OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

July 2, 2018

TO: Interested Readers

FROM: Isiah Leggett, County Executive

SUBJECT: FY19 Operating and Capital Budgets
And FY19-24 Capital Improvements Program (CIP)

These publications contain the Approved FY19 Operating and Capital Budgets and the FY19-24 Capital Improvements Program (CIP) for Montgomery County. In accordance with the law, and after receiving my recommendations and the advice of interested parties through public hearings and other means, the County Council approved the budgets on May 24, 2018, for the fiscal year that begins on July 1.

The total Council approved FY19 Operating Budget from all sources of funds is $5.581 billion, an increase of $130.6 million or 2.4 percent from the approved FY18 Budget. The approved tax-supported Operating Budget is $4.885 billion, an increase of $109.4 million or 2.3 percent from the approved FY18 Budget. The budget reflects a property tax rate of $0.9814 per $100 of assessed value - about 2 cents below the prior year's rate. This property tax rate is within the County's Charter Limit.

The Approved FY19-24 Capital Improvements Program for Montgomery County includes $4.424 billion for important Montgomery County Public Schools, Montgomery County Government, Montgomery College, Maryland-National Capital Park and Planning Commission, Housing Opportunities Commission, and Revenue Authority projects. An additional $1.519 billion also has been approved for the FY19-24 CIP for the Washington Suburban Sanitary Commission.

As detailed in the budget highlights and in the appropriate departmental sections, the Approved FY19 Operating and Capital Budgets continue to support our most important shared priorities:

- A Responsive and Accountable County Government
- Affordable Housing in an Inclusive Community

- An Effective and Efficient Transportation Network
- Children Prepared to Live and Learn
- Healthy and Sustainable Communities
- Safe Streets and Secure Neighborhoods
- A Strong and Vibrant Economy
- Vital Living for All of Our Residents

The Approved FY19 Operating and Capital Budgets include critical investments to address the most important needs of our growing community. The budgets include funding for Montgomery County Public Schools and Montgomery College above the Maintenance of Effort levels required by State law. The budgets also reflect strategic additions to public safety, human services, and other critical functions. In light of the current climate of fiscal uncertainty, the Approved Operating Budget also continues to build operating reserves toward our target level of 10 percent by FY20. In a similar vein, the Approved CIP and Capital Budget have been reduced to reflect updated impact and recordation tax estimates and the County's decision to reduce the level of new General Obligation bond borrowing to provide greater operating budget flexibility in the future.

You are invited to read the contents of these budget publications for a description of the Approved Operating and Capital Budgets and CIP. Please call the Office of Management and Budget at (240) 777-2800 for further information. You may also view more detailed information on each department's budget by visiting the Office of Management and Budget webpage at www.montgomerycountymd.gov/omb. This website provides a searchable, user-friendly means of accessing budget information.