



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

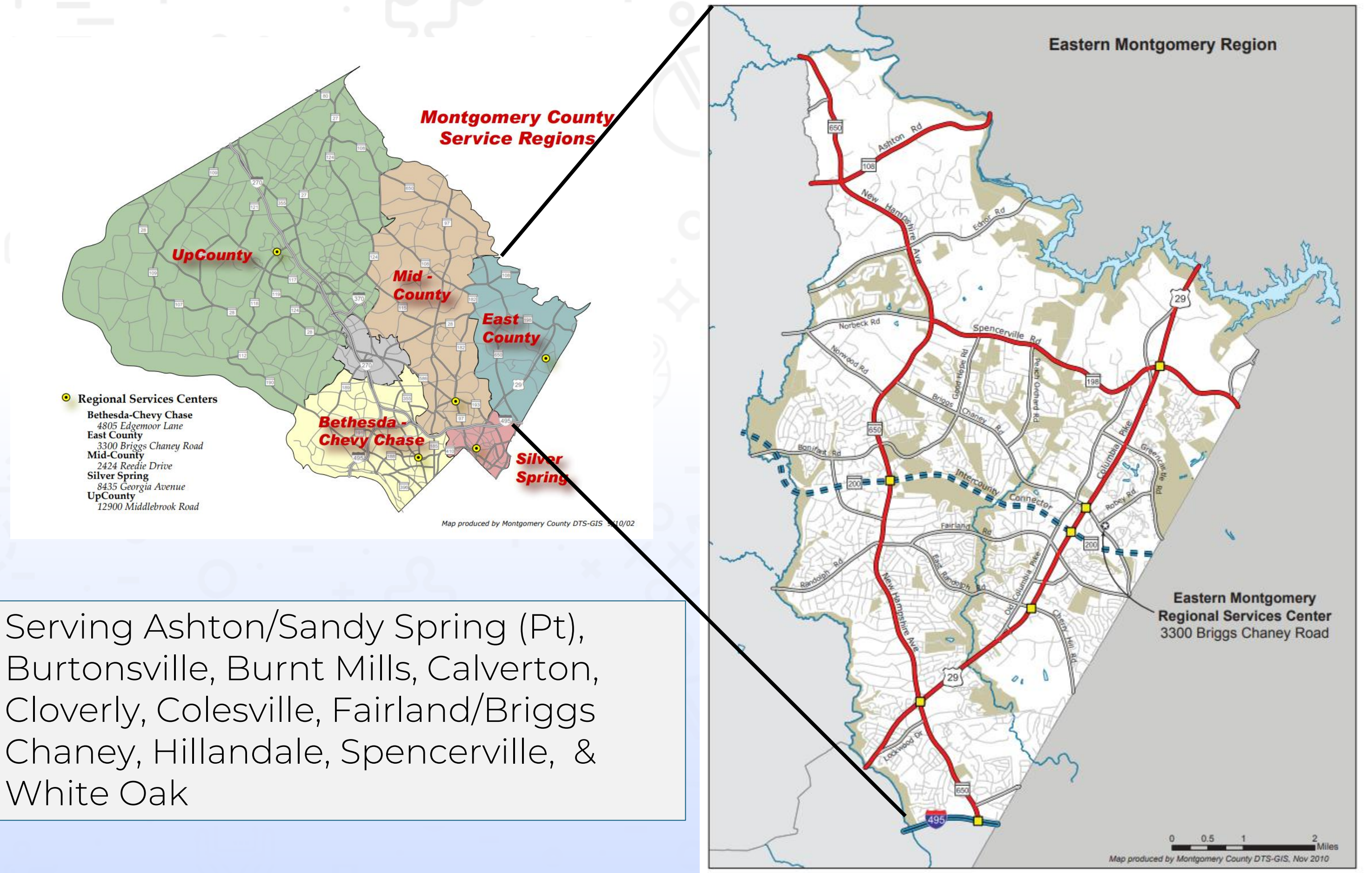


East County Operating Budget Investments

October 2025



Regional Services Centers – East County



Health and Human Services

- **Consolidated Food Hub**, Other Family Needs (\$500,000/Plus, Five Community Partners Investments)
- **Free Weekend Medical Clinics** (\$202,600)
- **Free Dental Services** (\$300,000)
- **Primary Health Care** (Mobile Medical Center, Muslim Community Center)
- **Housing Assistance** for refugees (64 Refugee Families with 377 Adults/Children and Other Investments)
- **Comprehensive Programs & Services for Newcomers** to the County



Community/Economic Development

- **Montgomery College East County Education Center**
- **Ride-On Fare Free**
- **Flash Expansion** to Howard County (\$1,119,000)
- **White Oak Planning Manager** Position for the Implementation of the White Oak Science Gateway Master Plan Program
- **East County Business Support**, Marketing, Community Building, Placemaking (\$110,000 mostly with six Community Partners)
- **WorkSource Montgomery – Mobile Job Center** at the Enclave and other underserved areas



Youth Development and Recreation

- **Expanded Linkages to Learning** at Burnt Mills and Greencastle Elementary Schools (\$300,000)
- **Playground Improvements** at East County and Praisner Community Recreation Centers (\$500,000)
- **Summer Camps, Rec Plus**
- **Community youth mental health and substance use disorder initiatives**





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County Executive Marc Elrich








Two Budgets – One County

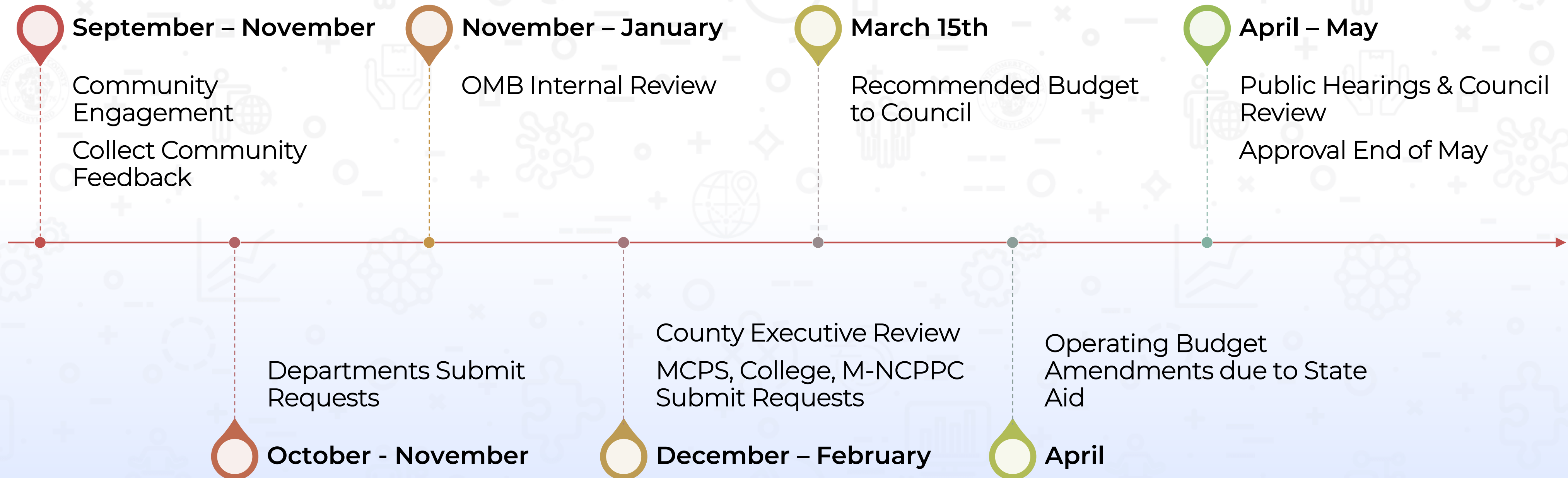
Operating Budget: Everyday Services

-  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



Addressing East County Regional Community Needs



- **Housing Assistance for Refugees at the Enclave Apartments & Eviction Prevention**

- 64 families assisted totalling 377 adults and children.
- On-site food distribution by East County Consolidated Food HUB.



- **Employment Education and Training**

- WorkSource Montgomery Mobile Job Center at the Enclave and other Underserved Communities of the East County Region.
- HIRE Office at the East County Regional Services Center.



- **Assisting Newcomers to the County**

- Created Lighthouse Grant Program to deliver comprehensive (\$3.5M) support services to individuals/families navigating challenges related to immigration status, housing, legal services, and health care.



- **Funding for Youth Development Programs**

- FY 25 Community Youth, Mental Health, and Substance Use Initiatives (\$1.3M).
- Two organizations serving youth ages 11-24 in high priority areas and communities of color.

Representing Our Community: Montgomery County Workforce

68%



NEW HIRES

in FY25 come from
diverse racial and ethnic
communities

59%



RESIDENTS

come from
diverse racial and ethnic
communities



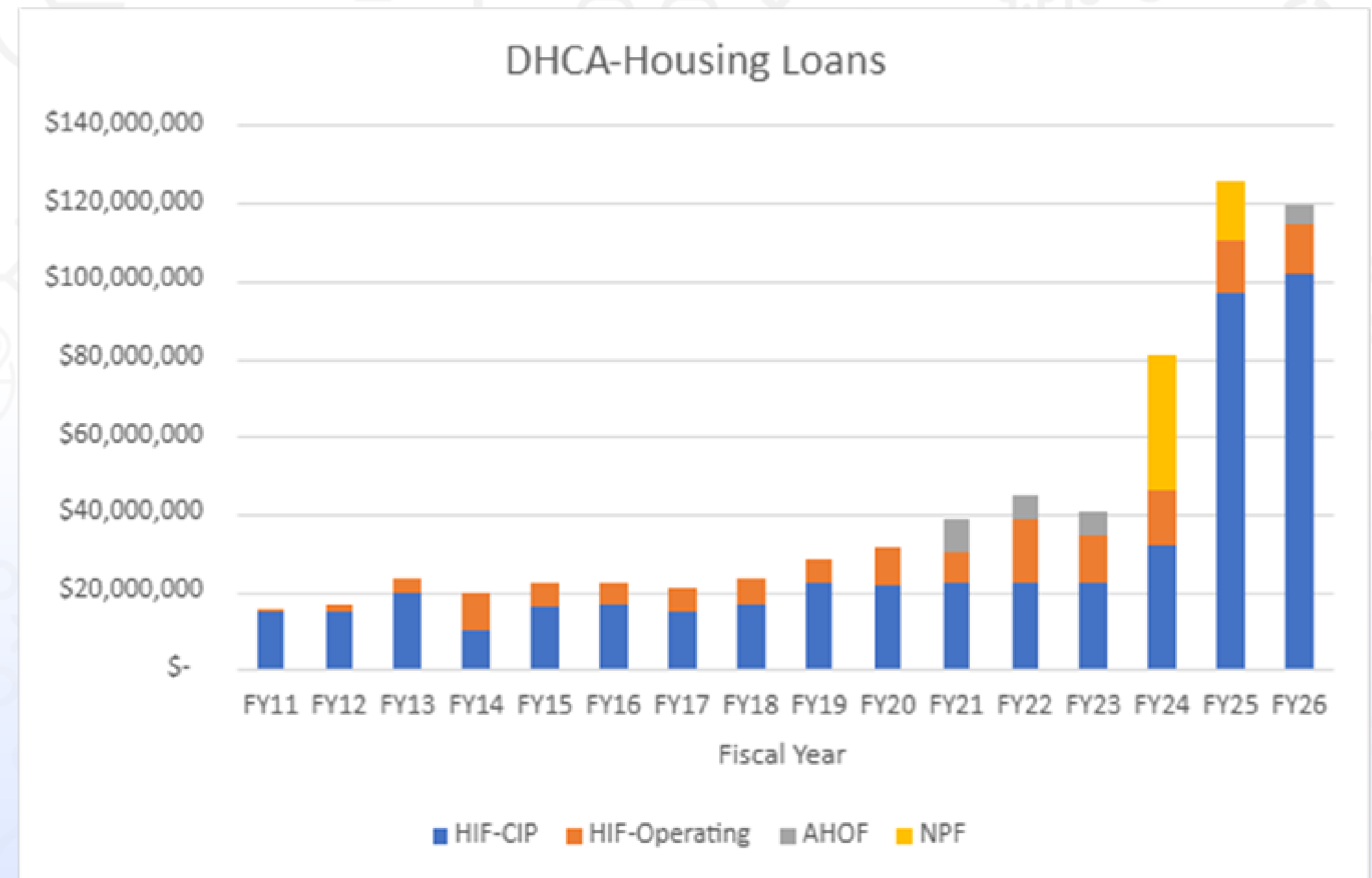
HIRES

are veterans or individuals
with disabilities

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:

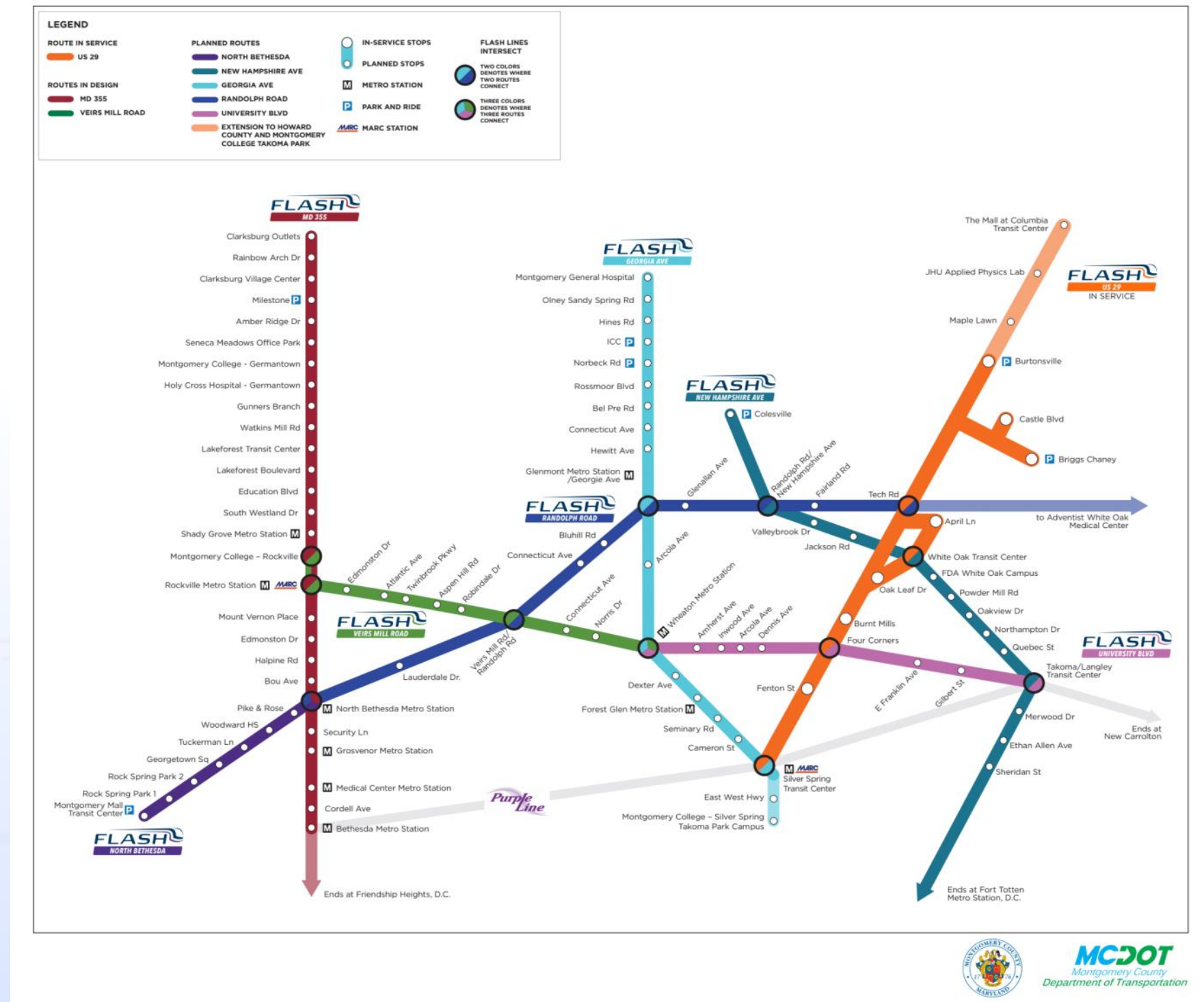
Public Safety

- **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**, adding two mobile crisis teams for a total of seven teams countywide, funding for hundreds of dashboard video cameras, and adding school crossing guards



County Executive Priorities: Transportation

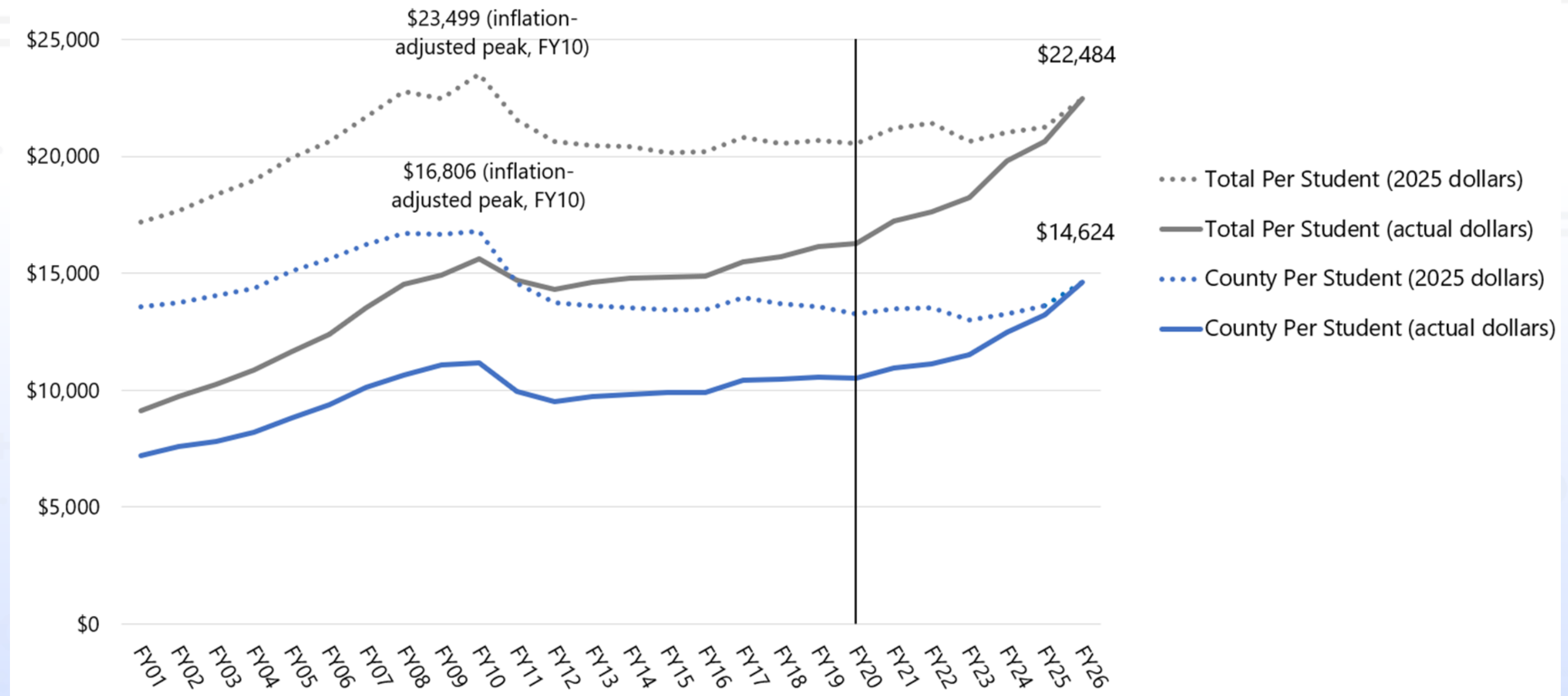
- Implemented a **zero-fare policy** that went into effect on Sunday, June 29 for all Ride On, Ride On Extra, Ride On Flex and Flash buses: zero bus fare reduces barriers to public transportation increasing access for many residents
- Advanced the County's **Flash Bus Rapid Transit** network by launching 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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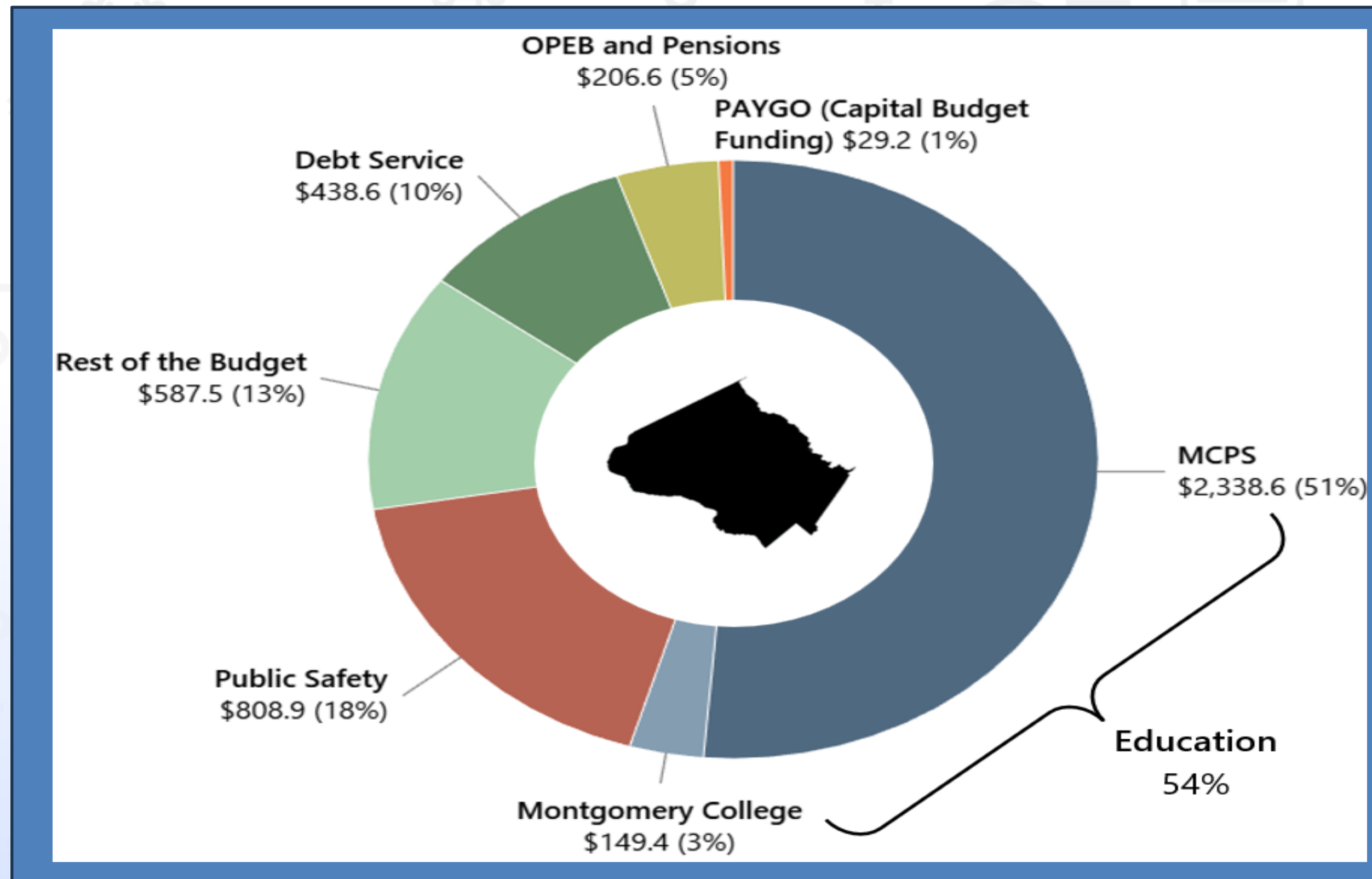
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Fiscal Context



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



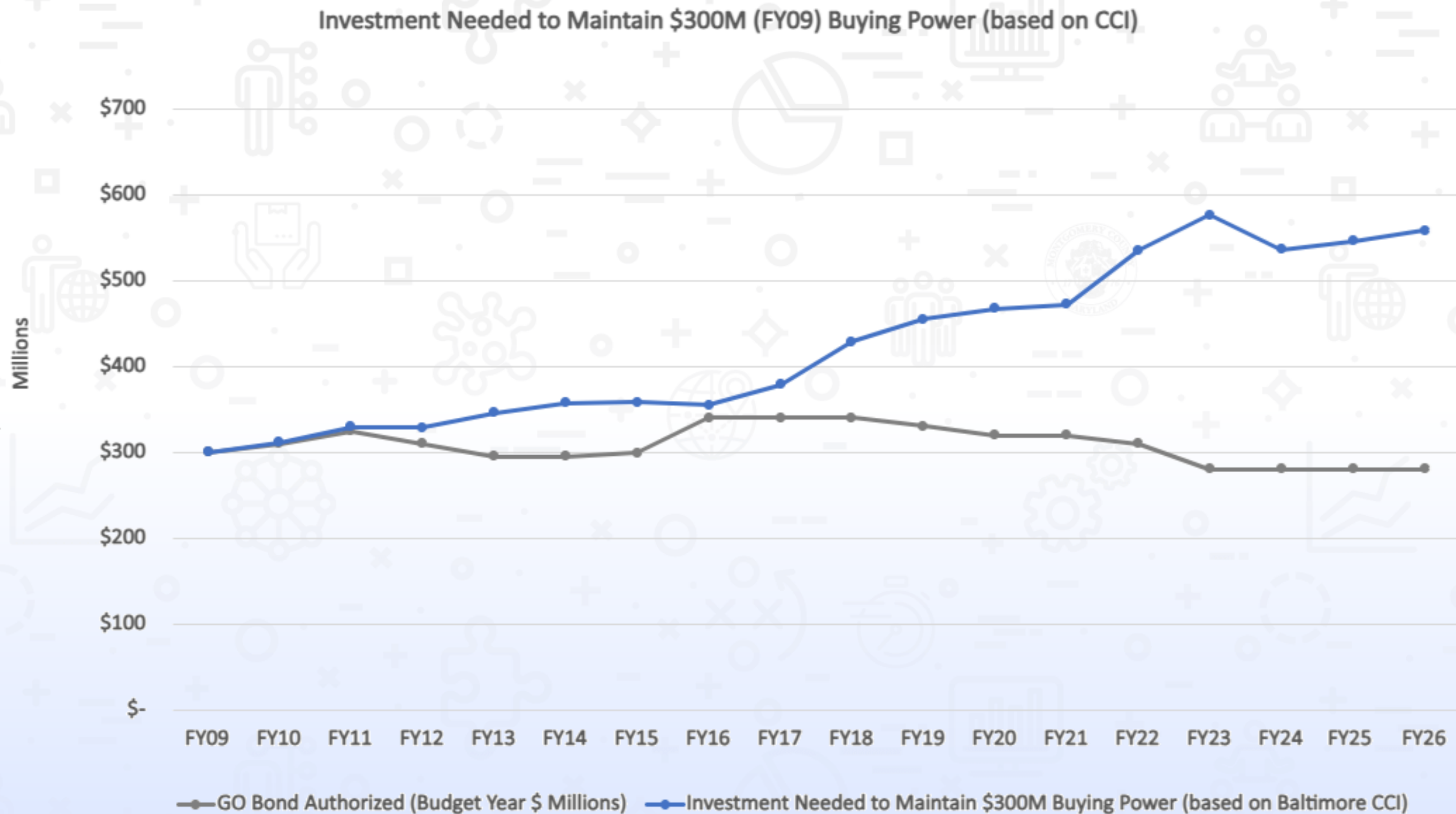
■ Resident Job Losses

- 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

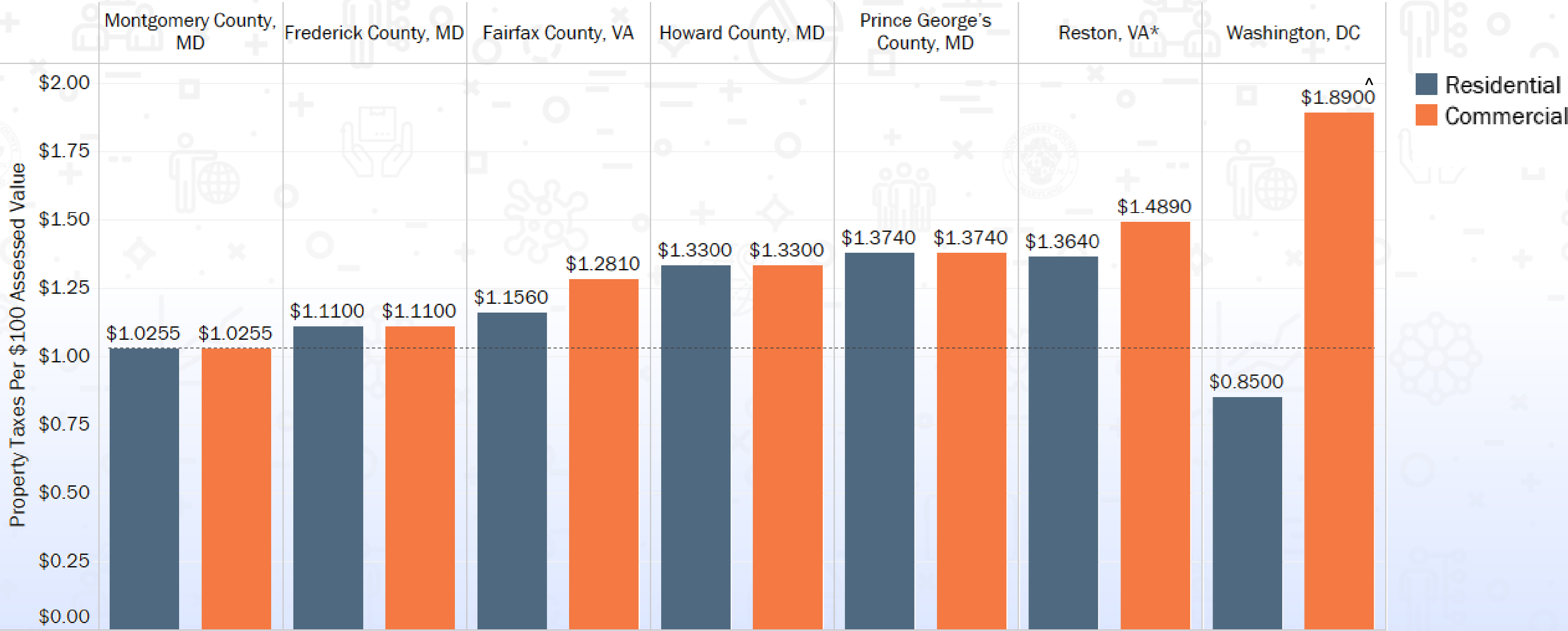
- Tax system was designed in the 1950s and 60s, when most revenue came from new homes. That helped us build great schools and roads
- Today, the County is fully developed, and **we need modern investments** in schools and transportation
- To keep our community strong, **we must update how we raise revenue** – 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



[^]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?

