



**MONTGOMERY**  
**COUNTY** VIRGINIA  
EST. 1776

# **FY 2027 PROPOSED BUDGET**

**Board of Supervisors**

**March 9, 2026**

# BUDGET PROCESS

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- **Base Budget Targets**
  - Personnel – updated cost of current positions and benefits
  - O&M – capped at the current level
  - Capital Outlay – removed one-time only items
- **Addenda**
  - Requests above base budget targets are shown as addenda
  - Before recommending funding for an addenda request, the base budget is challenged to determine if the request can be funded within the base



# BUDGET REQUEST SUMMARY

Category	\$ Requested
County Budget Requests	\$8,343,578
School Board Budget Request	
School Operations	7,150,578
School Nutrition	1,145,905
<i>Subtotal MCPS</i>	8,296,483
<b>Grand Total</b>	<b>\$16,640,061</b>
<i>Estimated New Undesignated Revenue</i>	\$1,014,588
	<b>\$(15,625,473)</b>

Full funding of all of these requests would require a real estate tax rate increase of 12 cents.



# FY 27 REVENUE ESTIMATES

County Category	Proposed
New Undesignated Revenue	\$1,014,588
New Designated Revenue	577,776
Utilities Designated Revenue	2,394,369
Total New County Revenue	\$3,986,733
School Operating Fund Category	Proposed
New State Funding	\$3,619,579
New Federal Funding	99,981
New Designated Local Funding	102,562
Total New School Revenue	\$3,822,122
Tax Rate Increase	Proposed
5 Cent Real Estate Tax Rate Inc.	\$6,426,648



# DISTRIBUTION OF NEW REVENUE

Category	Undesignated <i>Proposed</i>	Designated <i>Proposed</i>	Grand Total <i>Proposed</i>	%
School Operations	\$4,100,000	\$3,822,122	\$7,922,122	56%
School Capital	61,050	-	61,050	0%
<b>Subtotal</b>	<b>\$4,161,050</b>	<b>\$3,822,122</b>	<b>\$7,983,172</b>	<b>56%</b>
County Operations	\$3,219,136	\$2,972,145*	\$6,191,281	43%
County Capital	61,050	-	61,050	1%
<b>Subtotal</b>	<b>\$3,280,186</b>	<b>\$2,972,145</b>	<b>\$6,252,331</b>	<b>44%</b>
<b>Grand Total</b>	<b>\$7,441,236</b>	<b>\$6,794,267</b>	<b>\$14,235,503</b>	<b>100%</b>



# ALLOCATION OF TOTAL BUDGET

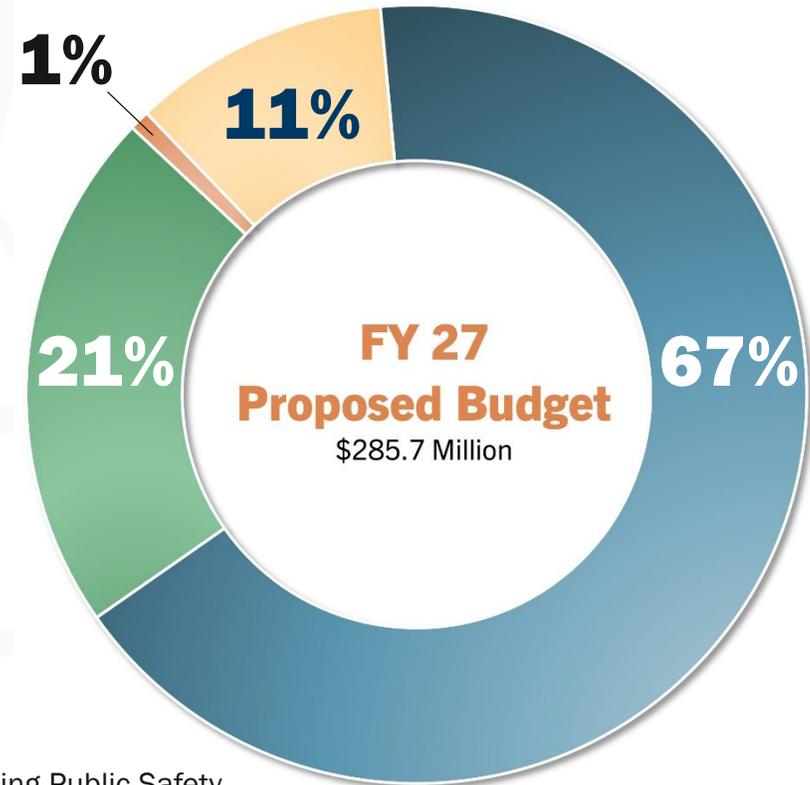
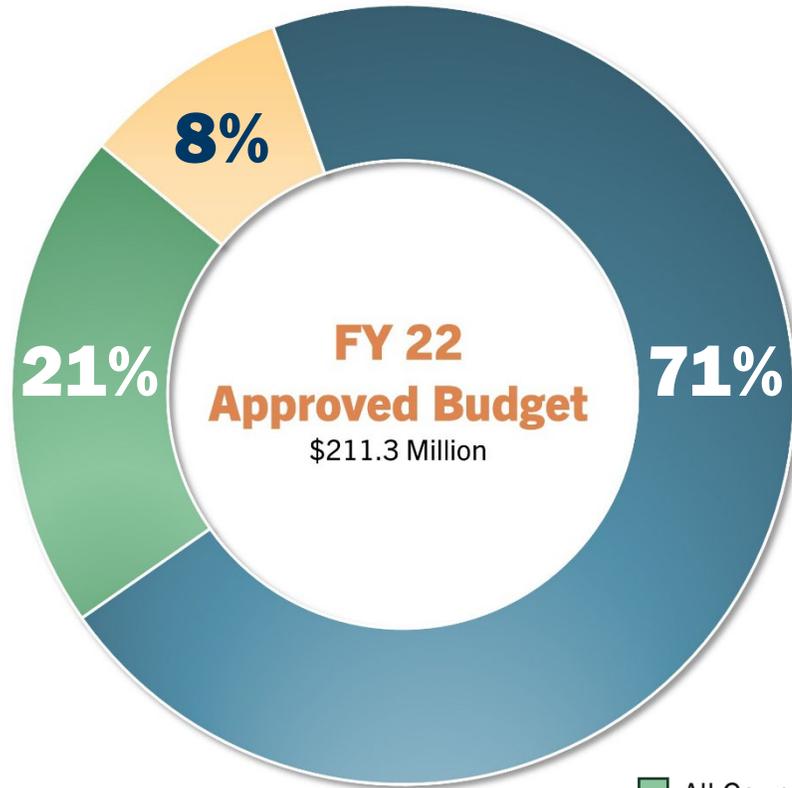
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Fiscal Year	Schools	County
2022	71%	29%
2023	69%	31%
2024	69%	31%
2025	68%	32%
2026	67%	33%
2027	67%	33%

Since FY 22, the allocation of the total budget has increased for the County's General Government expenses to accommodate the Board's commitment to public safety.



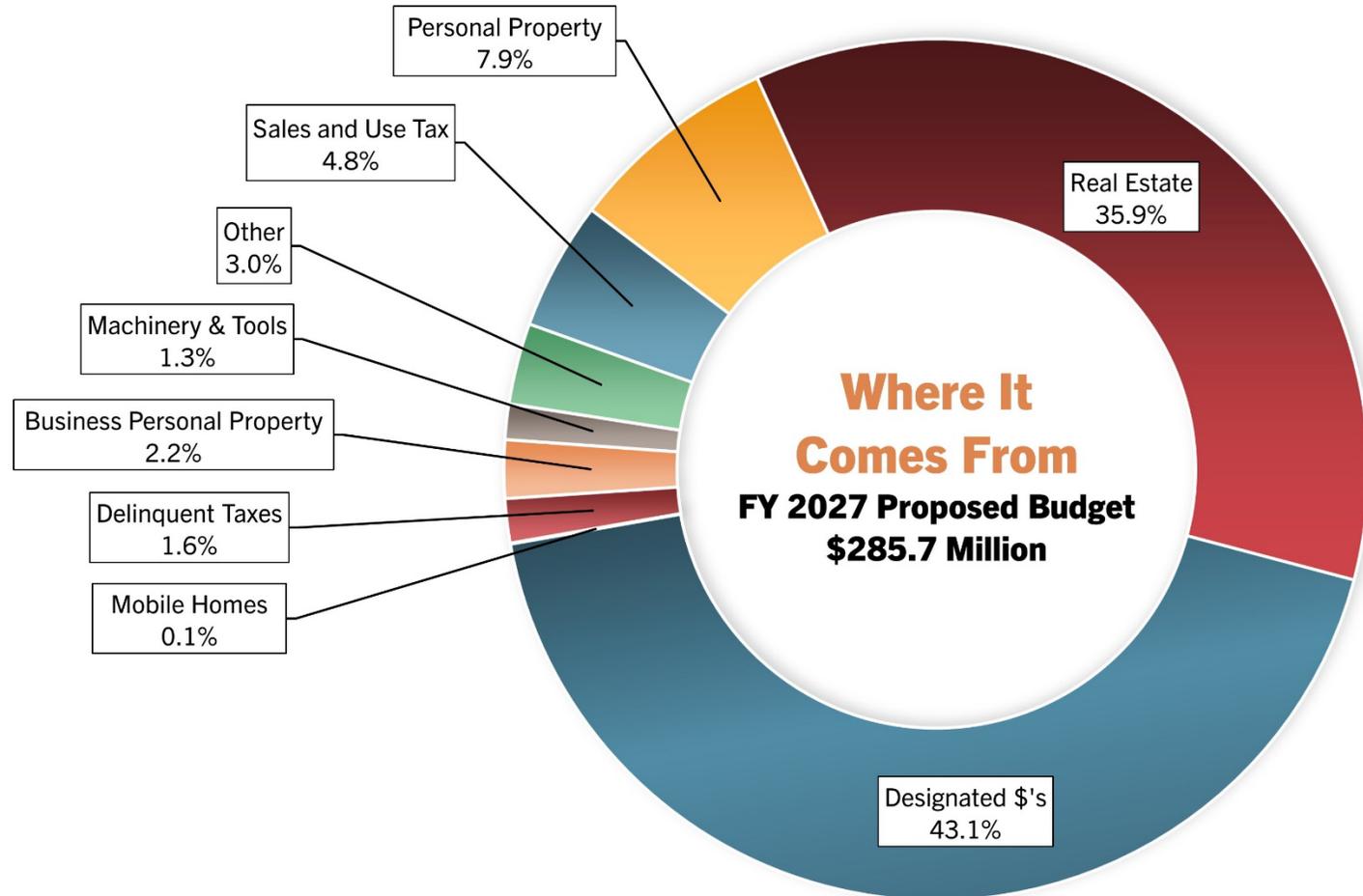
# ALLOCATION OF TOTAL BUDGET



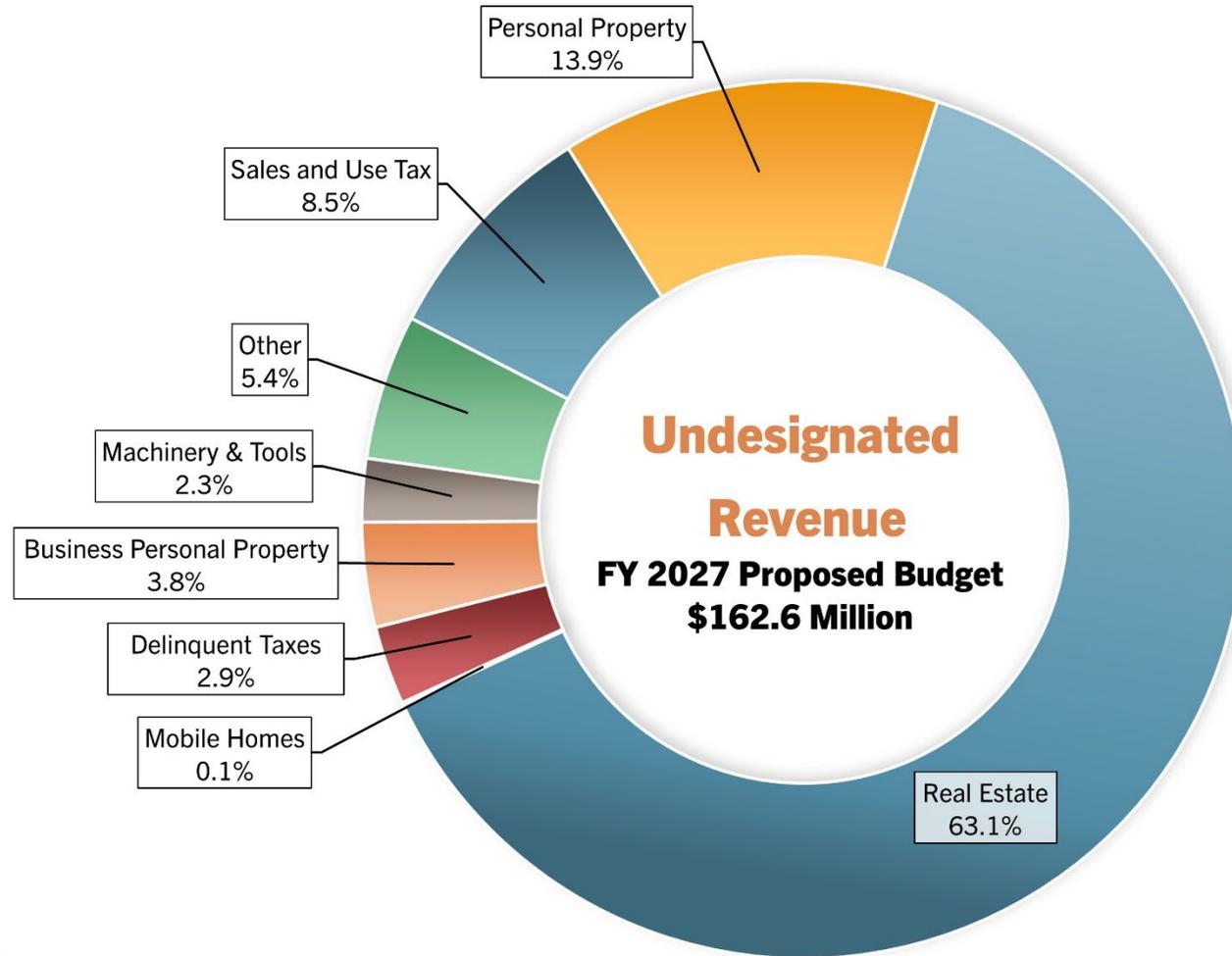
- All County Functions - Excluding Public Safety
- Public Safety Functions
- All School Functions
- Utilities



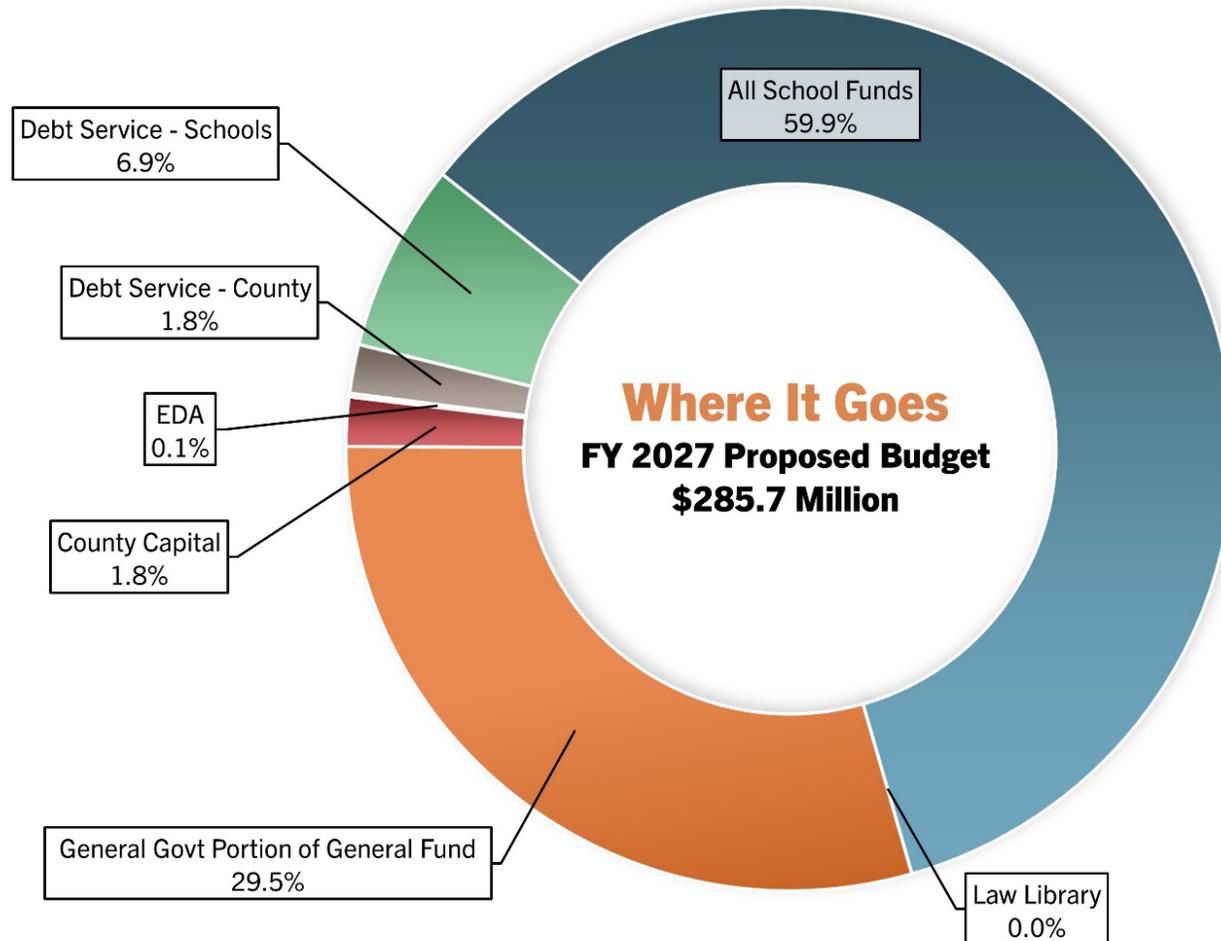
# WHERE IT COMES FROM



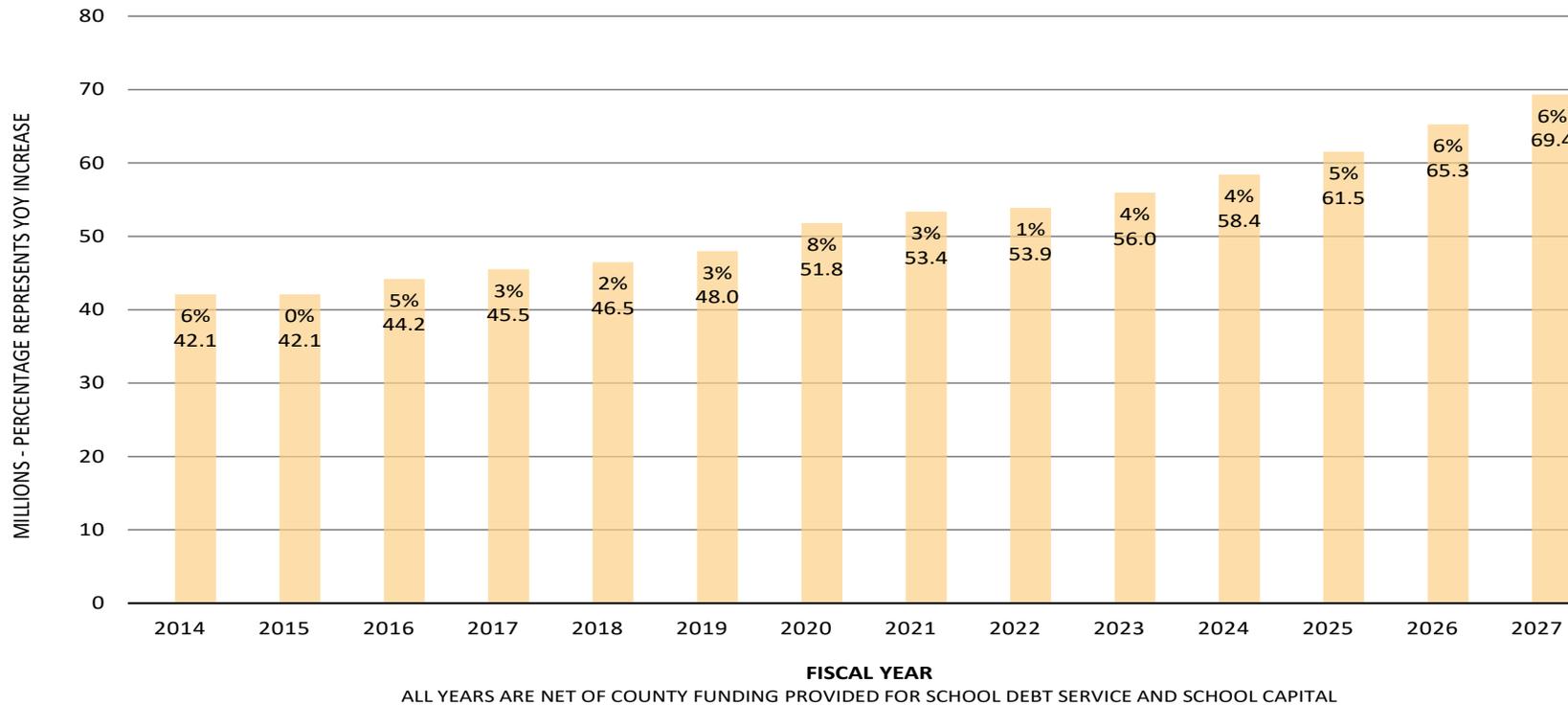
# UNDESIGNATED REVENUE



# WHERE IT GOES

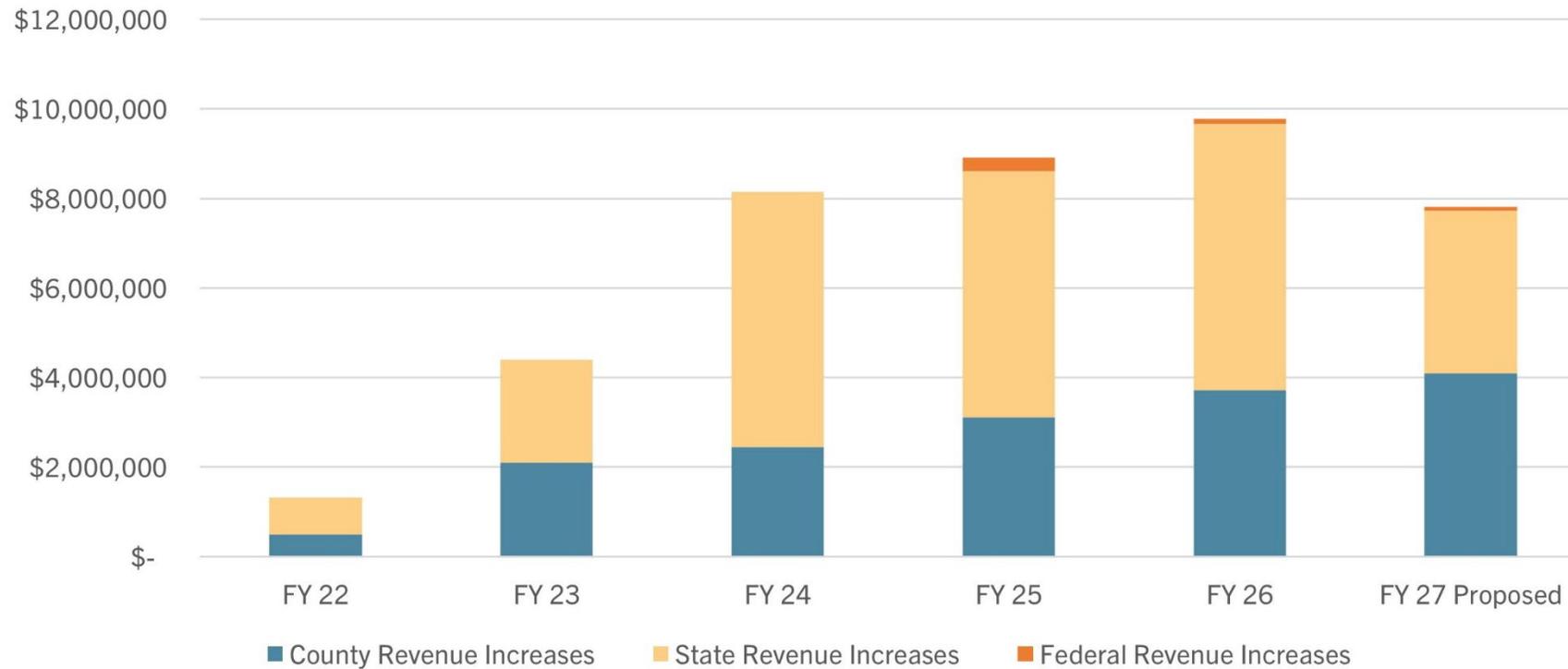


# COUNTY FUNDING FOR SCHOOL OPERATING



# SCHOOL REVENUE – FY 22 TO FY 27

School Revenue Increases By Category



# FY 27 COUNTY ADDENDA

Requests	Amount
Transfer to School Operating	\$4,100,000
3% Compensation Increase for Employees	1,281,027
Other Benefit Increases – Health Ins, Workers Comp, Sheriff Retention	976,437
New Positions – Non-Public Safety	552,815
New Positions – Public Safety – Animal Care and Adoption Center	72,707
Western Virginia Regional Jail – Increased Debt Service and Per Diem	301,772
Landfill Remediation Costs	213,600
Information Technology – Hardware, Software, Telecommunications	176,300
Other Operating Cost Increases – Professional Services, Insurance, Other	413,028
Fire and EMS Increases	32,200
Volunteer Fire and Rescue Agency Increases	20,626
Other Agency Increases	55,167
<b>TOTAL</b>	<b>\$8,195,679</b>



# FY 26 OFF-CYCLE POSITION ADJUSTMENTS

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## Additions – State Funded Positions

- Clerk of Circuit Court – Deputy Clerk (1 FTE)
- Commonwealth Attorney – Assistant CA (1 FTE)
- Social Services – Family Services Specialist (1 FTE)

## Additions – Locally Added Positions (No Cost to the County)

- Utilities Department – Water (12 FTE)
- Utilities Department – Sewer (10 FTE)
- Library – PT Classified Position (0.5 FTE)

**Net Base Increase = 25.5 FTEs**



# NEW POSITIONS FOR FY 27

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## County Administration

- Director of Real Estate Assessments (1 FTE)

## Finance

- Finance Manager (1 FTE)

## Animal Care and Adoption Center

- Adoption/Foster Coordinator (1 FTE)

## General Services

- Building Inspector (0.75 FTE)
- Solid Waste Manager (1 FTE)
- HVAC Technician (1 FTE)

## Social Services

- Family Services Specialist (1 FTE)

**Total = 6.75 FTE**



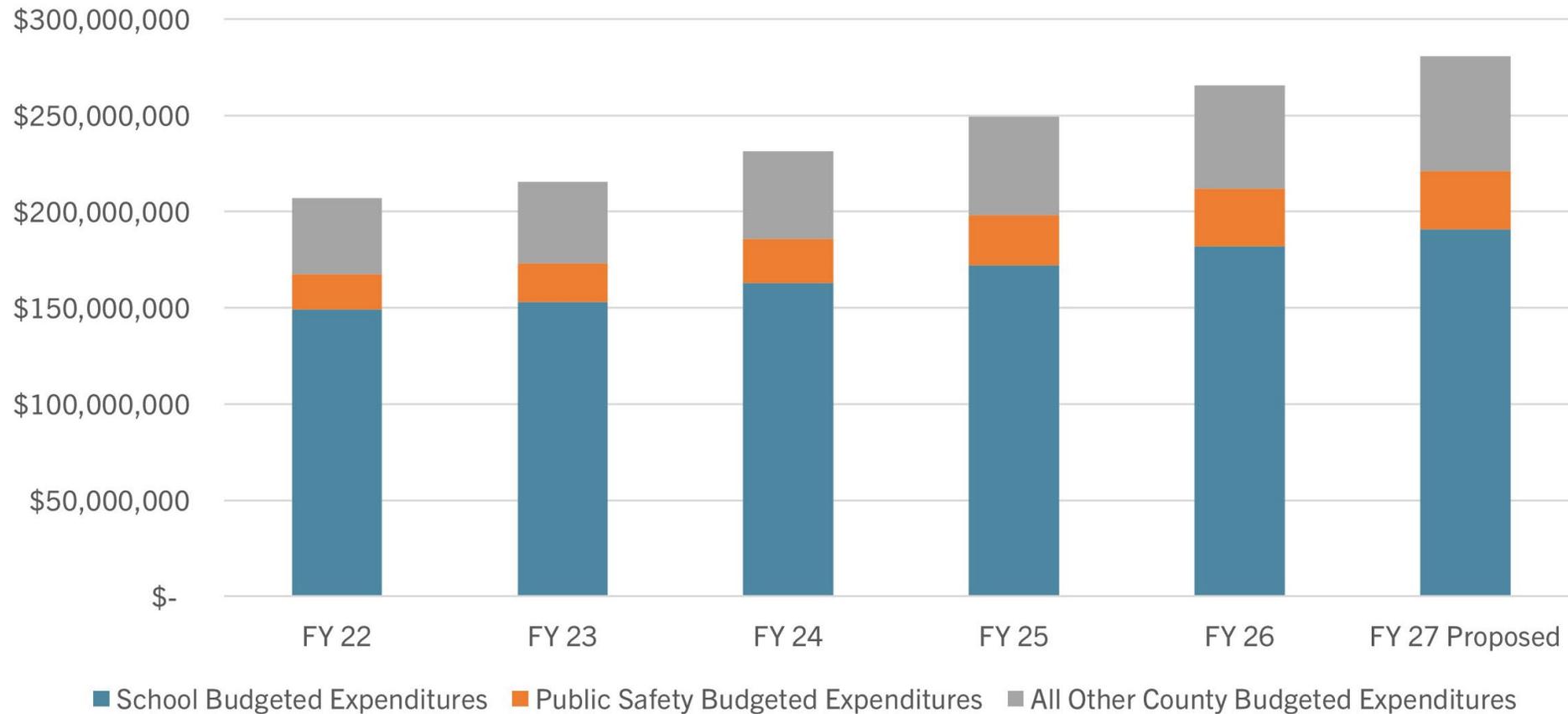
# FY 27 PROPOSED BUDGET

Category	Proposed	Increase (Decrease) compared to FY 26
General Government	\$84,397,766	\$6,191,281
School Operating	160,868,762	7,648,027
School Nutrition	7,035,000	1,010,637
School Capital	3,173,200	61,050
County Capital	5,108,200	61,050
Debt Service	24,758,849	(42,849)
Economic Development	380,000	-
Law Library	17,600	-
<b>Total Budget</b>	<b>\$285,739,377</b>	<b>\$14,929,196</b>



# BUDGETED EXPENDITURES

## Distribution of Total Budgeted Expenditures by Area



## NEXT STEPS

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- March 16, 2026 – Joint meeting with MCPS
- March 23, 2026 – Establish advertised tax rate and budget
- April 9, 2026 – Public hearing on budget and tax rate
- April 20, 2026 – Adopt budget and tax rate





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