



Labor Relations

RECOMMENDED FY26 BUDGET

\$2,523,120

FULL TIME EQUIVALENTS

13.00

 JENNIFER HARLING, CHIEF LABOR RELATIONS OFFICER

MISSION STATEMENT

The Office of Labor Relations fosters high-performing labor-management relationships through the use of collaborative and interest-based methods that demonstrate the possibilities of effective labor-management partnership and confirm the value of the County's workforce.

BUDGET OVERVIEW






The total recommended FY26 Operating Budget for the Office of Labor Relations is \$2,523,120, an increase of \$309,281 or 13.97 percent from the FY25 Approved Budget of \$2,213,839. Personnel Costs comprise 85.34 percent of the budget for 13 full-time position(s) and no part-time position(s), and a total of 13.00 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 14.66 percent of the FY26 budget.

COUNTY PRIORITY OUTCOMES

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

Effective, Sustainable Government

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

-  Implemented centralization plan reassigning countywide labor and employee relations functions to the Office of Labor Relations.
-  Negotiated a new Collective Bargaining Agreement (CBA) with the Fraternal Order of Police and a new Direct Bargaining Agreement (DBA) with the Montgomery County Volunteer Fire-Rescue Association.
-  Modified the County's Collective Bargaining Issues Development and Strategy Process for Term Bargaining in order to streamline and expedite the process, and re-established a Collective Bargaining Policy Committee to set County priorities ahead of term bargaining.
-  Launched a new OLR intranet site to provide resources to departments.
-  Created and implemented multiple Standard Operating Procedures for ensuring that labor and employee relations issues are addressed timely and consistently, and developed training content on multiple labor and employee relations subjects that will ultimately become a comprehensive training library to guide and support departments.

- ✦ Continued countywide Labor Management Relations Committee (LMRC) subcommittees on health and safety topics; department-level LMRCs in nearly every department in the County; and quarterly training for all LMRC members.
- ✦ Continued to improve grievance processing through use of a new grievance tracker as well as software that allows OLR to track the status of all grievances in real time.

PROGRAM CONTACTS

Contact Jennifer Harling of the Office of Labor Relations at 240-777-5073 or Shantee Jackson of the Office of Management and Budget at 240-777-2751 for more information regarding this department's operating budget.

PROGRAM PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable). The FY25 estimates reflect funding based on the FY25 Approved Budget. The FY26 and FY27 figures are performance targets based on the FY26 Recommended Budget and funding for comparable service levels in FY27.

Measure	Actual FY23	Actual FY24	Estimated FY25	Target FY26	Target FY27
Program Measures					
Number of trainings on labor relations offered to County employees	8	13	16	19	22
Number of County employees who attend trainings on labor relations	746	774	890	1,024	1,177
Total number of Labor Management Relations Committee (LMRC) meetings held with the three County employee unions (MCGEO, FOP, and IAFF)	29	66	76	87	100
Percent of LMRC meetings attended by an Office of Labor Relations representative ¹	79%	97%	90%	85%	85%
Percent of grievances by a bargaining unit resolved without the intervention of a third party	95%	99%	98%	98%	98%

¹ Some of the increase in OLR participation in LMRCs may be attributed to the establishing of new LMRCs which requires an OLR staff person to help set up on the front end and facilitate.

PROGRAM DESCRIPTIONS

✦ Labor Relations

The Office of Labor Relations (OLR) administers the County's labor and employee relations programs. These include conducting collective bargaining with the three County unions and volunteer Firefighters; administering and ensuring compliance with collective bargaining agreements (CBAs) and other labor-management agreements and personnel regulations; managing collaborative labor-management programs and joint initiatives, including Labor-Management Relations Committees (LMRCs) and other joint committees; administering grievance and dispute procedures, including both negotiated and regulatory, including the Alternative Dispute Resolution and Conflict Facilitation processes, and facilitating the timely resolution of workplace disputes; advising County managers on CBA issues, personnel policies and procedures, and employee relations matters; and conducting training for County managers and employees on labor-management and employee relations topics.

BUDGET SUMMARY

	Actual FY24	Budget FY25	Estimate FY25	Recommended FY26	%Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	985,359	1,530,873	1,407,437	1,693,846	10.7 %
Employee Benefits	241,833	382,388	338,590	459,305	20.1 %
County General Fund Personnel Costs	1,227,192	1,913,261	1,746,027	2,153,151	12.5 %
Operating Expenses	380,111	300,578	477,078	369,969	23.1 %
County General Fund Expenditures	1,607,303	2,213,839	2,223,105	2,523,120	14.0 %
PERSONNEL					
Full-Time	8	13	13	13	—
Part-Time	0	0	0	0	—
FTEs	8.00	13.00	13.00	13.00	—

FY26 RECOMMENDED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY25 ORIGINAL APPROPRIATION	2,213,839	13.00
<u>Changes (with service impacts)</u>		
Enhance: Procure Software to Improve Labor and Employee Relations Case Management [Labor Relations]	33,300	0.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Restore One-Time Lapse Increase [Labor Relations]	144,182	0.00
Increase Cost: FY26 Compensation Adjustment	60,040	0.00
Increase Cost: Annualization of FY25 Compensation Increases	30,928	0.00
Increase Cost: Collective Bargaining Consultant Services Contract Escalation [Labor Relations]	29,910	0.00
Increase Cost: Printing and Mail Adjustment	6,181	0.00
Increase Cost: Retirement Adjustment	3,493	0.00
Increase Cost: Annualization of FY25 Personnel Costs	1,247	0.00
FY26 RECOMMENDED	2,523,120	13.00

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY26	FY27	FY28	FY29	FY30	FY31
COUNTY GENERAL FUND						
EXPENDITURES						
FY26 Recommended	2,523	2,523	2,523	2,523	2,523	2,523
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Items Recommended in FY26	0	(10)	(10)	(10)	(10)	(10)

FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)

Title	FY26	FY27	FY28	FY29	FY30	FY31
Items recommended for one-time funding in FY26, including LaborSoft (Installation and Training), will be eliminated from the base in the outyears.						
Subtotal Expenditures	2,523	2,513	2,513	2,513	2,513	2,513