



Steuart Pittman, County Executive

FY2027 Budget Overview

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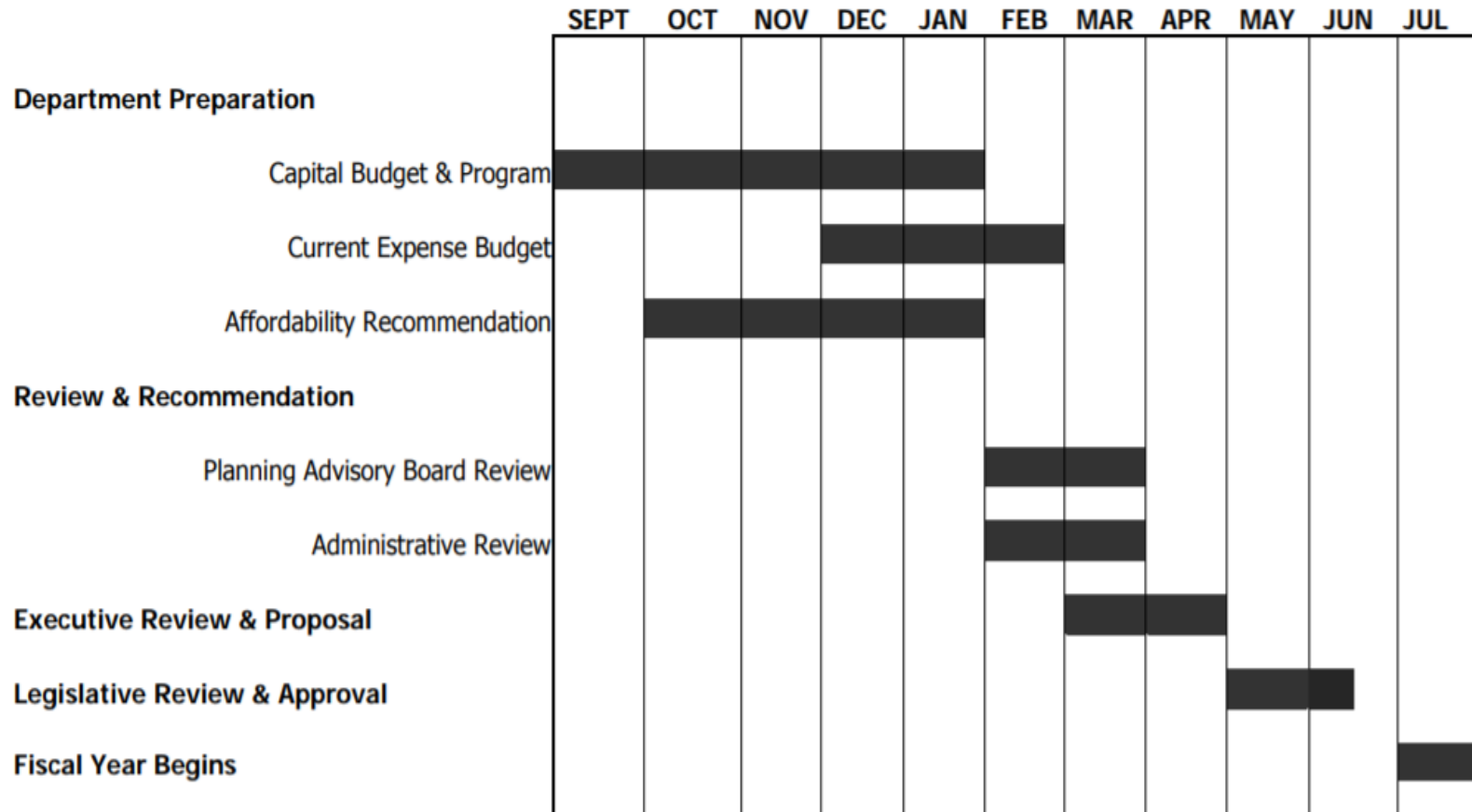
Janae Moulden

Budget Management Assistant II

May 1, 2027

FY2027

Budget Development Process



Year-to-Year Growth

(Millions, rounded to nearest tenth)

	<u>Budget</u>	
FY2027	\$2,577.1	
FY2026	<u>\$2,401.1</u>	
Increase (Decrease)	\$ 176.0	+ 7.3%
	<u>\$ - 44.3</u>	(adjusting for increase in fund balance)
	\$ 131.7	+ 5.9%
	(recurring revenue)	

Highlights

- Balanced Budget – no structural deficit
- Property Tax Rate Cut by \$0.09 – from \$0.977 to \$0.968 (Annapolis \$0.577, Highland Beach \$0.938)
- Income Tax Rates remain unchanged
- Fully funds Revenue Reserve (\$189.8 million Projected Balance at the end of FY27)
- \$72.8 million new county BOE funding, including 2.25% COLA for all units and 26 new special education positions
- Extends and enhances several critical HHS programs (*e.g.* Food bank, Gun Violence Intervention, housing assistance)
- Fully staffs Police RTIC so now operating 24/7; 21 new firefighters
- DPW Capital Program Optimization Initiative to streamline CIP process
- Adds staff positions to open and operate new Rec&Park facilities
- Fully funds pension and retiree healthcare annual contributions
- Capital Budget six-year program well within affordability limits
- Utility Rates:
 - 9.0% Increase Water/Sewer User Rate
 - 10% increase in Solid Waste Fee
 - New fixed charge structure for Utility Debt Fund
 - No increase in WPRF fee

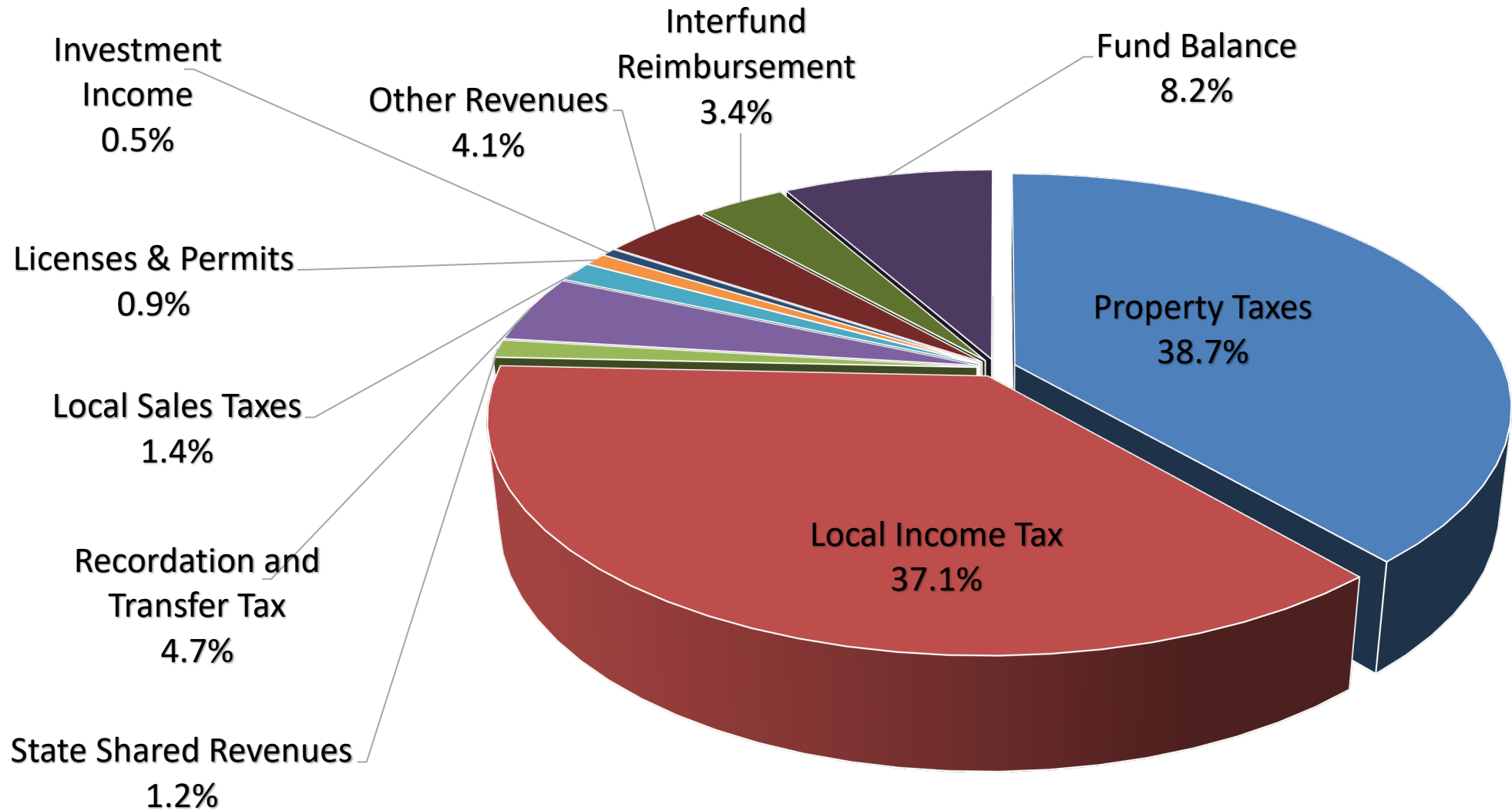
Comparative Statement of Expenditures - General Fund

Department/Agency	FY2025 Actual	FY2026 Original	FY2026 Estimate	FY2027 Budget	Inc (Dec) from Original	
					\$	%
Legislative Branch						
Legislative Branch	6,632,763	7,308,400	6,017,100	7,489,900	181,500	2.5%
Executive Branch						
County Executive	2,983,583	3,249,500	3,082,700	3,435,000	185,500	5.7%
Office of Law	5,994,258	6,580,800	6,642,900	6,917,800	337,000	5.1%
Office of Administrative Hearings	466,789	517,600	517,600	543,500	25,900	5.0%
Administrative Core Group						
Chief Administrative Officer	13,024,527	45,475,200	31,707,300	31,295,300	(14,179,900)	-31.2%
Office of Central Services	35,069,872	37,209,500	37,799,400	41,912,000	4,702,500	12.6%
Office of Finance	12,730,183	13,581,900	14,339,900	13,608,300	26,400	0.2%
Office of Finance (Non-Departmental)	426,350,260	393,179,200	409,617,500	448,559,300	55,380,100	14.1%
Office of the Budget	2,063,499	2,382,300	2,307,300	2,510,800	128,500	5.4%
Office of Personnel	9,387,021	9,862,700	10,076,200	10,816,000	953,300	9.7%
Office of Information Technology	38,718,078	43,412,500	42,375,600	45,746,600	2,334,100	5.4%
Office of Transportation	10,327,190	11,600,500	11,600,500	11,710,900	110,400	1.0%
Board of Education	929,281,000	981,557,700	981,557,700	1,054,413,100	72,855,400	7.4%
Community College	50,827,800	51,992,800	51,992,800	54,389,000	2,396,200	4.6%
Libraries	31,998,400	34,292,400	34,292,400	35,460,900	1,168,500	3.4%
Land Use and Environment Core Group						
Office of Planning and Zoning	12,631,525	13,648,800	13,548,900	14,274,300	625,500	4.6%
Department of Inspections and Permits	18,120,343	19,383,500	20,080,900	21,568,200	2,184,700	11.3%
Department of Public Works	45,052,684	41,215,900	50,971,100	44,971,000	3,755,100	9.1%
Human Services Core Group						
Department of Aging and Disabilities	10,055,638	10,958,500	10,958,500	12,026,800	1,068,300	9.7%
Department of Recreation and Parks	35,469,498	37,914,000	37,445,000	40,594,100	2,680,100	7.1%
Health Department	56,553,805	59,404,200	59,772,600	61,528,500	2,124,300	3.6%
Department of Social Services	7,332,272	7,797,400	7,797,400	8,099,500	302,100	3.9%
Partnership for Children, Youth & Families	2,587,300	2,806,900	2,856,900	3,976,200	1,169,300	41.7%
Department of Animal Services	0	4,876,600	4,848,800	5,281,800	405,200	8.3%
Public Safety Core Group						
Police Department	217,185,791	224,677,600	227,655,600	237,593,400	12,915,800	5.7%
Fire Department	198,437,131	212,328,800	214,867,400	228,247,400	15,918,600	7.5%
Department of Detention Facilities	66,204,573	69,023,200	70,297,000	71,322,000	2,298,800	3.3%
Office of Emergency Management	1,394,654	1,836,200	1,836,200	1,957,800	121,600	6.6%
State Agencies						
Circuit Court	7,701,891	8,319,500	8,431,800	9,008,800	689,300	8.3%
Orphans' Court	192,617	214,300	214,300	211,400	(2,900)	-1.4%
Office of the State's Attorney	16,436,043	18,022,500	17,967,400	18,893,800	871,300	4.8%
Office of the Sheriff	15,567,896	17,712,800	17,510,000	18,777,100	1,064,300	6.0%
Board of License Commissioners	1,074,878	1,191,400	1,191,400	1,282,600	91,200	7.7%
Board of Supervisors of Elections	7,375,134	6,893,200	7,498,900	8,050,600	1,157,400	16.8%
Cooperative Extension Service	285,036	302,400	302,400	307,400	5,000	1.7%
Other						
Ethics Commission	309,298	330,600	330,600	348,300	17,700	5.4%
	2,295,823,228	2,401,061,300	2,420,310,000	2,577,129,400	176,068,100	7.3%

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General Fund Revenue

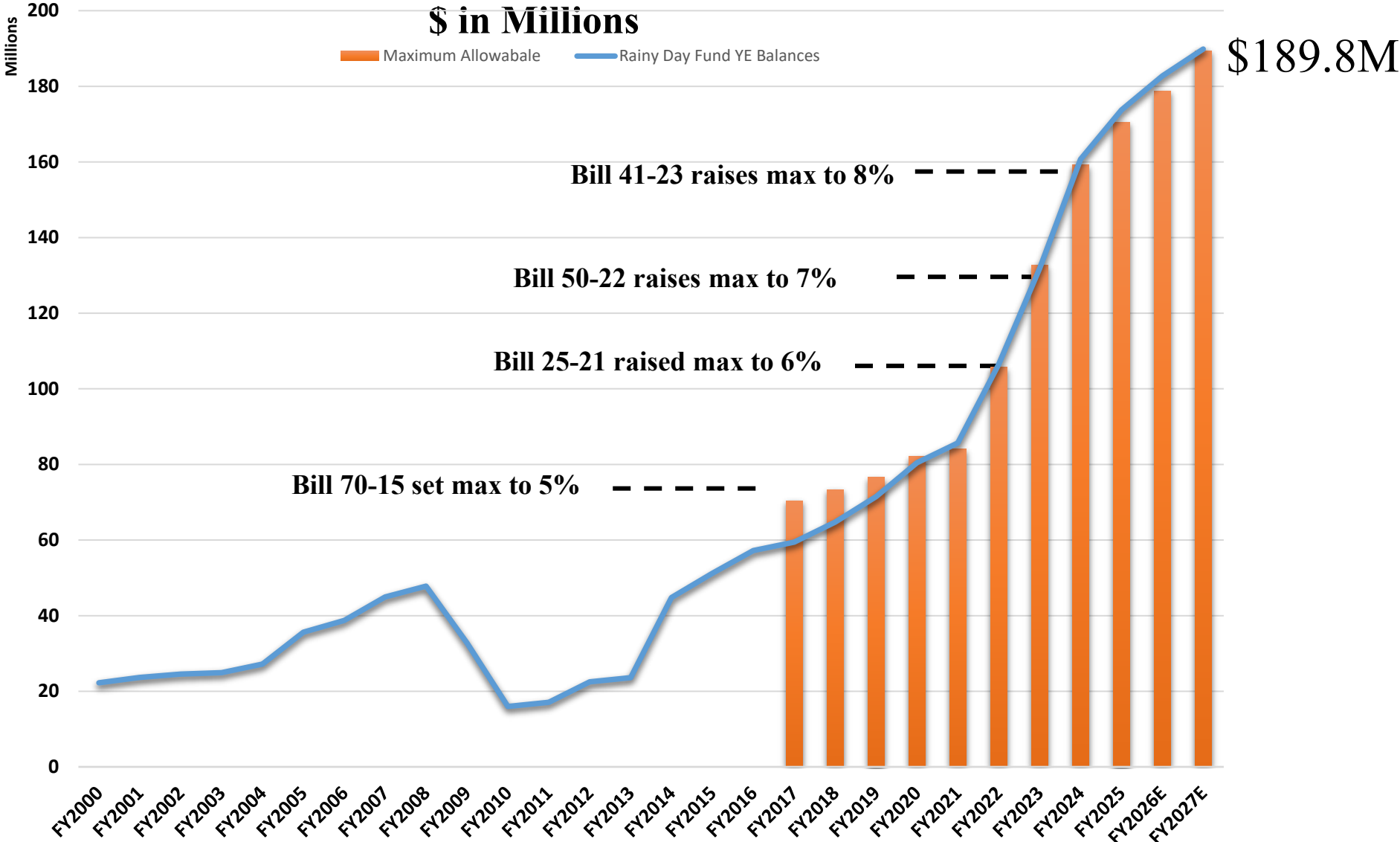
\$2,577,129,400



FY27 Revenue

	FY27 Amt. <u>(Millions \$)</u>	FY26 Bud <u>% Change</u>	FY26 Rev <u>% Change</u>
Property Tax	996.4	4.1%	3.2%
Income Tax	954.9	11.4%	-2.6%
State Shared Revenue	31.6	1.8%	0.7%
Recordation & Transfer	120.0	0.0%	0.0%
Local Sales Tax	35.5	-6.4%	0.2%
Licenses & Permits	22.2	-6.5%	0.0%
Investment Income	7.5	0.0%	-75.7%
Fees for Services and Other	104.9	-0.6%	-0.3%
Interfund Reimbursements	<u>87.5</u>	<u>-0.9%</u>	<u>0.8%</u>
 Total Recurring Revenue	2,360.6	5.9%	-0.7%
One-time revenue	6.5		
Fund Balance	<u>210.1</u>		
 Total	2,577.1	7.3%	6.5%

Revenue Reserve Fund

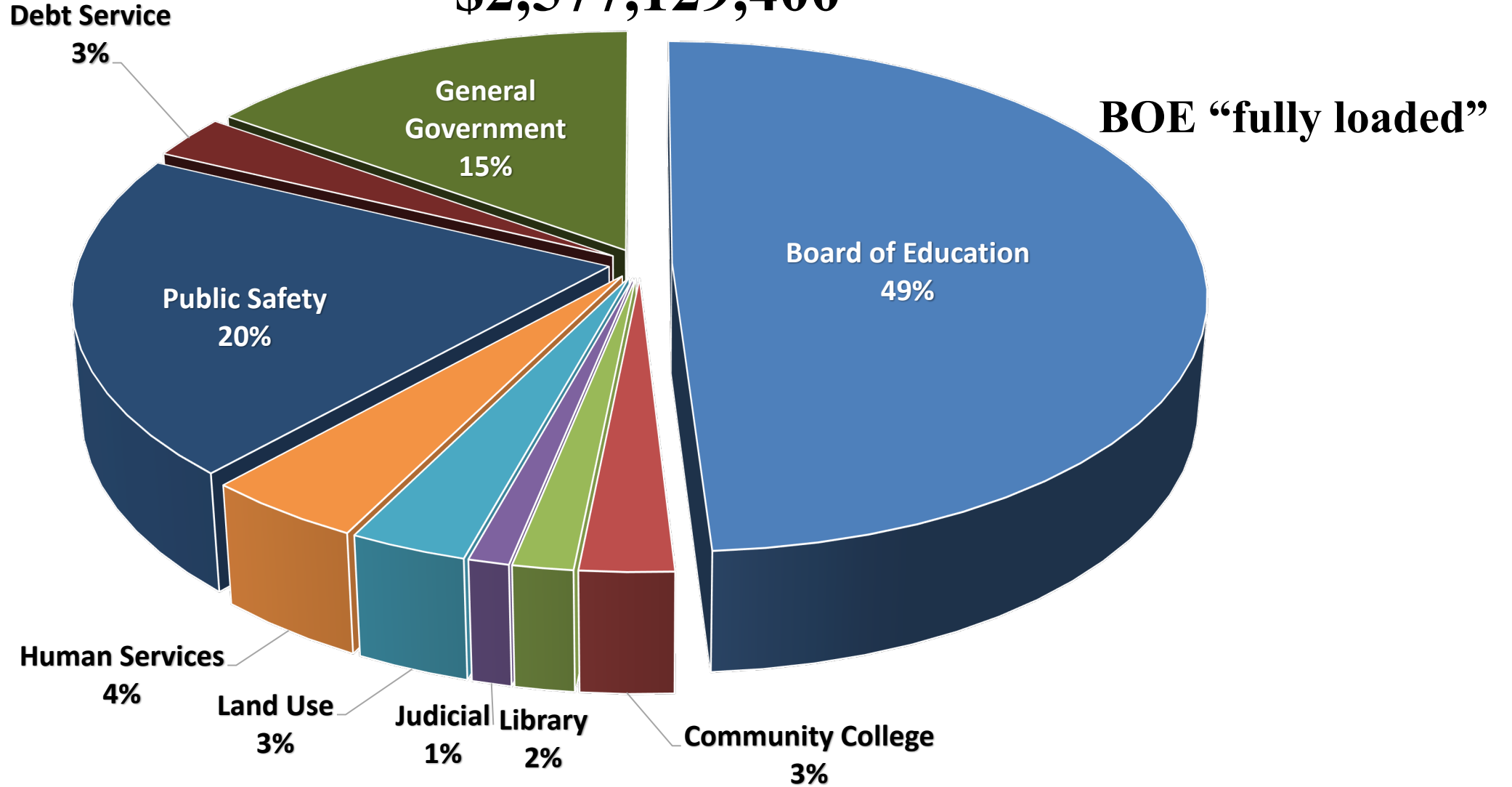


Tax Rate / Fee Rate Changes Proposed

General Fund			
	Approved in FY2026	Proposed in FY2027	% Change
Property Tax Rates (Per \$100 Assessment)			
Real Property Tax Rate			
Outside Annapolis and Highland Beach	\$0.977	\$0.968	-0.9%
Within City of Annapolis	\$0.583	\$0.577	-1.0%
Within Town of Highland Breach	\$0.947	\$0.938	-1.0%
Personal Property Tax Rate			
Outside Annapolis and Highland Beach	\$2.442	\$2.420	-0.9%
Within City of Annapolis	\$1.457	\$1.442	-1.0%
Within Town of Highland Breach	\$2.367	\$2.345	-0.9%
Semi-annual Charge on Real Propert Tax	1.10%	0.87%	-20.9%
Waste Collection Fund			
Residential Trash Collection Fee (Per Household)	\$426.00	\$469.00	10.1%
Water Wastewater Operating Fund			
Water Usage Rates (\$ Per 1,000 Gallon)	\$3.65	\$3.98	9.0%
Sewer Usage Rates (\$ Per 1,000 Gallon)	\$6.42	\$7.00	9.0%
Utility Debt Service Fund			
Capital Facility Recoupment Charge	\$4.20	\$4.41	5.0%
Water System Capital Facility Connection Charges (for each equivalent dwelling unit)	\$11,340	\$11,907	5.0%
Wastewater System Capital Facility Connection Charges (for each equivalent dwelling unit)	\$11,340	\$11,907	5.0%
Utility Investment Fee (new fixed charges for both water and wastewater service effective 10/1/2026	N/A	VAR	N/A

Appropriations

\$2,577,129,400



Appropriations

(Millions, rounded to nearest hundredth)

Board of Education	1,264.8
Community College	64.6
Library	41.6
Judicial	28.1
Land Use	80.8
Human Services	109.6
Public Safety	527.9
Debt Service	70.1
General Government	389.6
Total	2,577.1

New Positions

58 - General Fund Positions; 4 – DPW Utility Fund; 1 SIF

Additions

• Fire	+21	• Legislative Branch	+2
• Police	+9	• Planning and Zoning	+2
• Public Works	+8	• Central Services	+2
• Information Technology	+7	• Circuit Court	+1
• Recreation and Parks	+6	• Emergency Management	+1
• Liquor Board	+2	• Animal Services	+1
		• Social Services	+1
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		TOTAL	+63

FY27 Pay Packages

- Reached Tentative Agreements with all but three bargaining units
- Four units are in 2nd year of two-year deals
- Agreements are generally consistent among units and include a Merit/Step and competitive COLA for all County Employees
- Equivalent package with 2.25% COLA for Non-represented employees; 2.25% COLA for contractual workforce
- Estimated incremental cost of county employee pay package is \$16M

Board of Education

County Funding

(Millions)

County Direct	\$1,054.4
<u>Other County Funding:</u>	
Debt Service	68.4
OPEB	10.6
PAYGO	84.0* (one time)
School Health	24.4
School Safety (SROs and Xing guards)	<u>11.2</u>
Total	\$1,254.0

Amounts to 48.7% of County Budget

49.6% of County Recurring Budget

Board of Education Funding

All Funding sources

(Millions)

	<u>Amount</u>	<u>% Total</u>
County	\$1,054.4	56.4%
State	617.7	33.0%
Federal	87.0	4.7%
Food Services	9.5	0.5%
BOE Revenue	<u>101.0</u>	<u>4.7%</u>
Total	\$1,869.6	100%

Year-over-Year Increase of \$89.1 Million

County Contribution Increase of \$72.9 Million (81.8% of increase)

Board of Education Funding

Unrestricted Funds

(Millions)

	<u>Amount</u>	<u>% Total</u>
County	\$1,054.4	61.8%
State	612.9	35.9%
Federal	4.0	0.2%
BOE Revenue	<u>35.0</u>	<u>2.1%</u>
Total	\$1,706.3	100%

Year-over-Year Increase of \$92.0 Million

County Contribution Increase of \$72.9 Million (79.2% of increase)

Board of Education Funding (unrestricted)

- Incremental state unrestricted funding decreased dramatically in FY27 due to enrollment and Blueprint formula
- County funding needed to make up that gap

	<u>FY26</u>	<u>FY27</u>	
State funding:	\$593,912,900	\$612,912,900	
Incremental:	\$ 45,573,500	\$ 19,000,000	<i>\$26.57M less</i>

Board of Education Funding

- \$72.8 M county incremental funding for Board of Ed
- Fully funds Superintendent's compensation request plus additional 0.25% COLA (\$42.1M)
 - 2.25% Cost of Living + step movement
- \$20.7 M for employee benefits
- Meets all Blueprint mandates/requirements
- Adds 26 new Special Education positions
- Additional \$13 million of funding for health fund
- Funds 64.5% of overall BOE request

Community College Funding

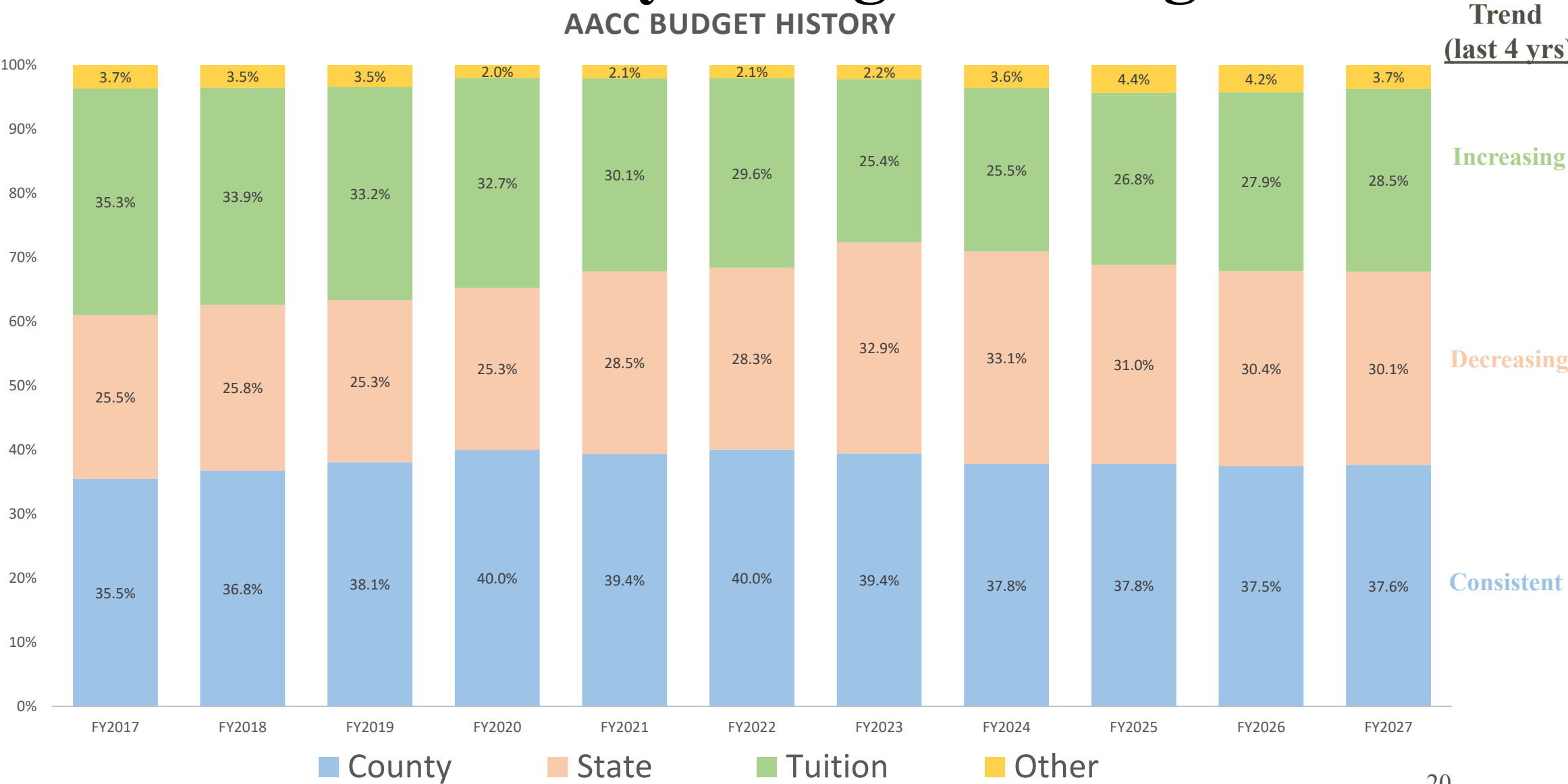
(Millions)

	<u>Amount</u>	<u>% Total</u>
County	\$56.1	37.6%
State	44.9	30.1%
Tuition	42.5	28.5%
Other	<u>5.6</u>	<u>3.7%</u>
Total	\$149.0	100%

Year-over-Year Increase of \$5.7 Million
County Contribution Increase of \$2.4 Million (41.9%)

Community College Funding

AACC BUDGET HISTORY



Library Funding

	<u>Amount</u>	<u>% Total</u>
County	\$36.0	91.1%
State	3.4	8.5%
Fees, Fines, Collections	<u>0.2</u>	<u>0.5%</u>
Total	\$39.6	100%

Year-over-Year Increase of \$1.2 Million

County Contribution Increase of \$1.1 Million (87.9% of total increase)

FY2027 Budget is Balanced

Recurring Revenue	\$2,360.5
One-Time revenue	\$ 6.5
Fund Balance Utilization	<u>\$ 215.8</u>
Total Revenue	\$2,582.8
Total Appropriations	<u>\$2,577.1</u>
Balance	\$ 5.7 (for Federal Impact Contingency)

Fund Balance & One-Time Revenue Utilization

(Millions, rounded to nearest tenth)

One-Time Revenue:

Investment Income	6.5
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Fund Balance	<u>210.1</u>
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Total One-time Resource	\$216.6
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One-Time Expenditures:

PayGo to Capital Budget	\$ 194.0
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Revenue Reserve Contribution	3.0
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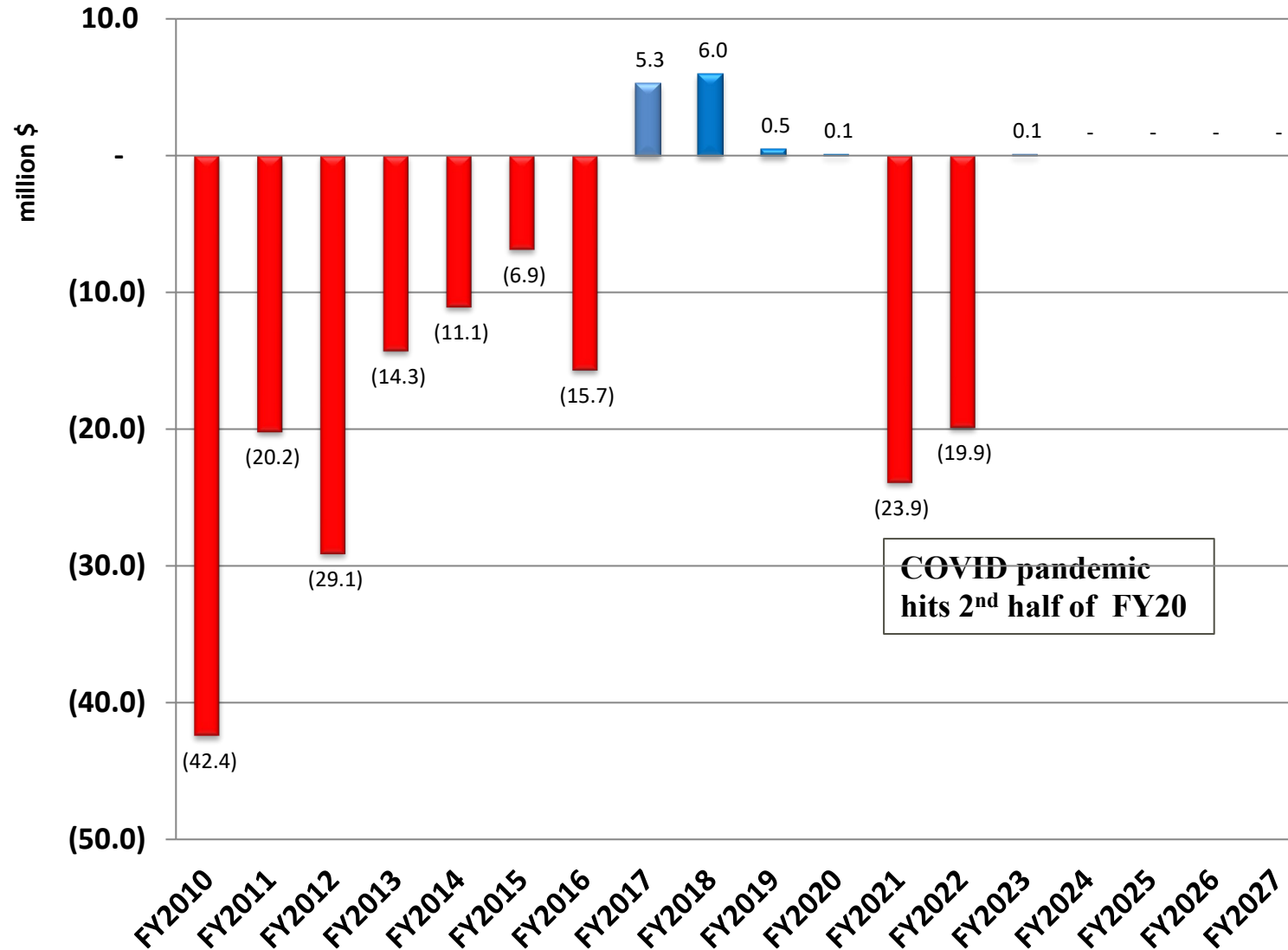
Campaign Financing One-time	0.2
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Other Operating Budget One-Time Expenses	19.4
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Total one-time expenditures	<u>\$216.6</u>
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Structural Surplus (Deficit) in FY2027	\$0.0
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Structural (Deficit) Surplus in the Proposed Budget (in millions)



AAA

Standard & Poor's

Aaa

Moody's

AAA

Fitch Ratings

*Anne Arundel is one of 52 (out of 3,143) counties in the nation with a Triple Triple A
Top 1.65%*

Debt Affordability Model

	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>	<u>FY2032</u>
New Authority, Normal	\$160,000,000	\$160,000,000	\$165,000,000	\$170,000,000	\$170,000,000	\$170,000,000
Not used (over used) in prior year	7,285,589					
New Authority, IPA's	\$0	\$0	\$0	\$0	\$0	\$0
Total New Authority Affordable	\$167,285,589	\$160,000,000	\$165,000,000	\$170,000,000	\$170,000,000	\$170,000,000

Affordability Ratios and Guidelines

Debt Service as % of Revenue	11.5%	6.8%	8.2%	7.9%	8.0%	7.8%	7.9%
Debt as % of Full Value	2.0%	1.46%	1.47%	1.47%	1.47%	1.48%	1.49%
Debt as % of Personal Income	4.0%	3.1%	3.1%	3.1%	3.0%	3.0%	3.0%
Debt per Capita	\$4,038	\$2,929	\$3,003	\$3,075	\$3,149	\$3,233	\$3,314



Debt Service	\$161,100,592	\$198,794,718	\$196,090,885	\$202,785,071	\$204,286,185	\$210,147,410
Debt at end of fiscal year	\$1,817,126,390	\$1,878,384,656	\$1,938,772,534	\$2,001,446,268	\$2,071,548,695	\$2,140,811,593
General Fund Revenues	\$2,364,497,800	\$2,418,086,500	\$2,479,639,500	\$2,542,827,500	\$2,607,695,000	\$2,674,287,700
Estimated Full Value (000)	\$124,195,958	\$127,922,000	\$131,760,000	\$135,713,000	\$139,784,000	\$143,978,000
Total Personal Income (000)	\$58,673,000	\$61,071,000	\$63,550,000	\$66,292,000	\$69,223,000	\$72,206,000
Population	620,445	625,479	630,555	635,672	640,831	646,031

Proposed Capital Budget & Program General Fund – Use of Bonds & PayGo

Bonds Affordability

	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>	<u>FY 2030</u>	<u>FY 2031</u>	<u>FY 2032</u>
New Authority, Normal	160,000,000	160,000,000	165,000,000	170,000,000	170,000,000	170,000,000
Prior Year Credit	7,285,589	-	-	-	-	-
Adjusted Affordability	167,285,589	160,000,000	165,000,000	170,000,000	170,000,000	170,000,000
Use of Bonds	161,558,663	274,754,300	177,466,800	153,319,100	108,019,000	121,331,600

PayGo Affordability

Fund Balance	194,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Adjusted Affordability	194,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Use of PayGo	194,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000

Bonds & PayGo Affordability (Combined)

Combined Availability	361,285,589	165,000,000	170,000,000	175,000,000	175,000,000	175,000,000
Use of Bonds & PayGo	355,558,663	279,754,300	182,466,800	158,319,100	113,019,000	126,331,600
Amount Over (Under) Affordability	(5,726,926)	114,754,300	12,466,800	(16,680,900)	(61,981,000)	(48,668,400)

Cumulative: \$ (5,726,926) \$ 109,027,374 \$ 121,494,174 \$ 104,813,274 \$ 42,832,274 \$ (5,836,126)

Proposed Capital Budget & Program Permanent Public Improvements (PPI)

Project Code and Title		Prior	6 Yr Total	FY27	FY28	FY29	FY30	FY31	FY32	Total
E550300	Old Mill MS North	3,500,000	0	0	0	0	0	0	0	3,500,000
E550400	Old Mill MS South	38,807,000	0	0	0	0	0	0	0	38,807,000
E569100	Severn Run HS	72,193,000	0	0	0	0	0	0	0	72,193,000
E572700	Rippling Woods ES	9,500,000	0	0	0	0	0	0	0	9,500,000
E809200	Two Rivers ES	1,000,000	0	0	0	0	0	0	0	1,000,000
F563100	Crownsville Fire Station	6,509,200	0	0	0	0	0	0	0	6,509,200
F575100	Evidence & Forensic Sci Unit	25,408,800	0	0	0	0	0	0	0	25,408,800
F580300	Cape St Claire FS Replacement	10,662,000	0	0	0	0	0	0	0	10,662,000
F580600	Police Special Ops Facility	7,420,000	0	0	0	0	0	0	0	7,420,000
F586400	Joint 911 Public Safety Ctr	10,843,000	14,157,000	14,157,000	0	0	0	0	0	25,000,000
H573100	Race Road - Jessup Village	9,225,023	0	0	0	0	0	0	0	9,225,023
H575700	MD 214 & Loch Haven Road	893,000	0	0	0	0	0	0	0	893,000
H578500	Transportation Placeholder	0	0	0	0	0	0	0	0	0
H581200	Parole Transportation Center	12,077,000	0	0	0	0	0	0	0	12,077,000
H581300	Waugh Chapel Road Improvem	15,041,000	0	0	0	0	0	0	0	15,041,000
H581400	Route 2 Improvements	2,411,000	0	0	0	0	0	0	0	2,411,000
H581600	Route 3 Improvements	2,335,000	0	0	0	0	0	0	0	2,335,000
H583500	Oakwood/Old Mill Blvd Rounda	370,000	-232,000	-232,000	0	0	0	0	0	138,000
H583700	Pleasant Plains Rd Safety Im	3,099,000	0	0	0	0	0	0	0	3,099,000
H586800	Conway Road Improvements	3,100,000	0	0	0	0	0	0	0	3,100,000
H587000	USNA Bridge Area Bike Imp	2,472,000	-1,143,000	-1,143,000	0	0	0	0	0	1,329,000
Grand Total		\$236,866,023	\$12,782,000	\$12,782,000	\$0	\$0	\$0	\$0	\$0	\$249,648,023

FY 2027

Capital Budget Highlights

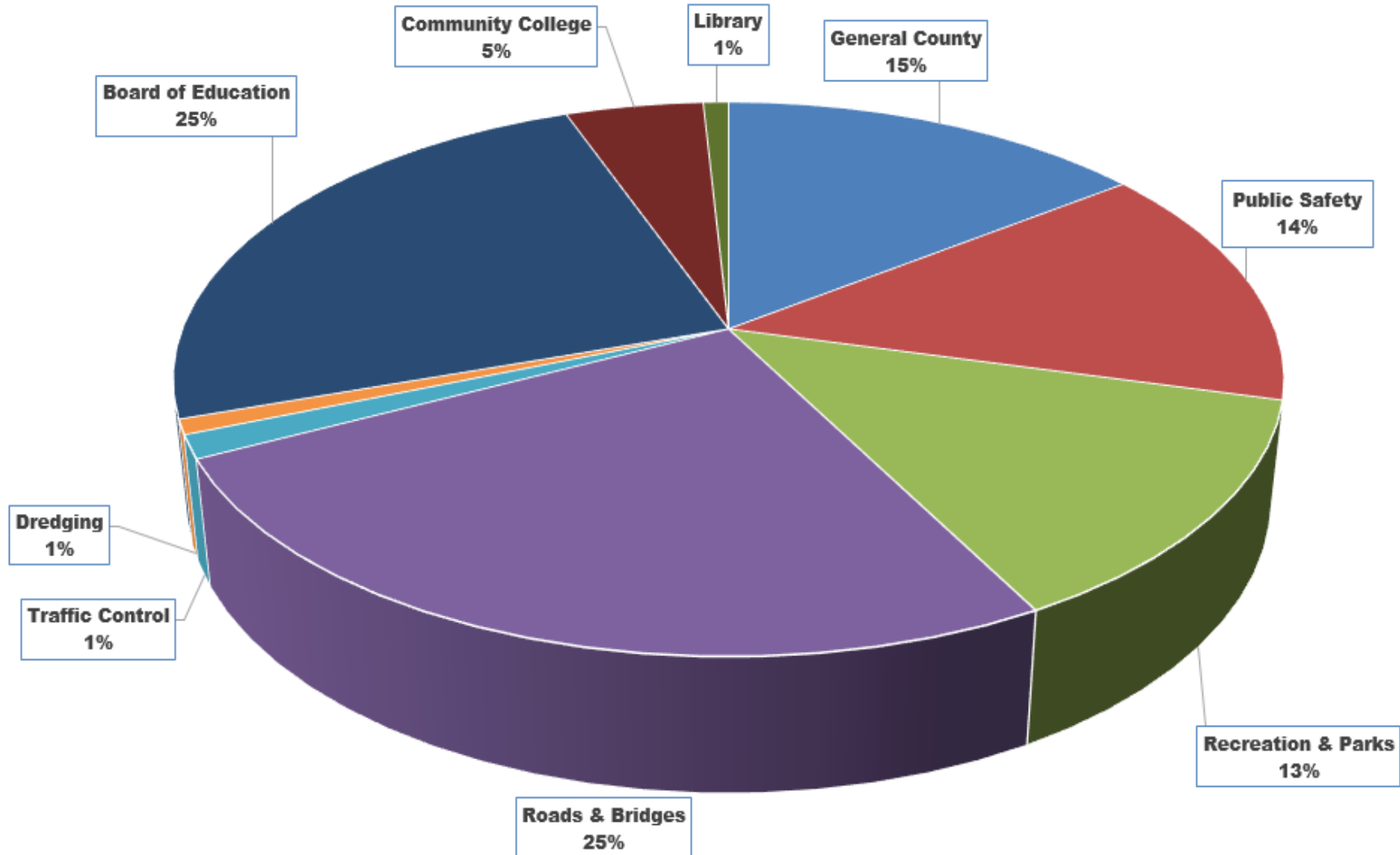
New Projects

- Concept Design and Site Search for New Animal Services Facility
- New Crofton Park Enhancements – including Skate Park
- College Pkwy safety improvements project

Existing Projects

- Moved up funding for Arundel Fire Station by 3 years (will start in FY27 instead of FY30)
- Waugh Chapel and Jessup Fire Stns both fully funded and on schedule
- New Northern Police Station fully funded and on schedule
- West Co Swim Ctr - Resilience Authority/Rec&Parks undertaking a funding study so County will have a funding plan for next Administration
- New funding for walking track and design of Campanella Bld at Crownsville Memorial Park
- Splitting up OIT Info Tech Enhancements project into four component projects
- Full funding for Dragun Building Renovation and Math Bld Renovation AACCC projects
- New funding for Brooklyn Park Library Renovation
- All individual AACPS construction projects fully funded and on schedule (according to the program)

Proposed Capital Budget & Program FY27-FY32 - General Fund by Class



Proposed Capital Budget & Program FY 2027 by Class*

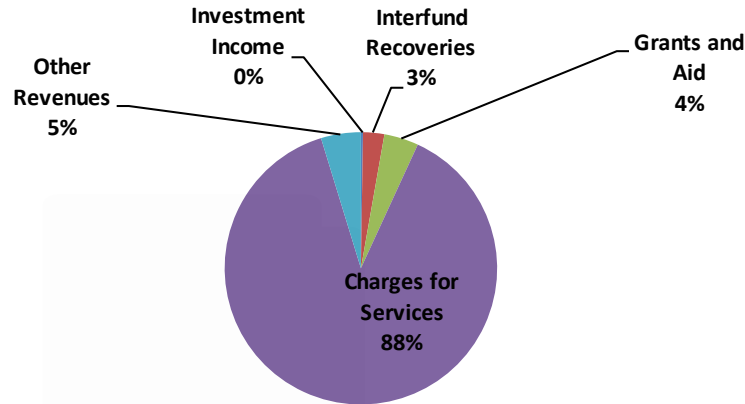
Class	FY27 Budget	%	Total FY28-FY32	Total %
General County	52,237,800	10.5%	185,585,000	16.7%
Public Safety	121,435,250	24.4%	108,817,300	9.8%
Recreation & Parks	56,506,300	11.3%	154,153,000	13.9%
Roads & Bridges	64,749,300	13.0%	345,044,000	31.0%
Traffic Control	4,050,000	0.8%	17,825,000	1.6%
Dredging	2,418,500	0.5%	11,495,000	1.0%
Board of Education	163,060,593	32.7%	231,080,000	20.8%
Community College	24,078,395	4.8%	52,857,605	4.8%
Library	9,514,000	1.9%	4,584,000	0.4%
Total	\$498,050,138	100.0%	\$1,111,440,905	100.0%

** General County Capital Projects Only*

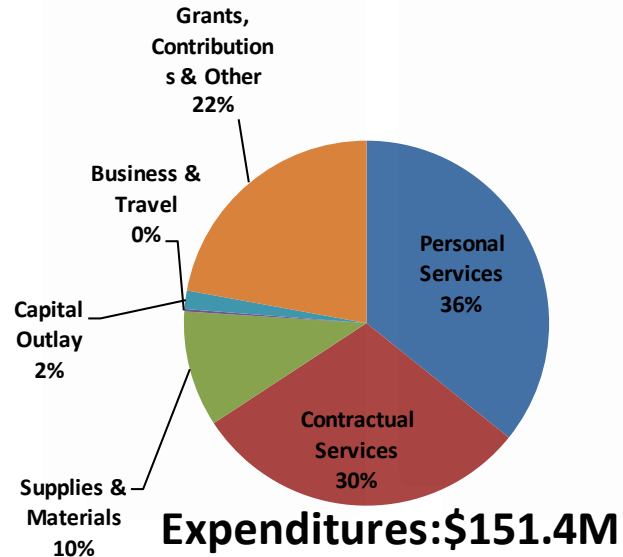
MAJOR ENTERPRISE FUNDS

Enterprise Funds FY2027 Budget

Utility Fund

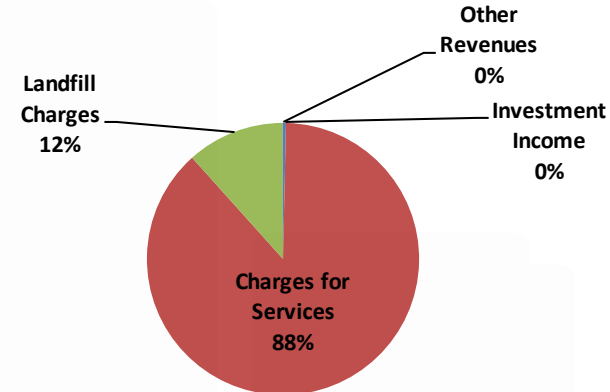


Revenues: \$144.3M

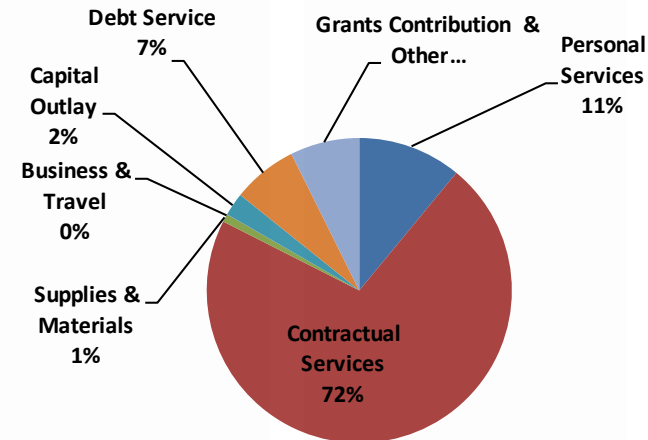


Expenditures: \$151.4M

Solid Waste Fund



Revenues: 92.5M



Expenditures: \$93.5M

Complete Budget Documents

The entire Operating and Capital Budget, as well as the Budget Message is available as of May 1st, 2026 at:

www.aacounty.org/budget



Anne Arundel County, Maryland
Steuart Pittman, County Executive

“You can only spend it once!”

Chris Trumbauer, Budget Officer

Office of the Budget
410-222-1222