

Resolution No.: 20-1064
 Introduced: February 24, 2026
 Adopted: March 10, 2026

**COUNTY COUNCIL
 FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #26-55 to the FY26 Operating Budget Montgomery County Public Schools - Employee Benefit Plan, \$12,000,000

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week’s notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of six Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of seven Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.

2. The County Executive has requested the following FY26 Operating Budget appropriation increases for Montgomery County Public Schools (MCPS):

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$12,000,000	\$12,000,000	MCPS Fund Balance

3. This increase is needed for the reappropriation of funds from the MCPS fund balance to the Employee Benefit Plan. The beginning MCPS fund balance in FY26 was \$21,478,157. The funds will be used to continue efforts to restore the financial health of the Employees Group Insurance Trust Fund which is experiencing a deficit fund balance from higher than anticipated expenditures.

- 4. The County Executive recommends a supplemental appropriation to the FY26 Operating Budget in the amount of \$12,000,000 from the MCPS fund balance for the Employee Benefit Plan and specifies that the source of funds will be the MCPS fund balance.
- 5. Notice of public hearing was given, and a public hearing was held.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

A supplemental appropriation to the FY26 Operating Budget of Montgomery County Public Schools is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$12,000,000	\$12,000,000	MCPS Fund Balance

This is a correct copy of Council action.



Sara R. Tenenbaum
Clerk of the Council