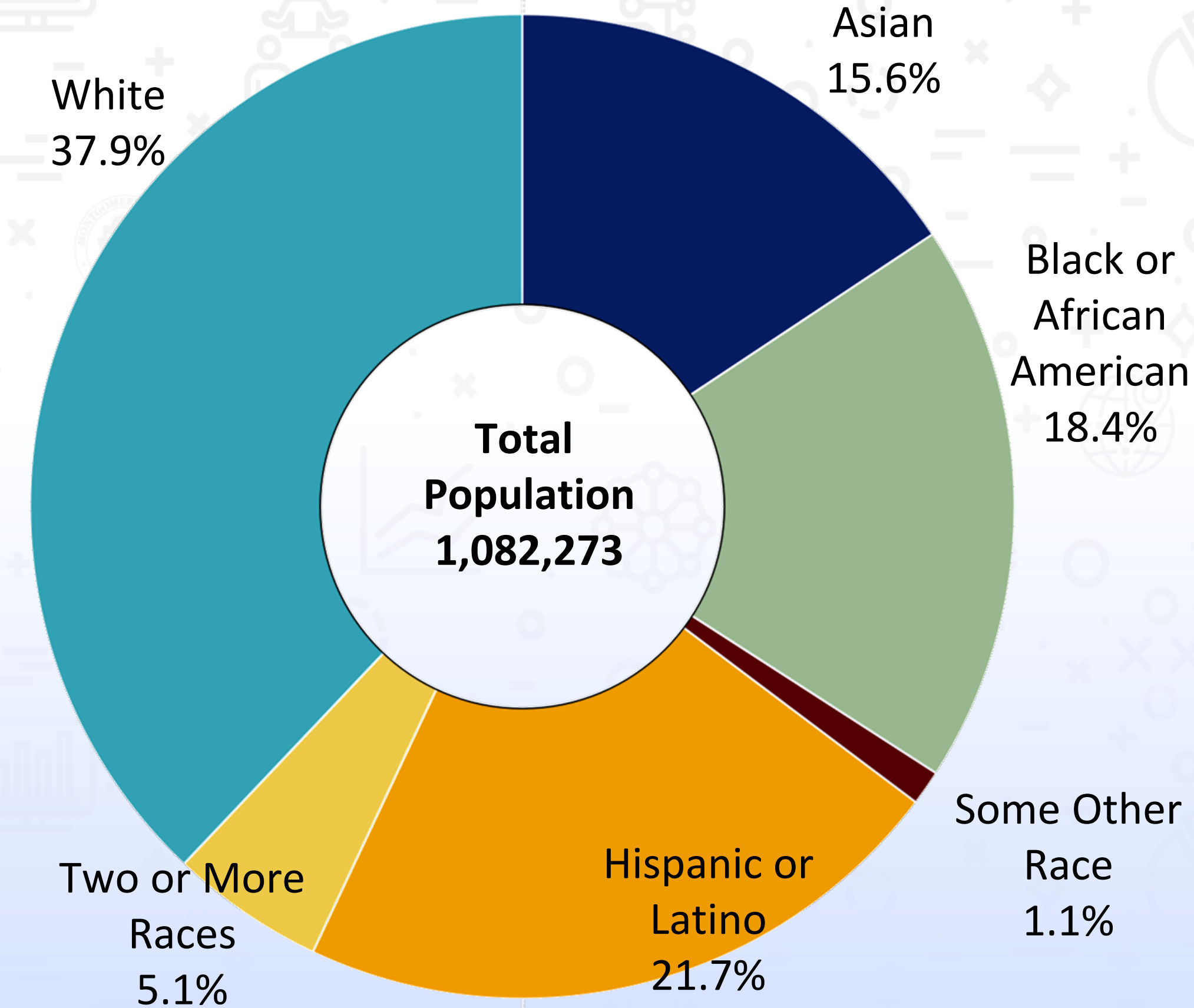
# Operating Budget Process & Timeline





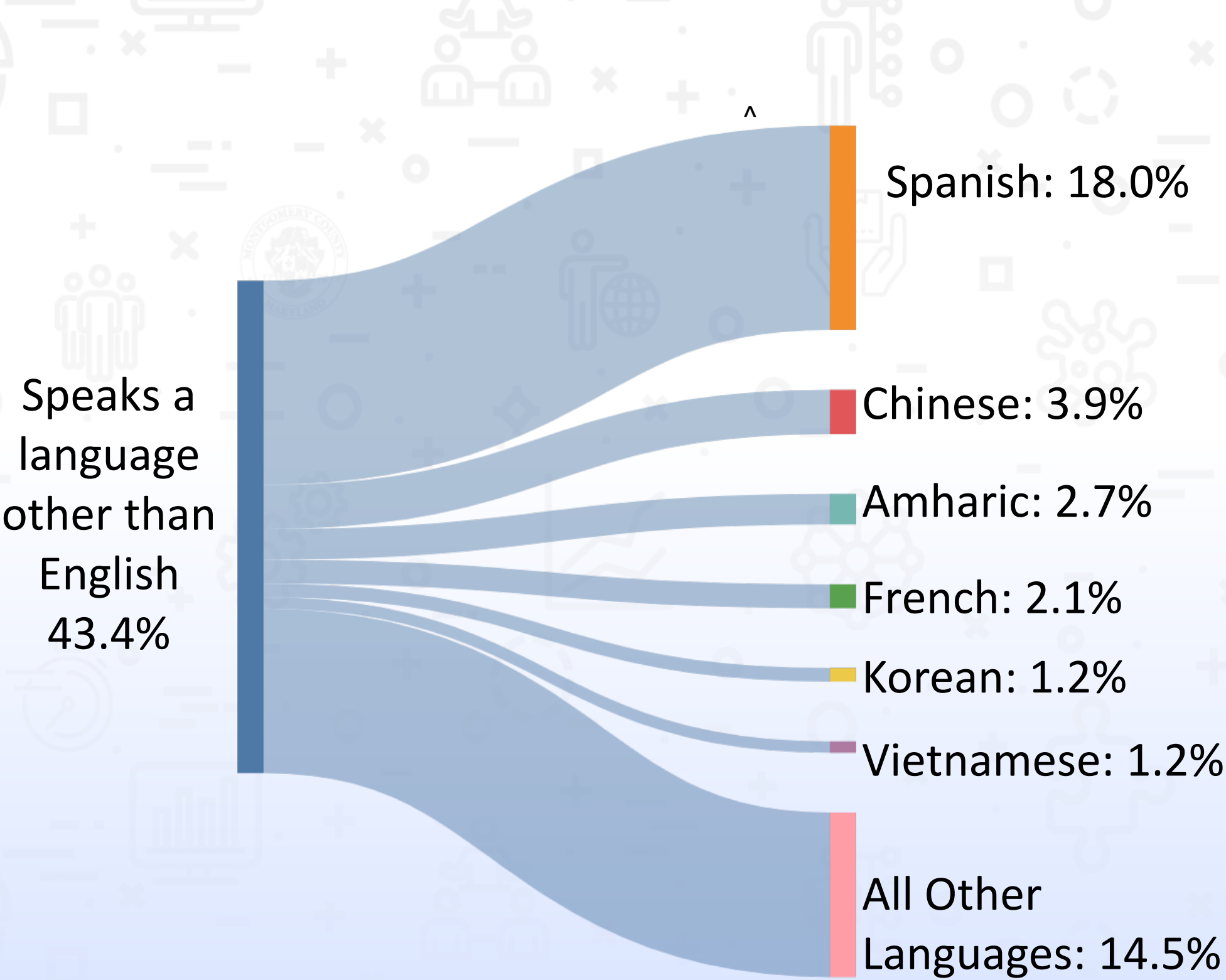
# Montgomery County Population Profile

Racial and Ethnic Breakdown of Montgomery County Population (2024)



Source: American Community Survey, ACS 1-Year Estimates Data Profiles, Table DP05

Breakdown of the population 5 and older who speak a language other than English (2024)



Source: American Community Survey, ACS 1-Year Estimates Data Profiles, Table B16001

# County Executive Priorities: Special Populations

## Countywide Investments – Human Services

Minority Health Programs - Three programs work to eliminate disparities and achieve equitable delivery of population-targeted health and social programs and services

- African American Health Program (AAHP) - \$4.3 million
- Latino Health Initiative (LHI) - \$6.2 million
- Asian American Health Initiative (AAHI) - \$3.8 million

Black Physicians Health Network - Fosters integrated wellness in the Black community, across the diaspora, to engage with Black primary, dental and mental health healers - \$3.6 million

- Established a coalition of Black providers serving the Black diaspora with culturally competent care
- Grassroots outreach to the Black diaspora community about available services
- Multiple and strategic point-of-care locations throughout the County
- Substantial increases in Black residents, uninsured and underinsured, receiving services



# County Executive Priorities: Special Populations

## Countywide Investments – Human Services

- Montgomery Cares - Increases access to medical check-ups, sick visits, medications, lab tests, x-rays, specialists, oral health care, and other services for uninsured adults in Montgomery County - \$17.7 million
- Care for Kids - Increases access to child visits, sick visits, prescription medicines, optometry, dental, and other limited specialty services for uninsured children in Montgomery County - \$2.4 million
- Mobile Health Clinic - Increases access to medical, dental, and behavioral health care in underserved communities - \$1.1 million
- Service Consolidation Hubs – Partners with community-based organizations to operate Service Consolidation Hubs that serve residents in need with food, case management services, and other resources - \$3.5 million
- Lighthouse - \$7.1 million
  - Supports socioeconomically disadvantaged, recently arrived, and long-time Montgomery County residents in navigating challenges related to immigration status in Montgomery County
  - Services include intensive case management, mental health, navigation support, family preparedness, school enrollment, and connections to housing and health care



# County Executive Priorities: Special Populations

## Office of Community Partnerships

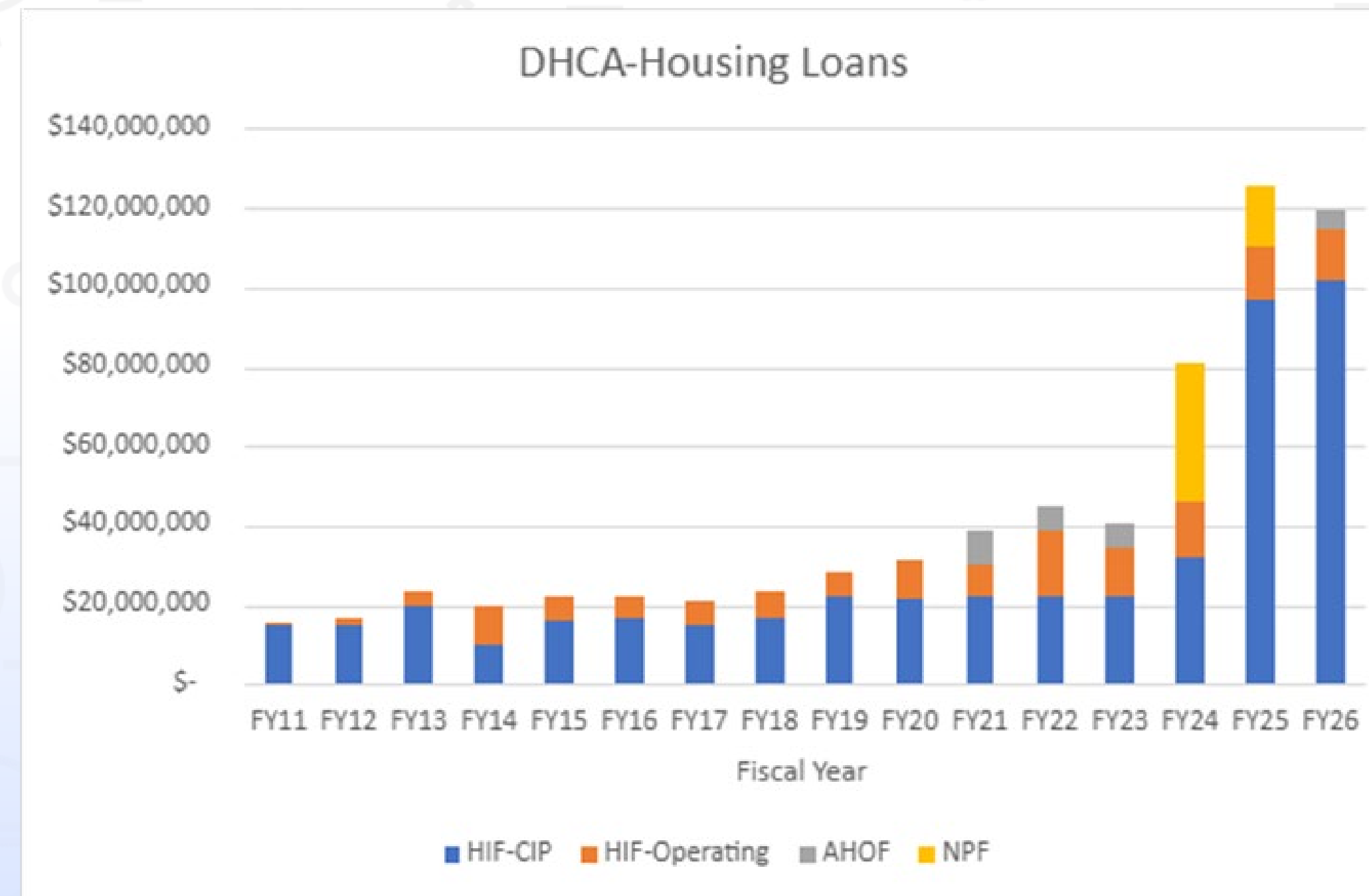
- Translations Unit – Provides access to diverse populations removing language barriers to essential services by translating critical County documents, forms, and communications into multiple languages
- Community Liaisons – African Community Liaison and Caribbean Community Liaison provide community engagement and advocacy, navigation assistance for County services, cultural competency support for County departments, advisory group coordination and support, and specialized newcomer support programming
- Legal Representation – Offers support services for residents facing deportation/removal proceedings, unaccompanied minors, and those in need of citizenship assistance
- Gilchrist Immigrant Resource Center – Offers information and referral services to programs and services in addition to English, citizenship preparation, and basic computer classes with locations in East County, Wheaton, and Gaithersburg



# County Executive Priorities:

## Affordable Housing

- From FY23 through FY25, Montgomery County has invested **\$293 million** from our development finance budget to support affordable housing
- These investments have supported the **production and preservation of more than 4,000 affordable housing units**, affordable for families earning up to 70 percent of Area Median Income (AMI)
- Production and preservation:
  - FY23: 975 affordable units in 13 projects
  - FY24: 1,133 affordable units in 17 projects
  - FY25: 1,948 affordable units in 26 projects





# County Executive Priorities: Health and Human Services

- Enhanced and expanded Montgomery Cares and Care for Kids to ensure long-term program sustainability
- Increased support for developmental disability and adult medical day care providers
- Expanded School Health Services through Community Schools, Bridges to Wellness, and other in-school clinics
- Expanded support for people at risk of or experiencing homelessness by \$39.2 million from FY19 to FY26 including:
  - Launch of the Short-term Housing and Resolution Program (SHaRP) (\$6.9 million) that provides up to 12 months of rental assistance and navigation services to help families quickly resolve their housing crisis; and
  - Eviction Prevention Services (\$16.6 million) that provide housing stabilization services for residents at risk of homelessness



# County Executive Priorities:

## Public Safety

- **Increased Emergency Medical Services (EMS) resources** – Added new duty officers, chase cars, and 2 ambulances to meet growing community demand and improve emergency response times
- **Invested in Police recruitment and retention**, including increasing cadet program enrollment from 12 to 25 and adding support staff to improve hiring efforts
- Provided support to the **Real Time Intelligence Center** to give officers and command staff critical information in real-time to ensure better outcomes
- Enhanced community safety infrastructure, including funding for two additional **mobile crisis teams**, funding for hundreds of **dashboard video cameras**, and adding **school crossing guards**

# County Executive Priorities: Transportation

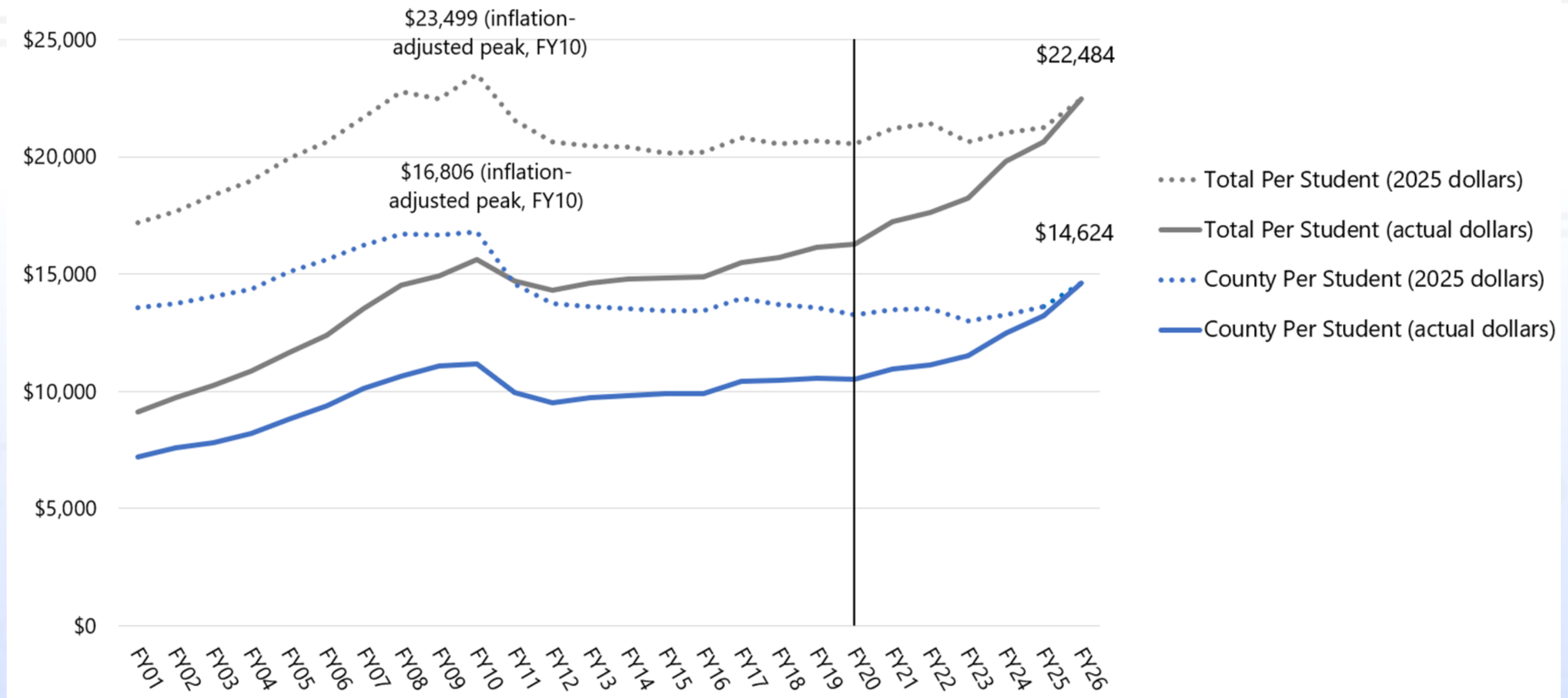
- Implemented a zero-fare policy that went into effect on Sunday, June 29 for all Ride On, Ride On Extra, Ride On Flex and Flash buses: zero bus fare reduces barriers to public transportation increasing access for many residents
- Advanced the County's Flash Bus Rapid Transit network by launching Flash service on U.S. 29 and obtaining grants to fund design and construction of planned services for Veirs Mill Road and MD 355
- Developed the Ride On Reimagined Plan to improve and expand transit services



# County Executive Priorities: Montgomery County Public Schools

- Increasing school funding to catch up with previous per student funding levels when adjusted for inflation
- Historic funding increases in the last three years, adding \$210 million in FY26 alone
- \$1.8 billion for MCPS facilities invested in the FY25-30 Capital Improvements Program

MCPS Per-Pupil FY01-FY26 Appropriation:  
Actual & Adjusted for Inflation





# County and MCPS Budgets:

## Separate but Connected

- The **School Board** makes its own budget and sends it to the County
- The **County Executive** recommends how much money the school system gets, but **not how** it is spent
- The **County Council** approves **recommended funding** for the schools
- The County works with the Board of Education to **ask the State for more funding**
- **Montgomery College, Park & Planning, and WSSC Water** follow a similar process
- If you have requests, please contact these agencies directly







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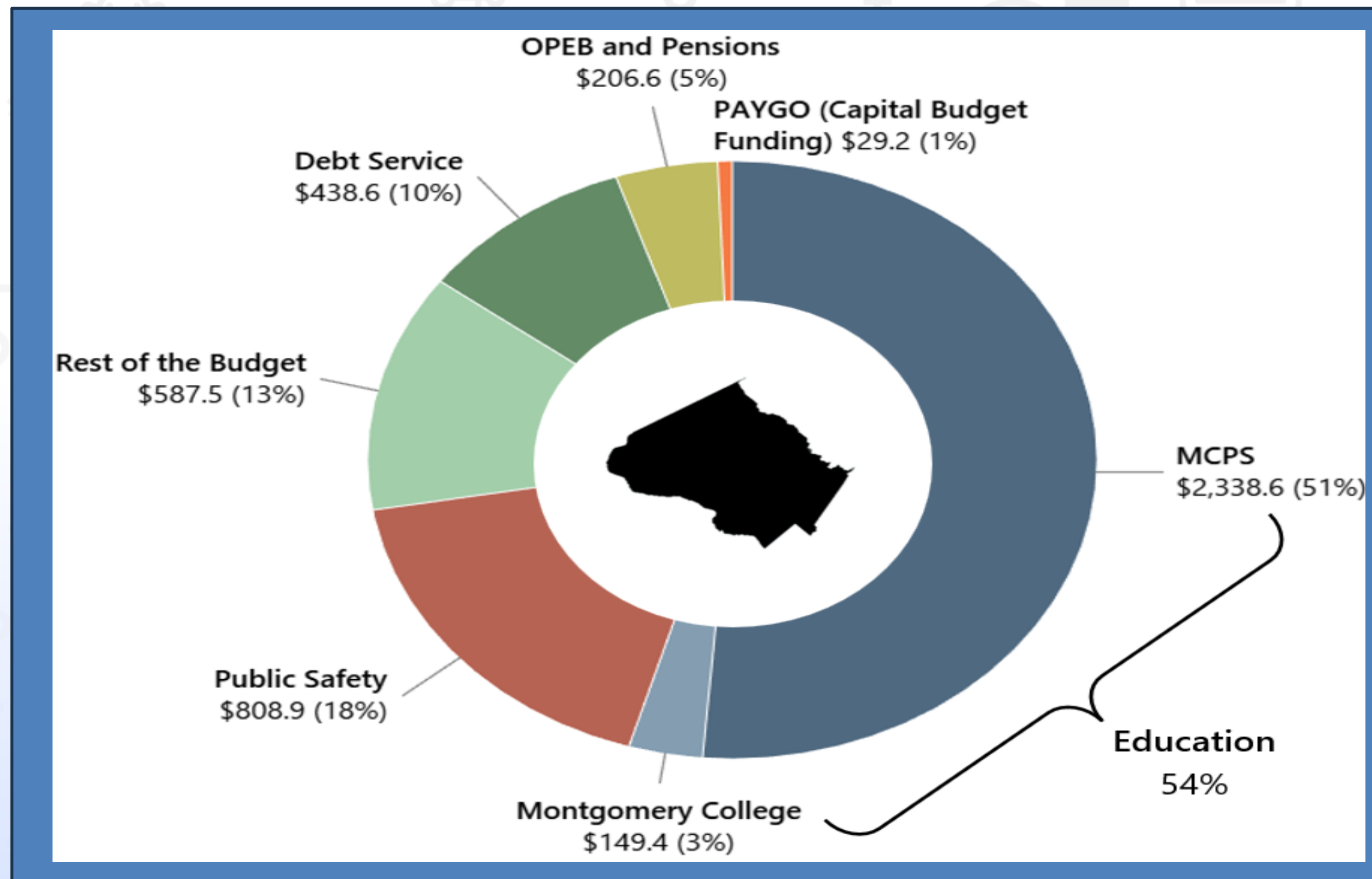
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## Fiscal Context



## FY26 Fixed & Other Commitments as a % of General Fund Revenue (\$millions)



**Total GF Budget: \$4,558.9**

**Rest of the Budget: \$587.5**

- Bus Drivers
- Circuit Court
- Libraries
- Parks
- Recreation
- School Health Nurses
- And more



# Operating Budget Challenges

- More people need help
- Schools cost more
- Diminishing budget flexibility
  - Inflation and constrained resources
  - Recommended tax increases not approved
- Uncertain job market
- Federal and State funding may change
- Big revenue swings from high-income earners and Federal decisions in DC





# Federal Government Impacts



## ■ Resident Job Losses

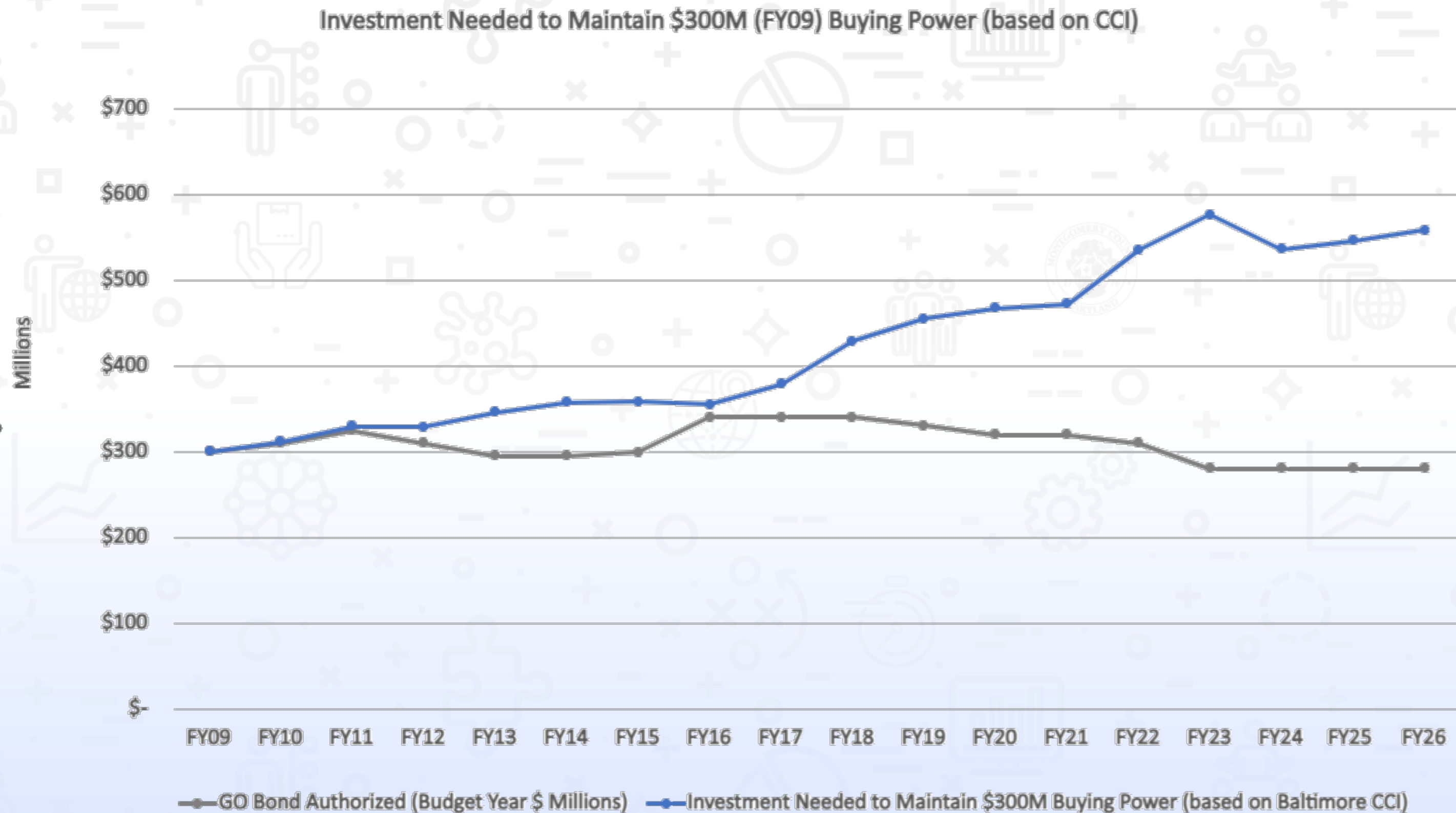
- Employment in Montgomery County fell by **9,600** from July 2024 – July 2025
- **56,000** County residents employed by the Federal government
- Over **13,000** Maryland Federal jobs lost since January 2025 alone.
- **October 1, 2025**, we expect to see impact of Federal government job separations

## ■ Federal spending reductions

- **\$33 billion** in Federal spending at risk
- Possible relocation of Federal agencies
- More costs shifted to State & local government
- Deportations affecting communities & businesses



# Infrastructure – Big Needs, Limited Money



# Rising Costs



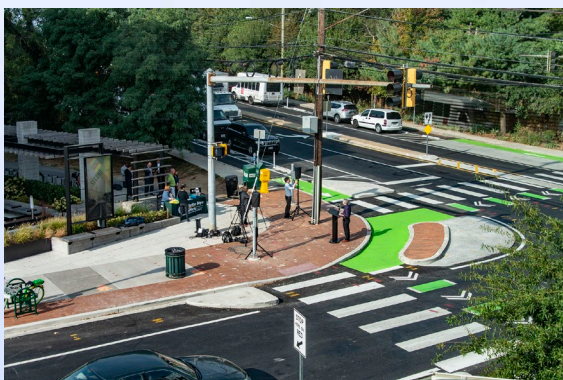
Ride On Bus:	FY16	\$467,000
	FY26	\$1,200,000 (electric)



New School: \$/SQFT	FY16	\$361
	FY26	\$834



Fire Engine:	FY16	\$685,000
	FY26	\$1,200,000



Road Paving: \$/Lane Mile	FY16	\$390,000
	FY26	\$519,000



# Not New Taxes, Tax Restructuring

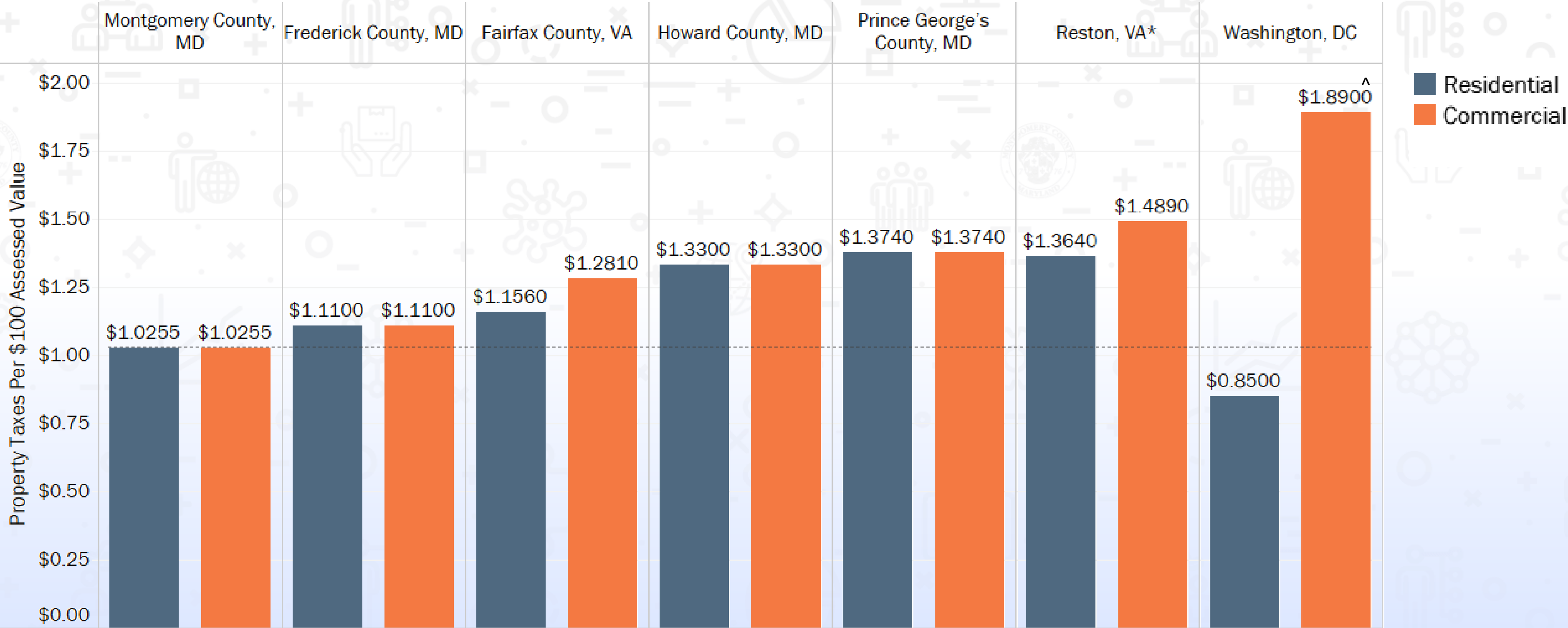
- Tax system was designed in the 1950s and 60s, when most revenue came from new homes. That helped us build great schools and roads
- Today, the County is fully developed, and **we need modern investments** in schools and transportation
- To keep our community strong, **we must update how we raise revenue** – not by adding new taxes, but by restructuring the system, as Northern Virginia has already done



Georgia Avenue, Silver Spring MD. December 1967. Photo Credit: Steve Michaels

# How Montgomery County Compares

Residential & Commercial Property Tax Rates of Selected MD/DC/VA Jurisdictions



<sup>^</sup>For assessed value greater than \$10 million. DC commercial tax rates: \$1.65 for assessed value ≤ \$5M; \$1.77 for > \$5M but ≤ \$10M; \$1.89 for > \$10M.

\*Represents tax districts for Hunter Mill District #5 for the Reston Service Area/Dulles Rail Phase 2 (105RW, 1T5RW).





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## Questions?

