




County Executive

RECOMMENDED FY26 BUDGET

\$7,948,787

FULL TIME EQUIVALENTS

34.83

 MARC ELRICH, COUNTY EXECUTIVE

MISSION STATEMENT








The Office of the County Executive provides leadership to the community and administrative direction to the County's departments and offices. The Office is committed to providing accurate, timely, and effective support to the County Executive and the Chief Administrative Officer (CAO) as they carry out their responsibilities to residents and employees of Montgomery County in an atmosphere that is characterized by excellence, efficiency, openness, equity, and integrity.

BUDGET OVERVIEW


The total recommended FY26 Operating Budget for the Office of the County Executive is \$7,948,787, an increase of \$988,677 or 14.20 percent from the FY25 Approved Budget of \$6,960,110. Personnel Costs comprise 84.07 percent of the budget for 45 full-time position(s) and five part-time position(s), and a total of 34.83 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 15.93 percent of the FY26 budget.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

-  **Thriving Youth and Families**
-  **A Growing Economy**
-  **A Greener County**
-  **Easier Commutes**
-  **An Affordable, Welcoming County for a Lifetime**
-  **Safe Neighborhoods**
-  **Effective, Sustainable Government**

INITIATIVES

-  Through the leadership of the Small Business Navigator, the Business Center implemented the Multicultural Accelerator in partnership with M&T Bank - hosting two cohorts of entrepreneurs in FY25.

- ★ The Business Center Team fully implemented the Client Relationship Management system, allowing for better customer service to businesses and tracking of data to refine future programs and services and continues proactive outreach two days a week and in all service regions in the County, ensuring businesses don't need to travel to County offices for help and resources.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ★ Internal Audit completed eight audit reports in FY24 and FY25, including the following audits: Cash Management Reviews in the Police Department and Alcohol Beverage Services; Marriott Conference Center Management Agreement Audit; Information Technology Governance; Information Technology Data Security and Governance; and Purchasing Card Administration in Department of General Services, the Community Engagement Cluster, and the Department of Health and Human Services. The audits are expected to be published in FY25.
- ★ The Innovation Accelerator built significant new momentum this past year. Projects from new Accelerators ranged from improving HR transactions to making it easier for members of the public to use public facilities. We also partnered with the Maryland-National Capital Park and Planning Commission and the Department of Environmental Protection to launch the first Climate Accelerator as part of the Climate Action Plan. This Accelerator created cross-departmental links between employees working on climate change issues ranging from emergency management to transportation demand management. The Innovation Team was also awarded the 2024 National Association of Counties (NaCo) Achievement Award for its work with the Accelerator and Ride On Problem Solving Committees.
- ★ The Business Center Team assisted more than 1,200 businesses with direct queries and engaged more than 830 businesses with proactive outreach.
- ★ The Business Center Team developed and implemented 29 events to support the County's innovation ecosystem at the Innovation Centers - an increase from three executed during FY24.

PROGRAM CONTACTS

Contact Taleah Parker of the Office of the County Executive at 240-777-2516 or Julie Knight of the Office of Management and Budget at 240-777-2760 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

★ Administration

The Administration Program provides budget development and analysis, fiscal and inventory control, personnel and payroll management, training and supervision, procurement, and contract administration.

FY26 Recommended Changes	Expenditures	FTEs
FY25 Approved	422,308	1.05
Shift: Contract Funding from Business Center Team Budget to Administration Budget	80,414	0.00
Increase Cost: CoStar Contract	3,498	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts	2,849	0.00
Decrease Cost: Newspapers	(100)	0.00
Decrease Cost: Professional Memberships	(150)	0.00
Decrease Cost: Magazine/Periodical	(200)	0.00
Decrease Cost: Office Supplies	(500)	0.00

FY26 Recommended Changes	Expenditures	FTEs
Decrease Cost: Computer Equipment	(680)	0.00
Shift: Funding from Administration Budget to Internal Audit Budget	(1,160)	0.00
Decrease Cost: Computer Equipment Repair	(3,750)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	40,288	0.00
FY26 Recommended	542,817	1.05

Business Center Team

The Business Center Team program serves as a visible point of entry for the business community by coordinating the delivery of County services and projects related to business development. The Business Center Team guides business clients in identifying where to go for assistance and ensures results-driven relationships and projects with related business development organizations outside the realm of County government.

FY26 Recommended Changes	Expenditures	FTEs
FY25 Approved	661,744	3.00
Shift: Contract Funding from Business Center Team Budget to Administration Budget	(80,414)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	16,927	0.00
FY26 Recommended	598,257	3.00

CAO - Supervision & Management of Executive Branch Departments

The Chief Administrative Officer (CAO) oversees the operations and services of all departments and offices of the Executive Branch. The CAO also advises the County Executive on all administrative and government operations/service-related matters and coordinates final review and decision-making on policies, programs, service delivery, budgets, legislation, regulations, and related matters. The CAO uses the following to carry out responsibilities: 1) The Constituent Services section coordinates responses to correspondence and electronic mail from our residents and identifies community/residents' concerns that require special attention/response; 2) The Innovation Program provides space and support for workers to collaborate cross-departmentally as they improve processes, reduce costs and errors, and improve constituent service; 3) The Business Center Team administers programs to support the growth and expansion of businesses in the County and serves as the business community's point of entry into the County government, providing direct services such as training and technical assistance through Business Connect, assistance with County processes and procedures, and economic development project incentives. The Business Center Team also manages the County's incubator network system and coordinates the implementation of the White Oak and White Flint Master Plans; and 4) The Criminal Justice Coordinating Commission (CJCC) seeks to enhance cooperation among the agencies involved in the criminal justice system in Montgomery County and to ensure that they address the issues facing the system.

FY26 Recommended Changes	Expenditures	FTEs
FY25 Approved	3,355,673	20.28
Technical Adj: Office Services Coordinator Position from Part-Time to Full-Time	0	0.50
Shift: Funds from CAO Budget to CE Budget for Printing Expenses	(14,488)	0.00
Shift: Funds from CAO Budget to CE Budget for Motorpool Expenses	(16,976)	0.00

FY26 Recommended Changes	Expenditures	FTEs
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	756,011	0.00
FY26 Recommended	4,080,220	20.78

☀️ County Executive - Policy Planning and Development

The County Executive oversees the enforcement of the laws of Montgomery County and provides executive direction to all departments and offices of the County government. The County Executive develops policies; proposes services, programs, budgets, and legislation to the County Council; adopts Executive Orders and Regulations; and appoints citizens to boards, committees, and commissions.

FY26 Recommended Changes	Expenditures	FTEs
FY25 Approved	1,327,318	6.00
Shift: Funds from CAO Budget to CE Budget for Motorpool Expenses	16,976	0.00
Shift: Funds from CAO Budget to CE Budget for Printing Expenses	14,488	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	124,698	0.00
FY26 Recommended	1,483,480	6.00

☀️ Innovation

The Innovation Team Program supports colleagues across the Montgomery County government to more deeply understand challenges and redesign how government serves people. The Accelerator course guides employees through a structured problem-solving approach to make tangible improvements to their processes and systems. The Civic Design Team facilitates progress on cross-departmental challenges, such as improving hiring and the customer experience. The Innovation Team uses a human-centered design approach to build a government where those closest to the challenges shape the solutions leading to services that seamlessly meet user needs. The Innovation Team anticipates the future needs of the County and proactively builds the capacity to deliver better services internally and externally.

FY26 Recommended Changes	Expenditures	FTEs
FY25 Approved	583,650	3.00
Reduce: Operating Expense for Other Professional Services	(20,000)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	30,066	0.00
FY26 Recommended	593,716	3.00

☀️ Internal Audit

The Internal Audit program provides independent strategic risk-based auditing services. The core functions of this program are to: improve internal controls and provide reasonable assurance of reliable financial reporting; ensure effective and efficient operations; meet legal and regulatory compliance requirements; conduct fraud investigations and inform deterrence; and safeguard County assets.

FY26 Recommended Changes	Expenditures	FTEs
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FY26 Recommended Changes	Expenditures	FTEs
FY25 Approved	609,417	1.00
Increase Cost: SC&H Group Consulting Contract	47,657	0.00
Shift: Funding from Administration Budget to Internal Audit Budget	1,160	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(7,937)	0.00
FY26 Recommended	650,297	1.00

BUDGET SUMMARY

	Actual FY24	Budget FY25	Estimate FY25	Recommended FY26	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	4,638,556	4,453,964	5,159,040	5,297,310	18.9 %
Employee Benefits	1,169,931	1,244,456	1,193,151	1,385,362	11.3 %
County General Fund Personnel Costs	5,808,487	5,698,420	6,352,191	6,682,672	17.3 %
Operating Expenses	771,051	1,261,690	661,690	1,266,115	0.4 %
County General Fund Expenditures	6,579,538	6,960,110	7,013,881	7,948,787	14.2 %
PERSONNEL					
Full-Time	44	44	44	45	2.3 %
Part-Time	6	6	6	5	-16.7 %
FTEs	36.33	34.33	34.33	34.83	1.5 %
County General Fund Revenues	0	0	0	0	—
GRANT FUND - MCG					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Grant Fund - MCG Personnel Costs	0	0	0	0	—
Operating Expenses	7,102,572	0	0	0	—
Grant Fund - MCG Expenditures	7,102,572	0	0	0	—
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	0.00	0.00	0.00	0.00	—
REVENUES					
Federal Grants	8,694	0	0	0	—
State Grants	1,500,000	0	0	0	—
Grant Fund - MCG Revenues	1,508,694	0	0	0	—
DEPARTMENT TOTALS					
Total Expenditures	13,682,110	6,960,110	7,013,881	7,948,787	14.2 %

BUDGET SUMMARY

	Actual FY24	Budget FY25	Estimate FY25	Recommended FY26	%Chg Bud/Rec
Total Full-Time Positions	44	44	44	45	2.3 %
Total Part-Time Positions	6	6	6	5	-16.7 %
Total FTEs	36.33	34.33	34.33	34.83	1.5 %
Total Revenues	1,508,694	0	0	0	—

FY26 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
	FY25 ORIGINAL APPROPRIATION	6,960,110 34.33
<u>Changes (with service impacts)</u>		
Reduce: Operating Expense for Other Professional Services [Innovation]	(20,000)	0.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Annualization of FY25 Personnel Costs	666,365	0.00
Increase Cost: FY26 Compensation Adjustment	190,094	0.00
Increase Cost: Annualization of FY25 Compensation Increases	117,252	0.00
Shift: Contract Funding from Business Center Team Budget to Administration Budget [Administration]	80,414	0.00
Increase Cost: SC&H Group Consulting Contract [Internal Audit]	47,657	0.00
Increase Cost: Motor Pool Adjustment	20,974	0.00
Shift: Funds from CAO Budget to CE Budget for Motorpool Expenses [County Executive - Policy Planning and Development]	16,976	0.00
Shift: Funds from CAO Budget to CE Budget for Printing Expenses [County Executive - Policy Planning and Development]	14,488	0.00
Increase Cost: Retirement Adjustment	10,541	0.00
Increase Cost: Printing and Mail Adjustment	4,827	0.00
Increase Cost: CoStar Contract [Administration]	3,498	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts [Administration]	2,849	0.00
Shift: Funding from Administration Budget to Internal Audit Budget [Internal Audit]	1,160	0.00
Technical Adj: Office Services Coordinator Position from Part-Time to Full-Time [CAO - Supervision & Management of Executive Branch Departments]	0	0.50
Decrease Cost: Newspapers [Administration]	(100)	0.00
Decrease Cost: Professional Memberships [Administration]	(150)	0.00
Decrease Cost: Magazine/Periodical [Administration]	(200)	0.00
Decrease Cost: Office Supplies [Administration]	(500)	0.00
Decrease Cost: Computer Equipment [Administration]	(680)	0.00
Shift: Funding from Administration Budget to Internal Audit Budget [Administration]	(1,160)	0.00
Decrease Cost: Computer Equipment Repair [Administration]	(3,750)	0.00
Shift: Funds from CAO Budget to CE Budget for Printing Expenses [CAO - Supervision & Management of Executive Branch Departments]	(14,488)	0.00

FY26 RECOMMENDED CHANGES

	Expenditures	FTEs
Shift: Funds from CAO Budget to CE Budget for Motorpool Expenses [CAO - Supervision & Management of Executive Branch Departments]	(16,976)	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY25	(50,000)	0.00
Shift: Contract Funding from Business Center Team Budget to Administration Budget [Business Center Team]	(80,414)	0.00
FY26 RECOMMENDED	7,948,787	34.83

PROGRAM SUMMARY

Program Name	FY25 APPR Expenditures	FY25 APPR FTEs	FY26 REC Expenditures	FY26 REC FTEs
Administration	422,308	1.05	542,817	1.05
Business Center Team	661,744	3.00	598,257	3.00
CAO - Supervision & Management of Executive Branch Departments	3,355,673	20.28	4,080,220	20.78
County Executive - Policy Planning and Development	1,327,318	6.00	1,483,480	6.00
Innovation	583,650	3.00	593,716	3.00
Internal Audit	609,417	1.00	650,297	1.00
Total	6,960,110	34.33	7,948,787	34.83

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY25 Total\$	FY25 FTEs	FY26 Total\$	FY26 FTEs
COUNTY GENERAL FUND					
Transit Services	Mass Transit	124,238	0.74	182,312	0.74
Permitting Services	Permitting Services	234,857	1.03	261,943	1.03
NDA - Conference Center	General Fund	151,235	1.00	164,092	1.00
NDA - Incubator Programs	General Fund	431,904	3.00	456,408	3.00
NDA - Vision Zero	General Fund	164,414	1.00	178,247	1.00
NDA - Police Accountability Board	General Fund	307,836	2.00	326,243	2.00
NDA - Small Business Support Services	General Fund	595,430	4.00	650,320	4.00
Total		2,009,914	12.77	2,219,565	12.77

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY26	FY27	FY28	FY29	FY30	FY31
COUNTY GENERAL FUND						
EXPENDITURES						
FY26 Recommended	7,949	7,949	7,949	7,949	7,949	7,949

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY26	FY27	FY28	FY29	FY30	FY31
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	41	41	41	41	41
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	7,949	7,990	7,990	7,990	7,990	7,990