

FY 2026 PROPOSED WORK PROGRAM AND BUDGET

Advancing Regional Priorities

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COG Board of Directors
June 11, 2025



Metropolitan Washington
Council of Governments

FY 2026 Budget: Guiding Principles

Staff is presenting a balanced budget with continued emphasis on core planning areas—transportation, environment, public safety, community planning and housing.

- New HUD program funds in FY 2026.
- Increase in funding for TPB driving some use of undesignated funds as well as additional funding for Community Planning.
- Focus on work environment to ensure members have a dedicated and talented supporting staff team.



BRINGING THE REGION TOGETHER: At the COG Board of Directors meeting on March 12, first responders and officials from public safety agencies, local governments, and non-profit organizations across the metropolitan Washington region were recognized by area elected officials for their service and bravery in responding to the mid-air collision near Reagan National Airport on January 29, 2025.

FY 2026 Budget Challenges

- Federal Funding Challenges
 - No known cuts at this time
 - Lots of changes to existing terms, challenging to keep up with and in compliance
- Still awaiting final approval of the FY2026 Indirect Cost Rate from our cognizant agency, FTA.
 - Audit disallowed certain board expenses
- Building refinancing with State Farm and other CPAS partners.

FY 2026 Proposed COG Budget

COG FY 2026 Budget with Comparisons	FY2024 Actual	FY2025 Budget	FY2026 Budget
Operations	53,282,500	50,576,600	58,464,200
Subrecipient Pass Through	2,120,400	8,131,000	4,619,700
Special Revenue Funds	187,500	-	108,500
Totals	55,590,400	58,707,600	63,192,400

FY 2026 Proposed Operating Budget

Operations Revenue

Federal & State

Member Dues

Regional funds and user fees

Other

Total Operations Revenue

Operations Expense

Personnel Expense - Programs

Consultants

Other Direct Program Expense

Support Services

Total Operations Expense

Net Surplus (Deficit) from Operations

Change in Undesignated Net Assets

Change in Designated Program Funds

Change in Net Position From Operations

FY2024 Actual	FY2025 Budget	FY2026 Budget
36,382,200	34,896,000	43,450,200
5,082,400	5,302,900	5,568,000
3,494,400	3,638,200	3,824,200
8,323,500	6,739,500	5,621,800
53,282,500	50,576,600	58,464,200
14,340,200	17,924,000	18,978,300
17,455,000	19,350,900	20,367,300
9,561,100	6,837,100	8,676,500
8,718,200	10,271,100	11,109,800
50,074,500	54,383,100	59,131,900
3,208,000	(3,806,500)	(667,700)
3,320,900	(196,400)	(94,400)
(112,900)	(3,610,100)	(573,300)
3,208,000	(3,806,500)	(667,700)



Revenue by Program Area

FY2026 DEPARTMENT & PROGRAM SUMMARY		Operations Revenue	Pass- Through and Other Funds	Total FY2026 Revenue Budget	% of Total
1.0	Transportation Planning	24,630,600	-	24,630,600	39%
2.0	Transportation Operations	8,957,900	4,619,700	13,577,600	21%
3.0	Community Planning & Services	5,027,800	-	5,027,800	8%
5.0	Homeland Security & Public Safety	10,116,000	108,500	10,224,500	16%
6.0	Water Resources	5,052,900	-	5,052,900	8%
7.0	Environmental Resources	1,901,200	-	1,901,200	3%
8.0	Air Quality	1,193,900	-	1,193,900	2%
9.0	Strategic Initiatives & Member Svc.	1,583,900	-	1,583,900	3%
Totals		58,464,200	4,728,200	63,192,400	



Highlights of the FY 2026 Work Program

DMVMoves: Continue the work of the DMVMoves initiative to adopt a final plan and recommendations and work with external partners to advance the recommendations.

Transportation planning: Approve the Visualize 2050 National Capital Region Transportation Plan and the FY 2026-2029 Transportation Improvement Program.

Roadway safety: Work on advancing a new Regional Safety Study and explore the development of a multi-jurisdictional arrangement for automated enforcement reciprocity.

Economic development: Work with public, private, and nonprofit sector partners to develop a Comprehensive Economic Development Strategy for the region and continue to monitor the region's economic trends and changes to the federal workforce.



Highlights of the FY 2026 Work Program (continued)

Emergency response: Continue organizing regional exercises and training, including tabletop exercises and the Public Safety Leadership Seminar for area homeland security and public safety professionals.

Anacostia restoration: Conduct several watershed monitoring studies and continue removing abandoned, derelict vessels and large debris from the river as part of the new \$1M cleanup effort announced in FY 2025.

Climate and energy: Track local and regional progress towards regional 2030 greenhouse gas (GHG) emissions reduction by completing GHG inventories, updating utility data analytics and performance indicators, and the Midcourse Review Report.



Highlights of the FY 2026 Work Program

Member Dues Rate Increase of \$0.03 from FY 2025 rate (decided October 2024)

Operating Revenue Increase of \$7.9 million or 15.6% over FY 2025 Work Program

- Additional Funding for Existing Programs (\$1.4 million - Transportation)
- New HUD project (\$3.2 million – Community Planning)
- Reclass of Public Safety revenue from Pass-Through to Operating (\$4.7 million – Public Safety).
- Decrease in revenue due to completion of projects (\$0.7 million-Environment)

Sub-recipient Pass-Through Decrease of \$3.6 million or -43% over FY 2025 Work Program

- Reclass of some Public Safety revenue to operating offset partially by an increase in Enhanced Mobility Funding.

Reserves Fully Funded



FY 2026 Budget: Timeline

October 2024: COG Board of Directors approved the FY 2026 Member Dues and Regional Fees

December 2024 – April 2025: Senior Management prepared proposed department budgets based on Region Forward and Region United priorities, available funds, and guidance by relevant boards or committees

May 19, 2025: Budget & Finance Committee reviews the Proposed FY 2026 Work Program & Budget, and votes to recommend a proposed budget to the COG Board

June 11, 2025: COG Board considers Proposed FY 2026 Work Program and Budget

July 1, 2025: Approved FY 2026 Work Program and Budget is implemented at the start of the new fiscal year



Recommendation to the COG Board of Directors

- Action Item: Recommend adoption of the proposed FY 2026 Work Program and Budget.



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