



MONTGOMERY COUNTY

COMMUNITY CONVERSATIONS

FY27 Operating Budget Forums



Agenda

Welcome & Introduction

Operating Budget Basics

Feedback and Questions
with the County Executive

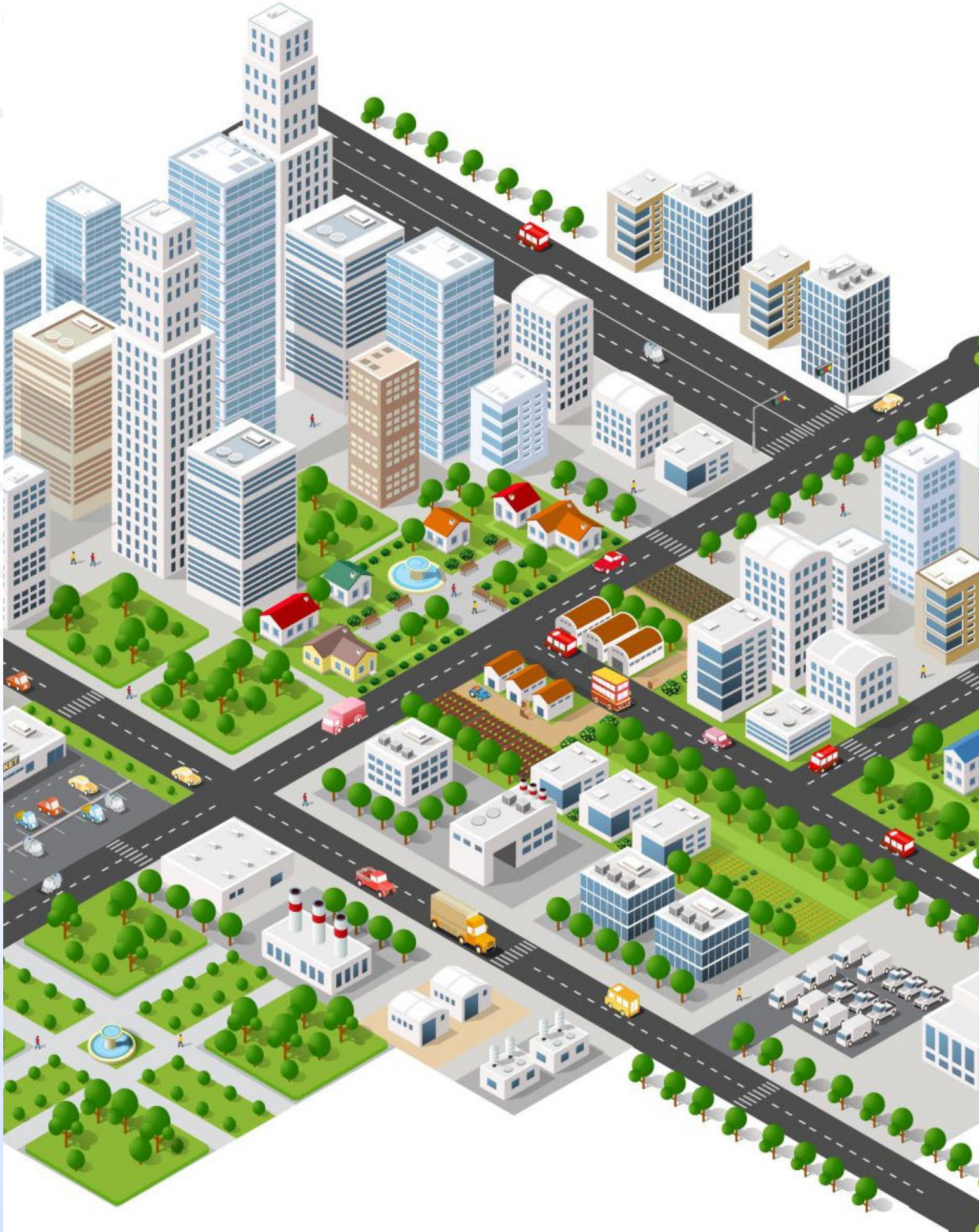
Closing Remarks



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





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County Executive Marc Elrich



Two Budgets – One County

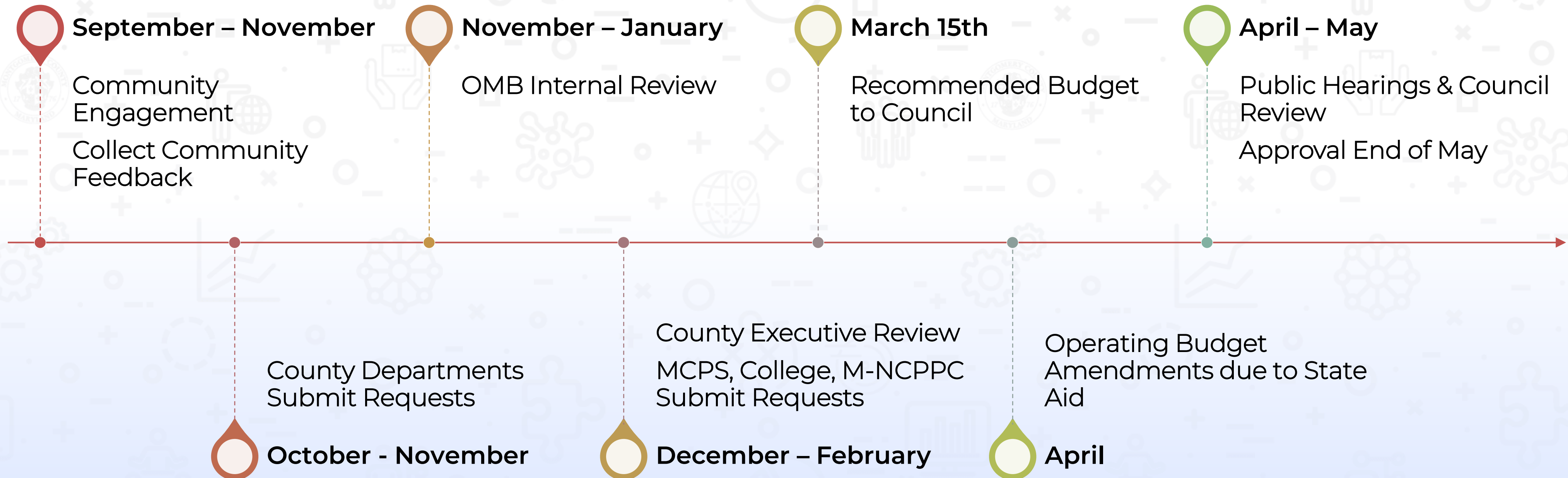
Operating Budget: Everyday Services

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

Capital Budget: Big Projects and Buildings

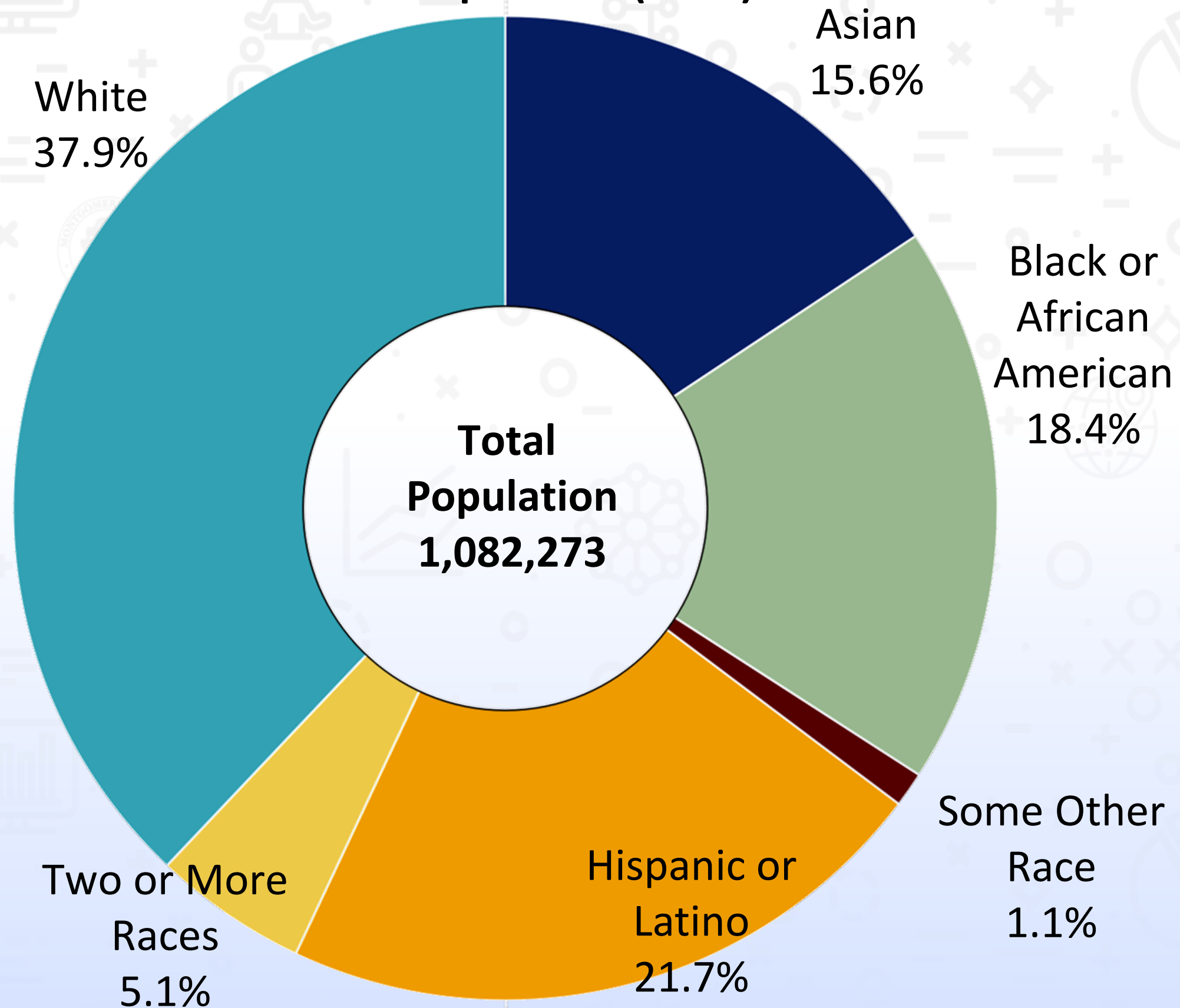
-  New school buildings
-  Roads/bridges
-  Transit centers/Metro
-  Government buildings
-  Parks & pools

Operating Budget Process & Timeline



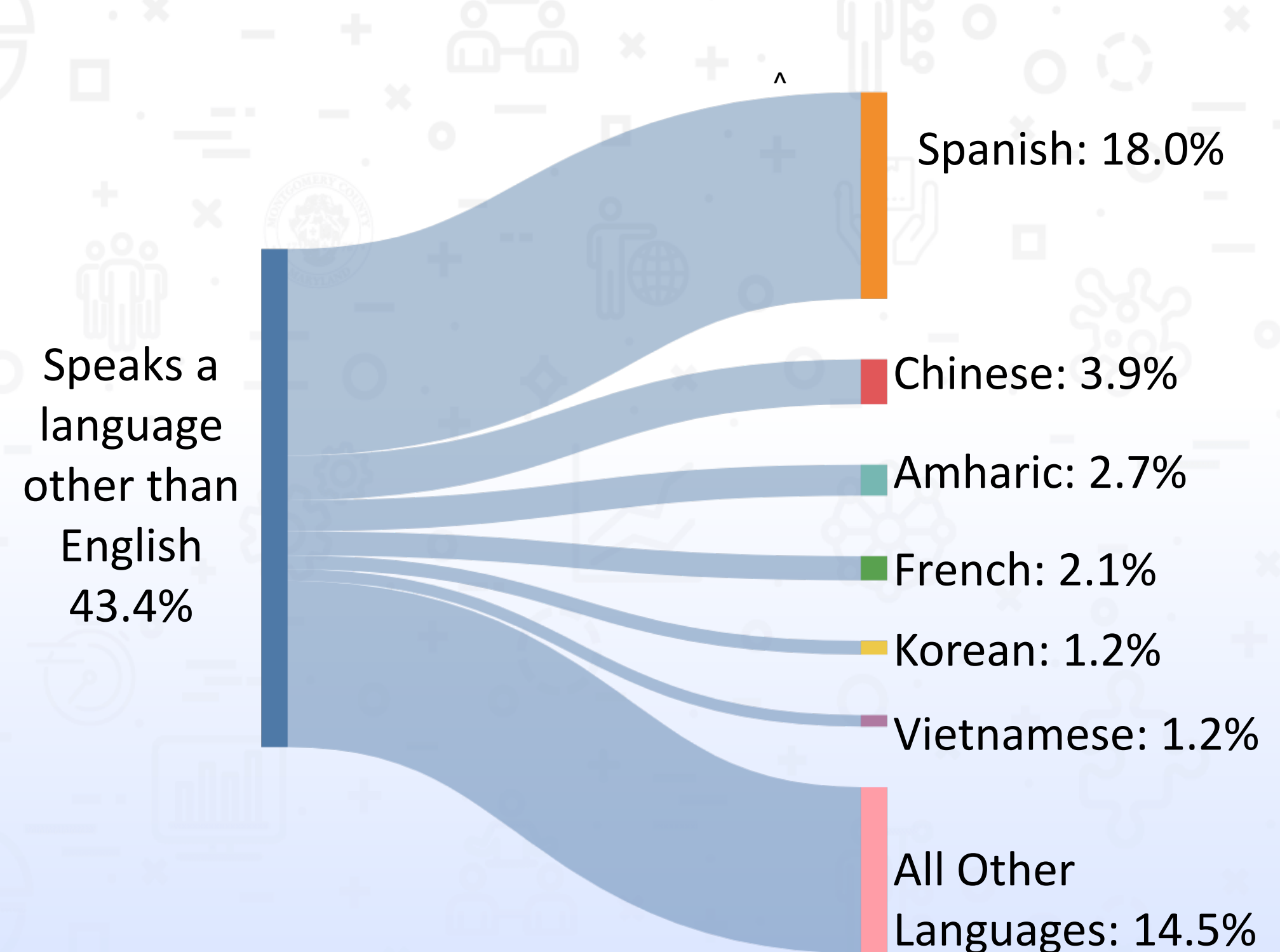
Montgomery County Population Profile

Racial and Ethnic Breakdown of Montgomery County Population (2024)



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

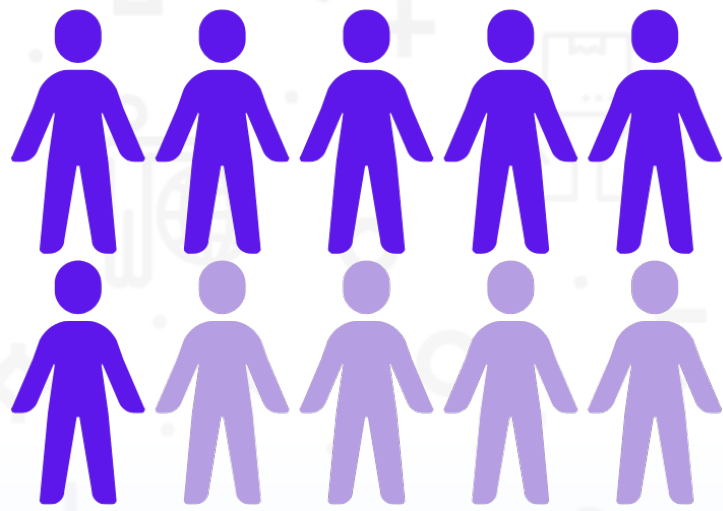
Breakdown of the population 5 and older who speak a language other than English (2024)



Source: American Community Survey, ACS 1-Year Estimates Data Profiles, Table B16001 9

Representing Our Community: Montgomery County Workforce

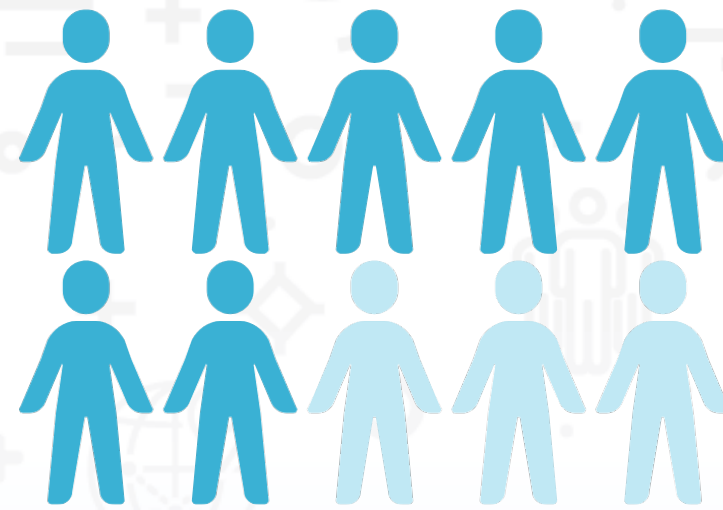
59%



COUNTY EMPLOYEES

are from racial
and ethnic
communities

68%



NEW HIRES

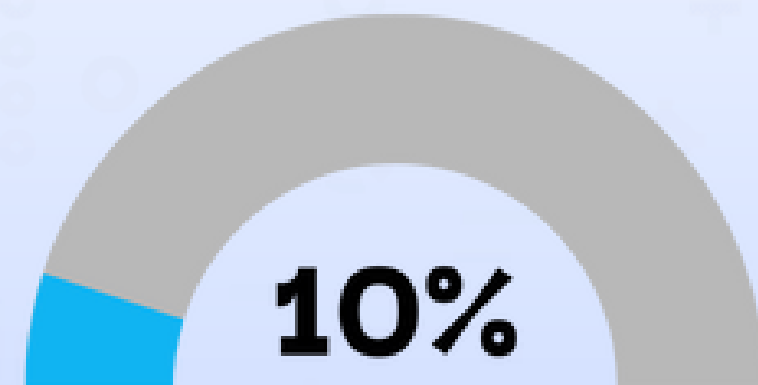
in FY25 are from
racial and ethnic
communities

59%



RESIDENTS

are from racial
and ethnic
communities



10%

NEW HIRES

are veterans or individuals
with disabilities

County Executive Priorities: Closing the Gaps: Our Focused Health Investments



African American
Health Program

\$3.3 million

MONTGOMERY COUNTY, MD

Latino
Health
Initiative

\$4.1 million



Asian American
Health Initiative



Together To Build A Healthy Community

\$2.6 million



BLACK
PHYSICIANS
& HEALTHCARE
NETWORK

\$3.7 million

Our goal: End disparities and ensure equitable access to
health and social programs for the entire community

County Executive Priorities: Investing in Our Community

Program

Montgomery Cares

Care for Kids

Mobile Clinic

Community Hubs

Countywide Initiative

Services

Medical care for uninsured adults

Health services for uninsured children

Delivering health care to neighborhoods

Centers for food, case help, and resources

Support services for families navigating challenges related to immigration status

Investment

\$17.7 Million

\$2.4 Million

\$1.1 Million

\$3.5 Million

\$7.1 Million



County Executive Priorities:

Special Populations

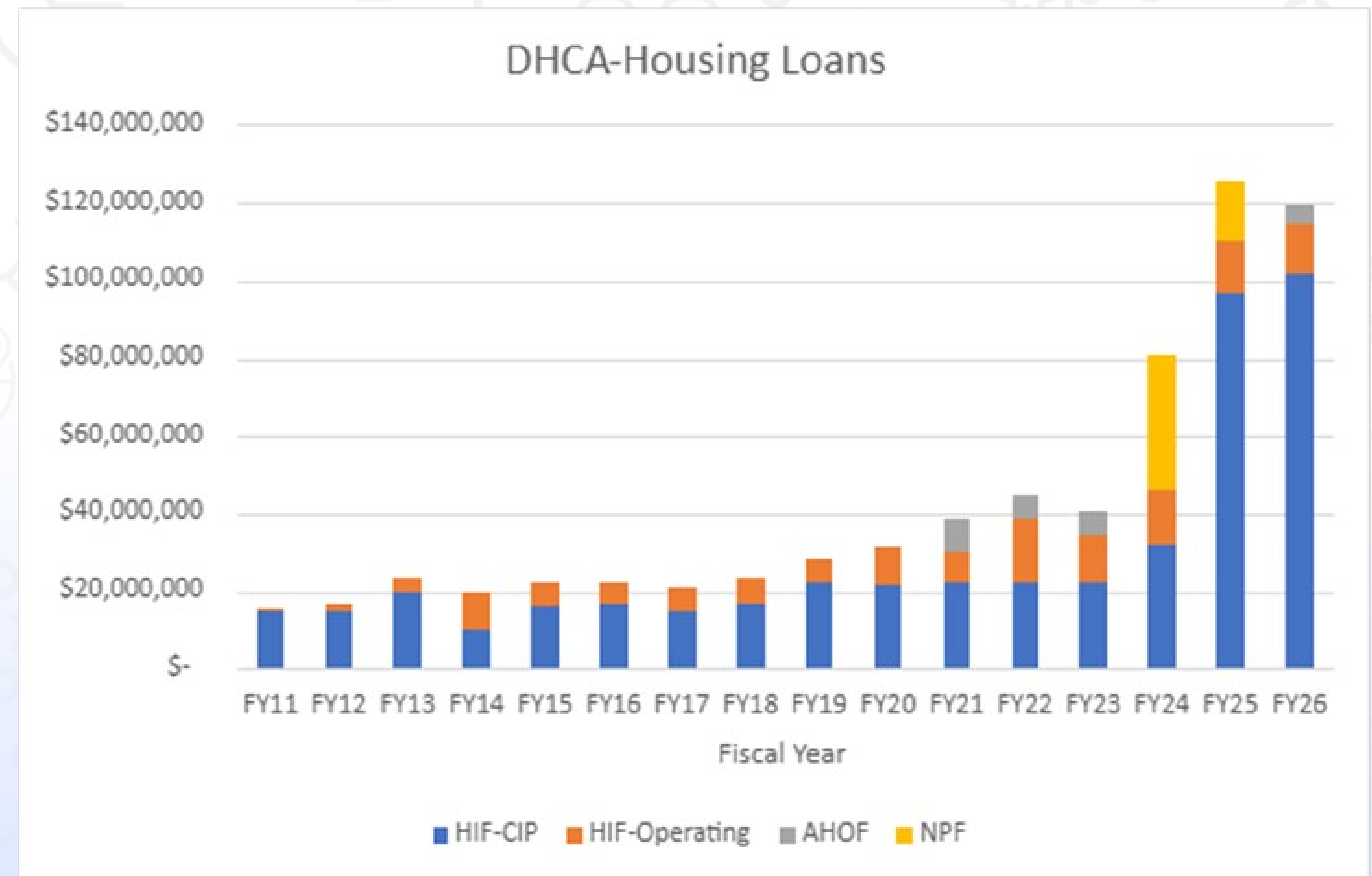
Office of Community Partnerships

- Translations Unit – Improves access to diverse communities by removing language barriers. We translate key County documents, forms, and communications into the top languages spoken by residents.
- Community Liaison –
 - Engages with the community and advocates for its needs.
 - Assists with navigating County services.
 - Offers cultural competency support to County departments.
 - Coordinates and supports advisory groups.
 - Connects newly arrived immigrants to information and resources.
- Legal Representation – Connects residents with support services for deportation, unaccompanied minors, and citizenship assistance.
- Gilchrist Immigrant Resource Center –
 - Provides information and referrals to various programs.
 - Offers English, citizenship prep, and basic computer classes.
 - Locations: 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 doubling 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

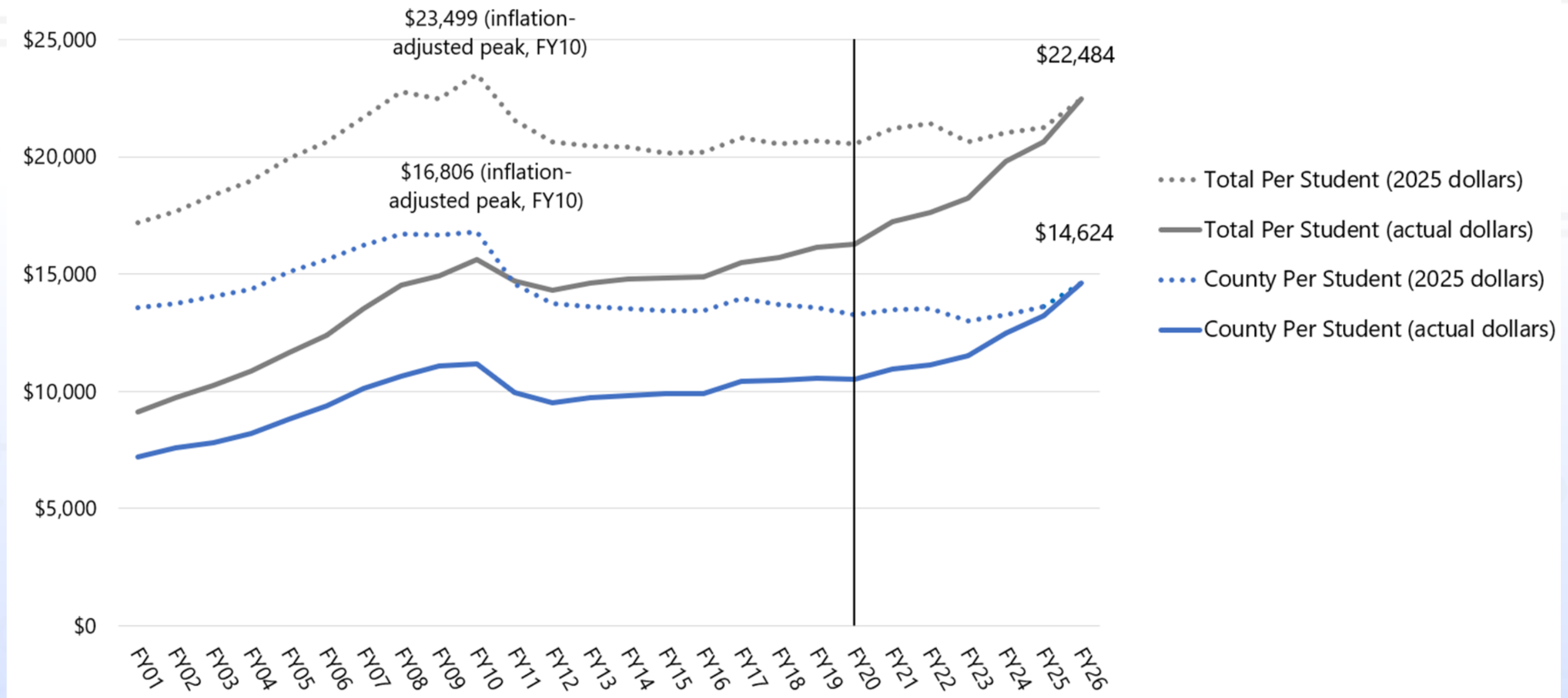
- Implemented a **zero-fare policy** for all Ride On, Ride On Extra, Ride On Flex and Flash buses
- Advanced the County's **Flash Bus Rapid Transit** network by launching Flash service on U.S. 29 and expanding service to Veirs Mill Rd & Rt. 355
- **Vision Zero Pedestrian Safety Investments**
\$134.7M total investment (\$63M Operating & \$71.7M CIP)
- **Veirs Mill Rd BRT & BiPPA:** multimillion-dollar safety projects connecting sidewalks to Wheaton CBD
- 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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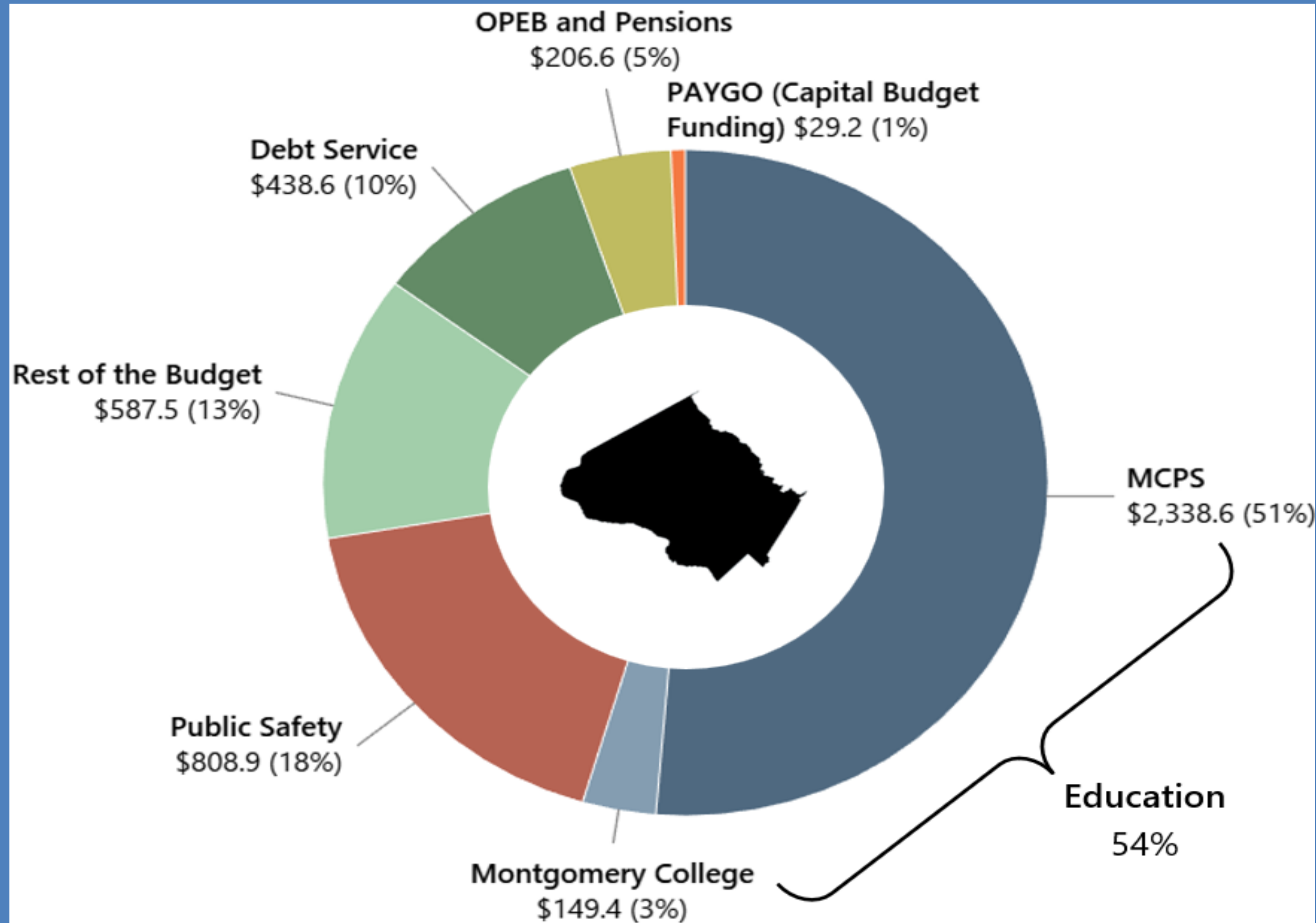
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Fiscal Context



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

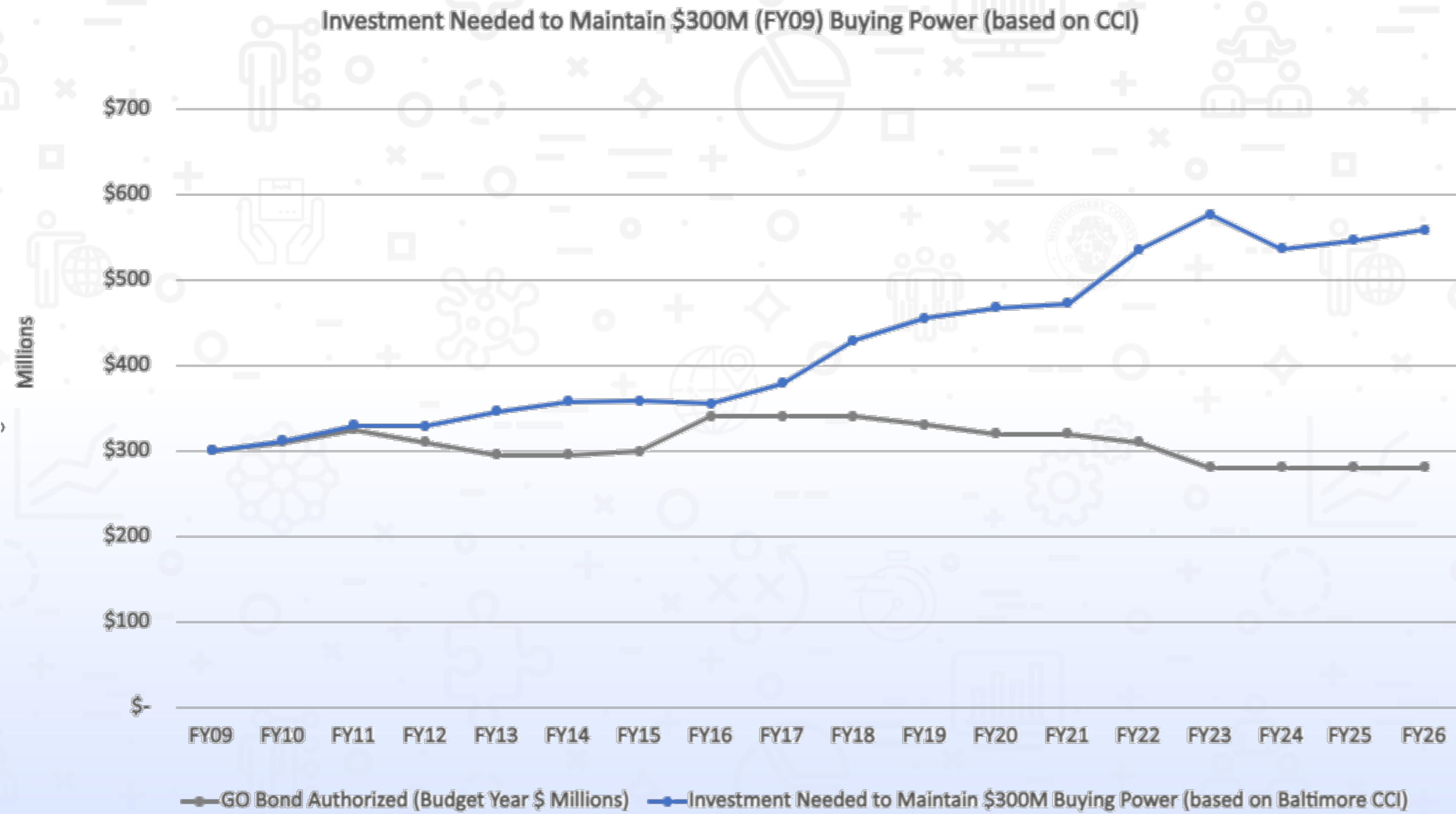
- Employment in Montgomery County fell by 14,300 from August 2024 – August 2025
- 56,000 County residents were employed by the Federal government as of tax year 2023
- Over 15,100 Maryland Federal jobs lost since January 2025 alone
- October 1, 2025, marked the separation of Federal employees that took the "buy out" from the Federal government
- The total number of local separations will take some time to see as they cannot file for unemployment claims, and the Federal government shutdown has prevented September unemployment numbers, as well as other data, from being released

Federal Government Impacts



- 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



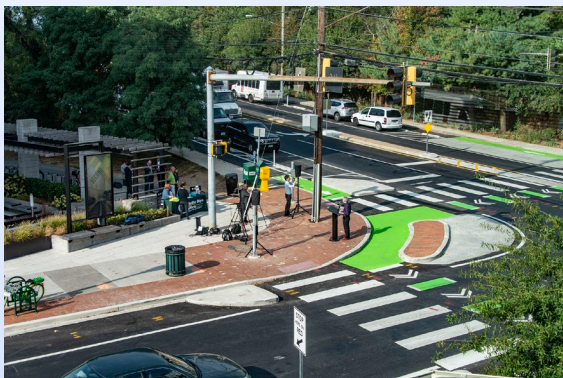
Ride On Bus:	FY16	\$467,000
	FY26	\$1,200,000 (electric)



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

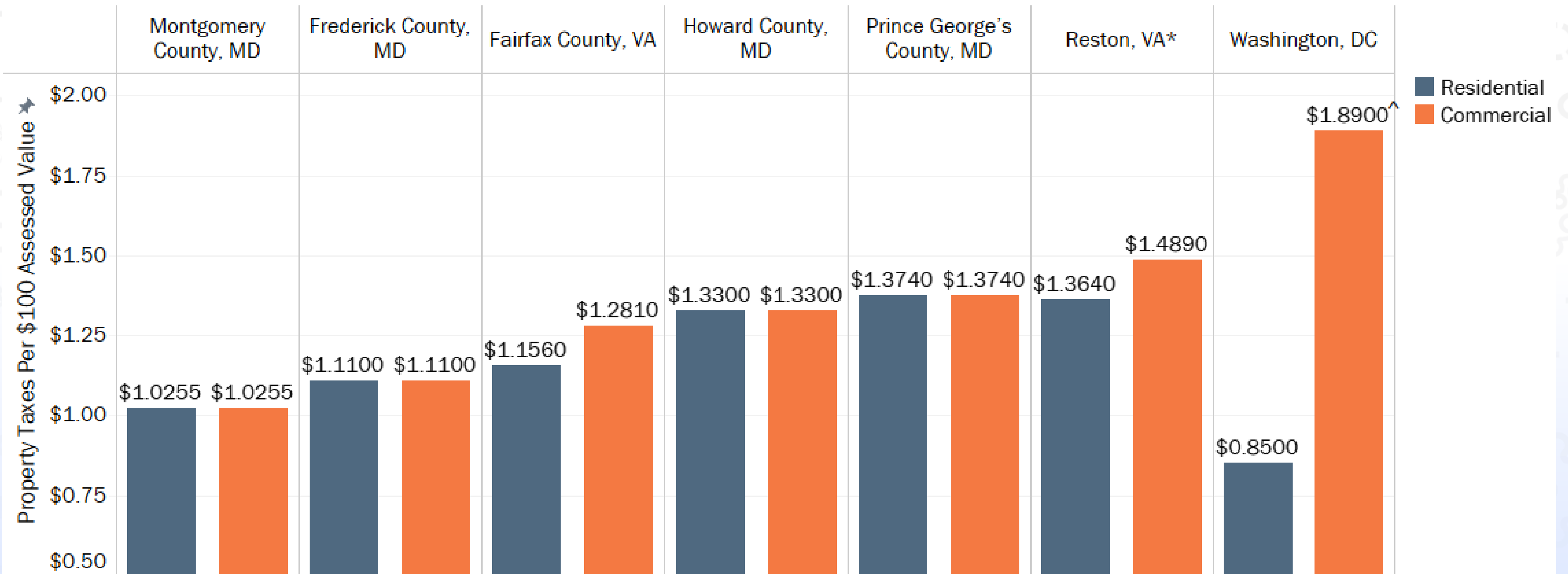
- Tax system was designed in the 1950s and 60s, when most revenue came from new homes. That helped us build great schools and roads
- Today, the County is fully developed, and **we need modern investments** in schools and transportation
- To keep our community strong, **we must update how we raise revenue**—not 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. 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?

