



**Office of the County Executive  
Steuart Pittman**

*Fiscal Year 2026 Budget Address  
May 1, 2025*

I first want to thank everyone who took the time to join us in the Council Chambers today and everyone who is listening in from elsewhere. Your presence is an acknowledgement that local government matters. And it does.

I am here at the invitation of the seven members of the Anne Arundel County Council, to share my thoughts about the FY26 County Budget Proposal that you will spend the next six weeks assessing and, I trust, improving.

It's often said that budgets reflect values, and they do. But county budgets also reflect what's happening in the state, the nation, and the world.

We are in a defensive posture. Direct and cruel attacks are being launched every day by the federal government. Those attacks target our workers, our businesses, our retirees, our judges, our men and women in uniform, our schools, our immigrants, our colleges and universities, and our environment.

Our job - the job of our agencies, our elected officials, our nonprofit partners - is to protect our people - to protect them from harm.

That's what I was told growing up, growing up with a father who had worked in the Pentagon overseeing Civil Defense during the Cuban Missile Crisis. Nobody knew then how many Americans would survive a nuclear attack, but they built bomb shelters and planned urban evacuations - to protect as many people as they could.

Nobody knows how far this federal government will go in its efforts to dismantle the public and private sectors that have made our nation great, but in Anne Arundel County,

we will protect our people, and the foundation of that protection is financial. It is how we tax and how we spend the public's money.

That fiscal foundation is strong in Anne Arundel County. It's strong because we made it that way.

We grew our economy, budgeted responsibly, taxed progressively, and now find ourselves able to protect our people from the worst of the federal impacts while keeping our taxes the lowest in central Maryland.

This budget does not raise taxes.

Our proposed income tax remains lower than all central Maryland counties and includes a progressive structure to protect our lowest income earners and ask a little more from those at the very top.

Our property tax rates will actually decline, from 98.3 to 97.7 cents for every \$100 of assessed property. Our neighbors pay from \$1.10 to over \$2.

If your property is your primary residence, our county's Homestead Credit is far more generous than most others. Increases in your assessed value above 2% per year are not taxed.

For lower income homeowners, we are proposing an increase in the value of our supplement to the Homeowners Property Tax Credit.

Our budget office projects that revenues from income tax, property tax, real estate transfer tax, and other recurring county income will bring in \$2,235,000,000 dollars in the fiscal year that begins July 1.

That's a very healthy 105 million increase over what we budgeted last year.

But if you attended one of our budget town halls, or went online and looked at our slides from those meetings, you saw that most of that new money is absorbed by increasing costs - things we are legally obliged to pay for. Not much left to fund new projects.

So here is what we did.

1. We messaged to our residents and to our department heads that this would be a tight budget year.

2. We scoured every department's current budget and made any cuts that we could justify without reducing essential services.
3. We told department heads to limit any supplemental budget requests to items that had a direct and significant impact on services that our residents rely on.
4. I made very clear exactly what I heard at Budget Town Halls - that county programs that serve those most impacted by the federal cuts, our most vulnerable residents, must be funded.

Let's start with food. Our Food Bank advocates made a compelling case at every budget town hall this year for \$1.5 million to support families facing the impacts of the economic injustice that is coming their way. We are recommending full funding of that request.

Our Department of Health in recent years created the Health Ambassadors and the Healthy Communities Programs with federal recovery funds. They are working - to connect vulnerable residents to all health services, including mental health and addiction recovery. This budget continues those programs and makes them recurring.

Health also oversees the community-led violence interruption work that is saving lives and creating opportunity, both in Eastport and Severn. Both were pilots, and in this budget both are being funded as ongoing programs.

We all know that our community-based nonprofit organizations will step up to carry our people through economic hardship, if they have capacity and support. That's why we created the Nonprofit Center at Crownsville, and that's why this budget funds two positions to staff it.

Our dedicated real estate transfer revenue for the Affordable Housing Trust Fund will grow by 40% this year, as we expected it would.

That will allow us to hire an administrator for our new Moderately Priced Dwelling Unit (MPDU) program, continue support for eviction prevention, assist families struggling with homelessness, and continue the momentum that we will celebrate this year - with ribbon cuttings at a record seven new affordable housing developments.

We have a long way to go, but our efforts to confront the housing crisis are having an impact.

A few weeks ago I met with two seasoned police officers from Texas and Florida. They were here from CALEA, the national accreditation body, to assess the effectiveness and professionalism of our Police Department.

I already knew we were good, and that the \$77 million growth in our police budget over the last six years was paying off,

but they told me that we are setting a new standard in policing for others to strive for. They're right.

Public safety is the most fundamental obligation of government to its people, so we will do more.

This budget fully funds the department's request for five new positions to allow our brand new Real Time Information Center to operate a fully staffed second shift.

Our outstanding fire department has also made huge progress, with expanded staffing and modernized equipment over the last six years, but we can do more.

The department requested five new positions dedicated to the Training Academy this year, and summer staffing enhancements for our brand-new fire boats. Those positions are in this budget.

With our courts now targeted by the Trump administration as an obstacle to authoritarian rule, we must protect their safety.

This budget continues Sheriff Sesker's initiative to expand courtroom coverage by creating two civilian positions that allow deputies to serve where we need them most.

None of the services that government provides can be delivered efficiently without wages and benefits that will attract and retain a talented workforce.

This budget delivers that, with fair and competitive contracts already negotiated for all bargaining units, and a similarly competitive 3% cost-of-living adjustment plus merit increase for nonrepresented employees.

Government efficiency depends on very complex IT systems. After falling behind for many years, our county is catching up, with a newly integrated enterprise-wide system, with a Land Use Navigator that gives communities and developers the transparency and

accountability they've been seeking, and dozens of other projects that are making systems more responsive, more efficient, and more secure.

It ain't cheap. It's a \$4.3 million increase over last year - but backing away from the progress we've made would cost us far more.

As I have said, the most direct threat to the fiscal health of our county is the federal government.

It has cut, or threatened to cut, longstanding support for emergency management, healthcare, housing, public safety, infrastructure, and education.

It is also implementing the largest tax increase on consumers in world history through tariffs, dismantling the global trade system that made ours the strongest economy in the world, and seeking authorization to grow the national debt once again.

Combined, these changes have led economists to the conclusion that we are likely to face an end to our impressive recent growth in GDP, and the beginning of a national and global recession.

To protect our people, this budget invests to keep our rainy day fund at the maximum allowable level of 8%, but that money can only be used if the projected revenues in a balanced budget fall short. It's designed for the very real prospect of an economic downturn.

I wanted even more protection than that, protection that would allow us to backfill cuts to our most essential federal funding, cuts that the President and Congressional leaders have said are coming.

This budget sets aside \$10 million to protect our people from those attacks. Recommendations for disbursement of those funds will come from our interagency Federal Disaster Preparedness and Recovery Workgroup, and be distributed only after County Council approval.

The federal government's mission of mass deportation will also have devastating impacts on our communities, our economy, and our local institutions.

That is why this budget creates a Family Protection Initiative that will support children who lose a parent or guardian to deportation and provide legal defense services for low-income residents - upholding due process for our most vulnerable people.

This county has for too long underfunded its shelter and adoption services for animals whose owners have failed them, and it's time we stepped up. This is the year.

I have proposed that we fully fund the request for positions needed to adequately staff a new Department of Animal Services.

I have saved the investment in our future, the investment in our kids, in our public schools, for last. It's as large as all of our other investments combined, and it should be.

I and my team listened closely to teachers, to school staff, to parents, and to students at the Budget Town Halls. We carefully reviewed Superintendent Bedell's budget proposal to the Board of Education, and then the final budget request that the Board sent to us.

Our year over year increases for the AACPS budget during my time in office were as follows, starting with FY20: \$46m, \$16m (the COVID budget), \$35m, \$50m, \$47m, and \$48m. Those numbers are double the average increase during the previous administration's time in office.

When asked in recent years about the burden of funding the Blueprint for Maryland's Future, I would say that it's not been a burden, because our county has chosen to invest in what the Blueprint is seeking to do.

We've all seen the return on these investments. Increased pay has drastically reduced staff vacancies, test scores are improving, and according to Test Prep Insight, Anne Arundel County now has the most envied school district in the DMV region.

When I saw this year's initial projections - of cost increases, revenue estimates, and state budget cuts - I worried that we'd be unable to maintain our momentum, and that our educators, our students, and our schools would suffer.

None of us wanted that to happen. We wanted to protect our people, particularly our young people. So we will.

This budget grows our support for Anne Arundel County Public Schools by more than we've ever grown in a single year. It's a \$52 million increase.

That \$52 million gets us the step increase and 3% COLA that was in the Superintendent's request for all bargaining units. That is necessary, in my view, to maintain the progress that we are making in recruitment and retention so that eventually

we can staff up to the levels needed to implement the Blueprint's plan for teacher collaborative planning time.

That \$52 million also gets us 28 new Special Education positions that, combined with filling the couple of dozen existing vacancies, will move us another step forward on the Superintendent's plan to address that urgent need. It also adds ten English Language Arts and two Bilingual Facilitator positions, 14 Community Schools Program Managers, and 11 Social/Emotional Learning positions.

Even with this record investment in public education, I'll note that the \$52 million of new funding is only half of what our bipartisan Board of Education unanimously requested.

Getting that number to a level we could afford took many hours of work between our budget office and the AACPS team, and I want to thank Dr. Bedell, Matt Stanski, Chris Trumbauer, and all of the number crunchers who work with them - for their spirit of collaboration. It sets an example that others would be wise to follow.

Balancing a budget proposal that protects our people without raising tax rates in the current environment is no small feat.

To fully explain it, I'd need to call on the team that made our pitch last month to the bond rating agencies. We'd talk about economic drivers, environmental assets, education outcomes, moving people into the workforce, government efficiency, careful accounting, and disciplined budgeting practices adhered to by both the administration and the County Council.

All of these contributed to our third year of three triple-A bond ratings, and all of these make it possible for us to continue protecting our people while other jurisdictions face painful cuts.

I and my staff look forward to engaging with all seven of you in the coming six weeks as you start digging through these 992 pages, identifying items that we can live without, identifying needs that must be met, and hearing from our shared constituents.

If you are listening in today and looking for specific items in either the operating or capital budget, go to [aacounty.org/budget](http://aacounty.org/budget) and dig right in.

I hope you'll be pleased with what you find, and if not, well, I suspect that your Councilmember would like to hear from you.

County Council public hearings are scheduled for the 14th and 21st of this month, and I hope you'll engage.

Thank you for the honor that it is to present this FY26 Budget Proposal to the Anne Arundel County Council.

I remain convinced that we are continuing to make Anne Arundel County The Best Place - For All.