
Message from the Council President

Amid one of the most challenging economic times since the Great Recession, we knew that this budget would rely on compromise and collaboration. With finite resources and difficult choices to make, I am proud to say the Montgomery County Council came together to find innovative solutions to benefit the residents of Montgomery County. Based on my budget plan, this Council dug deep into the data, peeled back layers of budget assumptions, and made sure every dollar in this year's \$7.9 billion Fiscal Year (FY) 2027 Operating Budget and \$6.3 billion FY27-32 Capital Budget goes toward its highest and best use.

This process would not have been possible without input from residents, community partners and nonprofits who expressed their views on the budget throughout our deliberations.

The end result was a budget that rejected property tax increases while focusing on our core priorities of early care and education, public safety, health and human services, and protecting the most vulnerable in Montgomery County.

For the first time ever, we have implemented a progressive income tax structure where 95 percent of County wage earners will receive an income tax break, while the highest earners will be asked to pay slightly more. This is a reflection of our progressive values in action.

On education, we approved record funding for Montgomery County Public Schools at more than \$3.7 billion, with \$143 million increase in local operating funding for MCPS. This 6.1 percent increase from last year will support the Board of Education's efforts to address the achievement gap, provide security in the schools, and boost academic outcomes. Early care and early childhood education is a top priority, and this budget allocates more than \$39.5 million for these essential programs.

We increased investments in our public safety departments, ensuring our first responders and public safety professionals have the resources they need to sustain service levels and strengthen their workforces. The Council approved \$384 million in funding for the Montgomery County Police Department, \$310 million for the Fire and Rescue Service, and \$33 million for the Sheriff's Office. I'm especially proud of the dedicated funding included in the capital budget for the new 4th District Police Station in Glenmont.

We've upheld our priority to protect safety net services with a total of \$574 million allocated to the critical services provided by the Department of Health and Human Services. This includes nearly \$68.2 million for Services to End and Prevent Homelessness and more than \$98 million to significantly expand the Behavioral Health and Crisis Services. We secured essential funding with a 3.5 percent inflationary increase for our nonprofit service providers, recognizing that the demands on our nonprofit partners are higher than ever. As chair of the Council's Economic Development Committee, I'm pleased that we boosted economic development investments focused on supporting job creation and innovation opportunities in Montgomery County. The Council allocated \$5.2 million for the Montgomery County Economic Development Corporation, which implements the County's economic development strategic plan, more than \$8 million for the Economic Development Fund, plus funding to provide small business support.

Additional highlights include \$50 million to support the Institute for Health Computing project and \$9.9 million for the ongoing North Bethesda Metro Station Area Redevelopment Infrastructure project. These investments strengthen our position as a global leader in biohealth innovation.

The Council continued its tradition of investing in our outstanding parks and recreation services, which enhance quality of life for so many of us. We also made continued investments to expand affordable housing and support services for working families, with \$77.5 million allocated for the Department of Housing and Community Affairs.



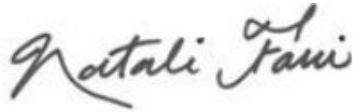
This budget dedicates more than \$317.2 million to improving our transportation infrastructure, enhancing road safety for pedestrians and cyclists, and continuing the County's free Ride On bus service.

Now, more than ever, the buck stops at the local level of government. It is our job to make fiscally responsible decisions on behalf of all our residents today and for Montgomery County's future.

I truly appreciate our partners in labor, the Municipal & County Government Employees Organization (MCGEO), the Fraternal Order of Police (FOP), and International Association of Fire Fighters (IAFF), for their active role in helping us find savings and better, more cost-efficient ways to deliver essential services that target the most vulnerable.

Budgets are moral documents, and this one helps us shape a fairer, more sustainable future. We have finally delivered a progressive income tax. We have protected the most vulnerable with direct services. We have helped keep costs down for residents struggling in this economy. We delivered wage increases to our dedicated, hard-working public employees. We have supported our nonprofits and increased assistance to working families with young children.

Together, we are meeting residents where they are at today while setting the County up for a bright future.

A handwritten signature in dark ink, reading "Natali Fani". The script is fluid and cursive, with the first name "Natali" and last name "Fani" clearly distinguishable.

Natali Fani-González
President, Montgomery County Council