

Citizen's Guide to the Budget



FY 2027

This document is intended to be a brief overview of the upcoming fiscal year proposed budget. Historical budget information can be located by scanning the QR code below. Final FY27 budget documents will also be available after 7/1/26.



Organizational Overview

The County is a corporate body which performs all local government functions in Washington County, except those that are performed by the nine incorporated municipalities. Functions are performed by the elected five-member Board of County Commissioners who serve four-year terms.

The Vision of Washington County Government is to become the regional leader in providing and coordinating efficient and effective public service in an open and cooperative manner.



President
John F. Barr



Vice – President
Jeffrey A. Cline



Commissioner
Randal Leatherman



Commissioner
Randall E. Wagner



Vacant

Citizens of Washington County, Maryland

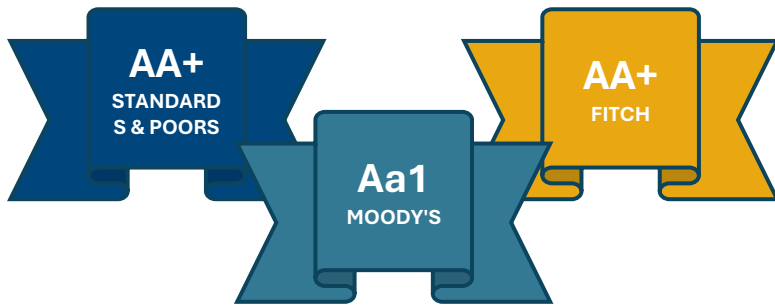


County at-a-Glance

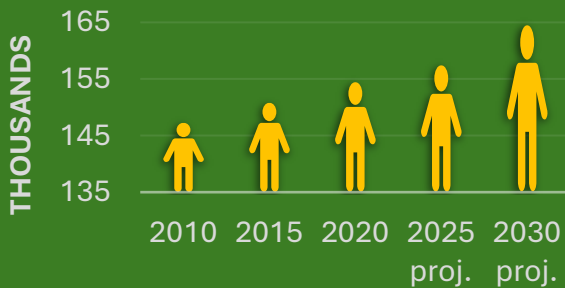
County Priorities:

- Support & Strengthen Community
- Promote
 - ✓ Education
 - ✓ Economic Opportunities
 - ✓ Public Health, Safety, and Welfare
- Protect the Environment & Cultural Resources
- Plan for Future Urbanization

Current Bond Ratings

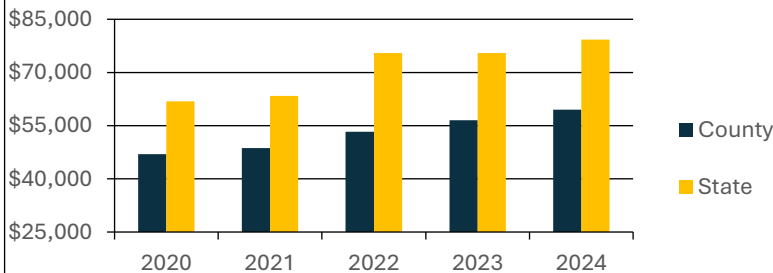


Total Population



Washington County is home to an estimated 155,813 residents and currently ranks 11th in population in the State of Maryland.

Per Capita Personal Income



Between 2020 and 2024, Per Capita Personal Income for Washington County residents has increased by 3.8%.

Fast Facts*



184 – Total Department Budgets Managed



100,307 – Total 911 Calls Answered



38,000 – Total Airport Take-Offs/Landings



29,500 – Total Rounds of Golf Played



103,678 – Total Number of Registered Voters



18 – Total Number of County Parks Maintained



409,855 – Total Transit Ridership



\$8,399,656 – Total Business Financial Assistance

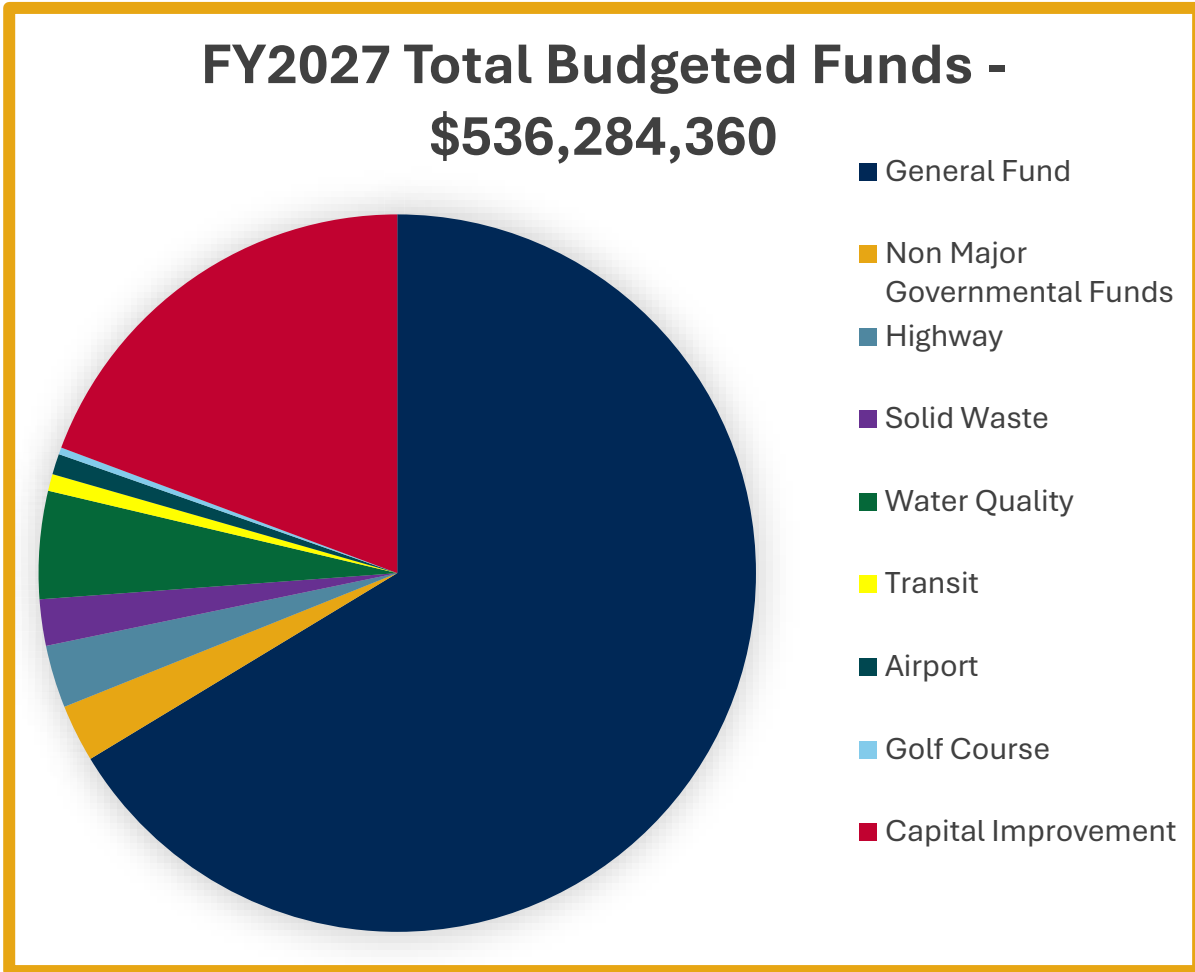


95 – Total Number of Programs Hosted at the Public Safety Training Center

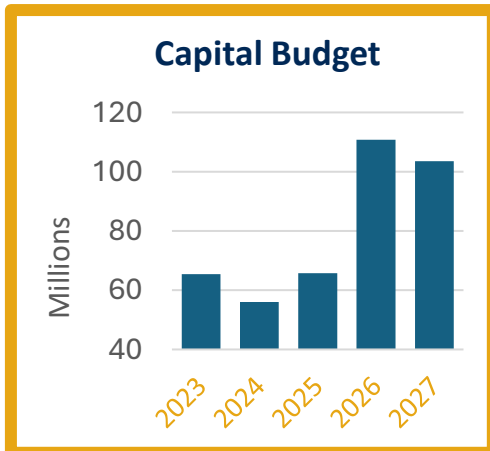
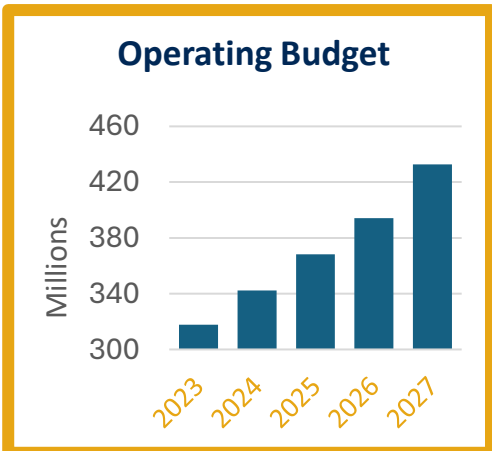
* Fiscal Year 2024 Service Indicators

FY27 Budget at-a-Glance

The County's fiscal year begins July 1st and ends on June 30th. The total budget increase over FY26 is \$30,215,100, or 5.97%. Of that, \$38,493,100, or 9.76%, is the increase in Operating Budgets and \$(8,278,000), or (7.4)%, is the decrease in Capital Budgets. The General Fund makes up the largest sub-section of the Operating Budget. The General Fund provides funding for education, public safety, parks and recreation programs, and many other services. Revenue for the General Fund is generated primarily from property and income taxes. Other fund budgets, such as the Airport, generate revenue through charges for services and only spend the revenue they earn. Finally, some fund budgets, including Golf Course and Solid Waste, do receive revenue from charges for services, but expenditures are greater than revenue collected so they do require some support from the General Fund.



Operating budget:
The portion of the budget that supports general County Operations.



Capital budget:
Supports new facilities, roads, and parks, as well as maintenance of existing infrastructure.

Budget Highlights

The budget is broken into several categories of funding:



The **General Fund** is the County’s largest fund. It includes revenue from all local taxes paid by residents and businesses. This is the fund that the Board of County Commissioners have the most management flexibility over how dollars are spent.

The **Capital Fund** supports projects that are included in the Ten-Year Capital Improvement Plan.

Enterprise Funds include Solid Waste, Water Quality, Transit, Airport, and Golf Course. These funds operate mainly through charges for services rather than through tax dollars.

The **Highway Fund** is largely supported by General Fund revenue with some support from the State (Highway User Revenue). It is budgeted separately from the General Fund.

Restricted Funds include Hotel Rental Tax, Cascade Town Centre, Ag Education Center, Grant Management, Inmate Welfare, Gaming, Land Preservation, HEPMPO, Emergency Services Billing, Contraband, and Foreign Trade Zone. The revenues for these funds are restricted to being used only by these funds and cannot be used for general operations.

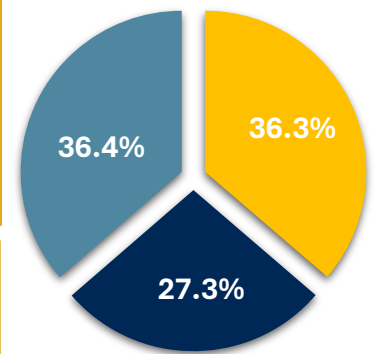
The County did not increase the real estate or income tax rates in FY27.

In FY27, the County will contribute \$125,589,600 to the Board of Education’s operating budget. Additional funding is paid to the State: \$3,050,320 for teacher pension costs and \$499,920 for private pre-k. This combined budget of \$129,139,840 makes up 36.3% of the general fund budget.

The County’s operating budget includes \$97,264,630 to fund Public Safety including police, fire and rescue agencies, 911 Communications, Emergency Management and animal control. This makes up 27.3% of the general fund budget.

The County uses only 36.4% of the remaining general fund to pay for all other services that fall within the general fund.

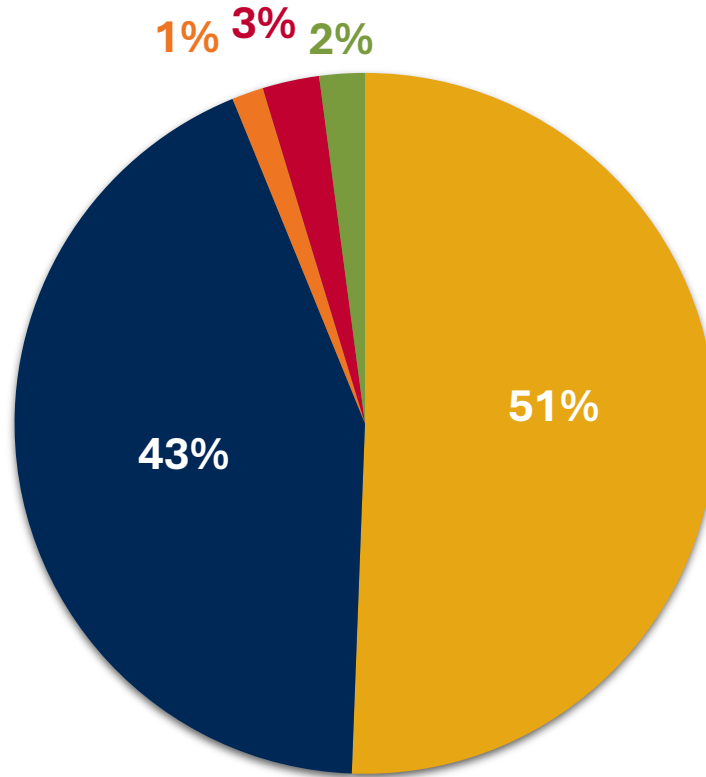
The County provides funding to several agencies that provide benefits to our citizens. This includes the Commission on Aging, Fine Arts Museum, the Health Department, and Social Services, to name a few.



- Board of Education
- Public Safety
- Other Operating

How is the Budget Funded?

The County's General Fund revenues reflect an increase of \$32,636,370, or 10.10%, over fiscal year 2026. The source of the General Fund revenues are detailed below:



■ Property Taxes ■ Local Taxes ■ Interest Income ■ Fees ■ Intergovernmental

Property Tax Revenue is the largest source of revenue and represents taxes assessed on real and personal property. Real estate tax is determined by multiplying the assessed value of the property by the tax rate of \$.928 for every \$100 of assessed value.

Local Tax Revenue consists of Income Tax, Admissions and Amusement Tax, Recordation, and Trailer Tax. Income tax is the second largest source of revenue and is derived from income sources, such as salaries at a rate of 2.95%. Admission and Amusement Tax is assessed on entertainment related activities. Recordation tax is based on title transfers and Trailer tax is a monthly charge per unit.

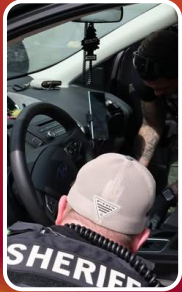
Interest Income is based on how County investments perform.

Fees are revenues from various County departments that include charges for permits, recreational programs, building rental income, and other service charges.

Intergovernmental revenue is from grants the County receives from other governmental entities, as well as 911 fees, fees charged for marriage and traders' licenses, State Park fees, and other miscellaneous revenues.

How is the General Fund Budget Spent?

Every year, the Board of County Commissioners approves the operating and capital budgets after a Public Hearing is held. Revenues received in the General Fund are spent on services listed below. Some of these services are fully paid for out of General Fund Revenue. Services listed with an asterisk (*) do receive some support from the General Fund but are budgeted in a separate fund:



Public Safety

- Sheriff
- Fire & EMS Operations
- Emergency Management and Communications
- Health Department
- Animal Control (Humane Society)



Transportation Services

- Public Bus Transportation (*)
- Road & Bridge Maintenance (*)
- Snow Removal (*)



Education Services

- Board of Education
- Hagerstown Community College
- Network of Libraries
- Fine Arts Museum



Recreational Programs

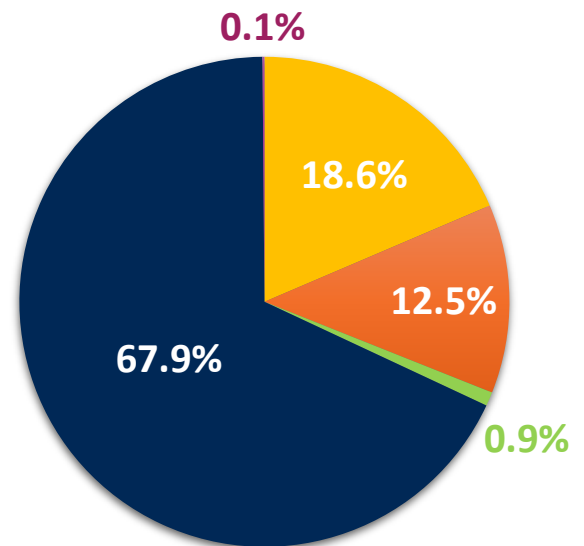
- Agricultural Education Center (*)
- Black Rock Golf Course (*)
- 18 Regional Parks
- Marty Snook Pool



Additional Services:

- Water and Sewer Operations (*)
- Election Board
- Court Systems
- Land Preservation (*)
- Planning, Permitting and Engineering

General Fund Expenditures



- Wages
- Benefits
- Personnel Requests
- Operating Expenses
- Capital Outlay

Summary of All Funds

Washington County budgets are summarized and compared to the prior fiscal year approved budget in the table below:

Operating Funds	FY26 Approved	FY27 Proposed	FY26 vs. FY27 \$ Change	FY26 vs. FY27 % Change
Operating Funds:				
General Fund	\$323,115,430	\$355,751,800	\$32,636,370	10.10%
Highway Fund	14,377,720	15,150,620	772,900	5.38%
Solid Waste Fund	10,862,600	11,200,530	337,930	3.11%
Utility Administration Fund	6,739,520	7,189,730	450,210	6.68%
Water Fund	1,623,700	1,708,990	85,290	5.25%
Sewer Fund	16,086,050	16,784,150	698,100	4.34%
Pretreatment Fund	345,600	345,600	0	0.00%
Transit Fund	3,606,070	4,084,430	478,360	13.27%
Airport Fund	4,025,830	4,986,340	960,510	23.86%
Golf Course Fund	1,700,750	1,659,000	(41,750)	(2.45)%
	\$382,483,270	\$418,861,190	\$36,377,920	9.51%
Restricted Funds:				
Hotel Rental Tax Fund	2,000,000	2,500,000	500,000	25.00%
Cascade Town Centre Fund	108,000	111,700	3,700	3.43%
Agricultural Education Center Fund	340,460	313,640	(26,820)	(7.88)%
Grant Management Fund	1,414,470	1,837,130	422,660	29.88%
Inmate Welfare Fund	738,650	843,720	105,070	14.22%
Gaming Fund	2,339,210	2,336,000	(3,210)	(0.14)%
Land Preservation Fund	2,848,670	2,152,600	(696,070)	(24.43)%
HEPMPO Fund	808,340	807,680	(660)	(0.08)%
Emergency Services Billing Fund	1,075,190	2,885,700	1,810,510	168.39%
Contraband Fund	30,000	30,000	0	0.00%
Foreign Trade Zone Fund	50,000	50,000	0	0.00%
	\$11,752,990	\$13,868,170	\$2,115,180	18.00%
Total Operating Funds	\$394,236,260	\$432,729,360	\$38,493,100	9.76%
Capital Improvement Plan	\$111,833,000	\$103,555,000	\$(8,278,000)	(7.40)%
Total Budgeted Funds	\$506,069,260	\$536,284,360	\$30,215,100	5.97%

Capital Improvement Budget



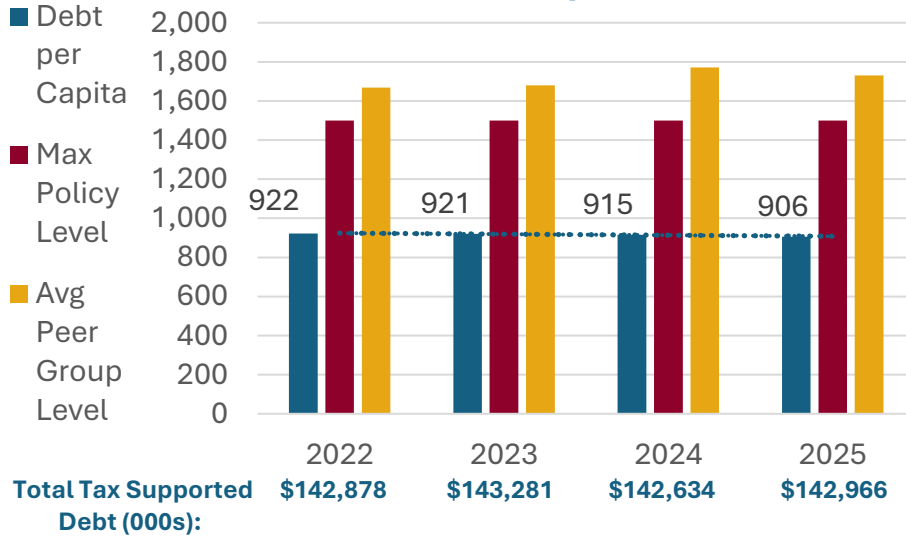
Downsville Pike School Groundbreaking Ceremony

The Capital Improvement Plan (CIP) is a ten-year plan detailing the County’s current and forecasted large-scale projects, including maintenance for the Board of Education, new schools and libraries, bridges, roads, and parks, etc. The CIP is reviewed and revised every year. The total request for fiscal years 2027 through 2036 is \$1,401,317,000. The amount budgeted for projects we are investing in for FY 2027 is \$103,555,000 and include:

<u>Projects</u>	<u>2027 \$ Amount</u> <small>(in millions)</small>	<u>%</u>	<u>2027-2036 \$ Amount</u> <small>(in millions)</small>	<u>%</u>
Public Schools (K-12)	\$ 37.3	36.1%	\$ 179.5	12.8%
Bridges & Roads	14.8	14.3%	147.1	10.5%
Drainage (Watershed)	0.9	0.8%	9.5	0.7%
General Government	23.1	22.3%	250.3	17.9%
Water & Sewer	2.8	2.7%	581.0	41.5%
Airport	7.8	7.6%	44.3	3.2%
Parks & Recreation	1.9	1.8%	20.2	1.4%
Community College	8.3	8.0%	47.5	3.4%
Libraries	1.1	1.1%	21.7	1.5%
Solid Waste	4.6	4.4%	67.9	4.8%
Transit	.9	0.9%	32.3	2.3%
Total	\$103.5	100.0%	\$1,401.3	100.0%

Debt and Reserves

Debt Per Capita



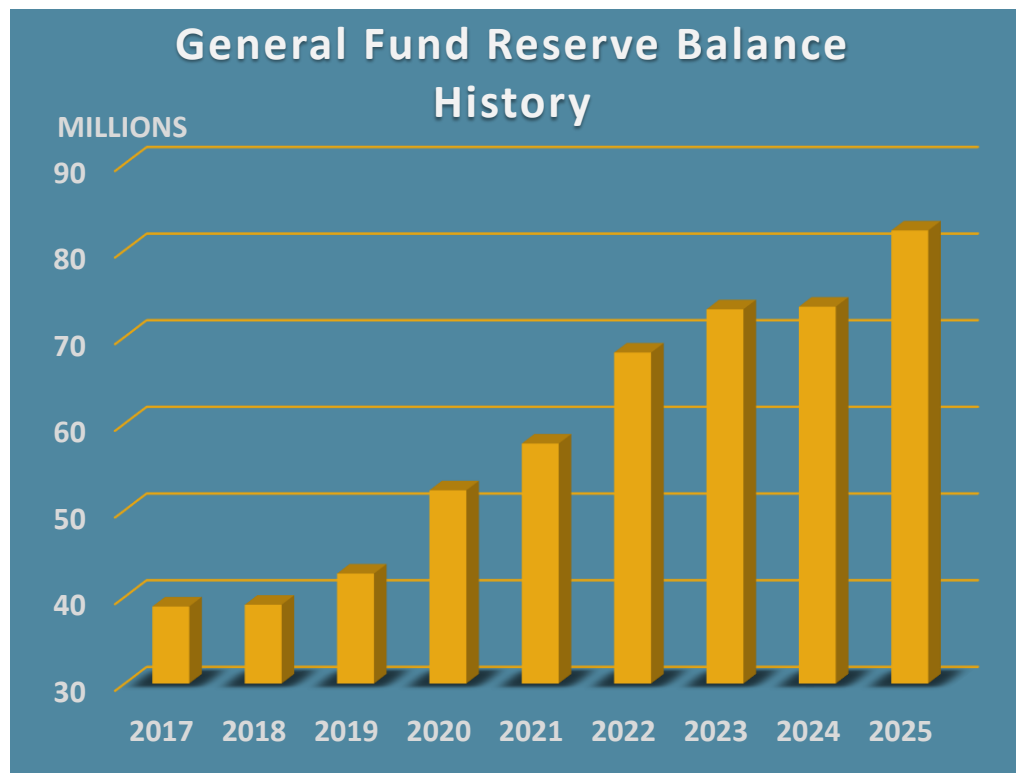
Debt

The County annually evaluates its debt capacity in conjunction with the budget process and the development of the Capital Improvement Plan. The County measures itself against other Maryland counties (peer group) and nationally accepted benchmark ratings for mid-size counties with the same rating and population.

Projected Debt Balances			
	Tax Supported	Self Supporting	Total
Balance June 30, 2025	\$142,965,578	\$47,074,029	\$190,039,607
2026 Borrowing	0	0	0
2026 Payments	(11,347,549)	(3,135,913)	(14,483,462)
Balance June 30, 2026	\$131,618,029	\$43,938,116	\$175,556,145

Reserves

Reserve balances, or savings, are maintained by the County for various financial reasons including reserves for catastrophic events, economic downturns, cash flow needs etc. The target balance for reserves varies from 17% to 25% of operating expenses depending on the fund and type of activity. The table to the right represents General Fund reserve balances.



Frequently Asked Questions

Q. *Why does the County require cash reserves?*

- A. Cash reserves are set aside to use in case of emergencies, cash flow, or for unexpected opportunities. These reserves can only be used according to the policy specifications. The County is a multi-million-dollar corporation and, like household finance, should have a savings account.

Q. *I do not have any children; how do I benefit from tax dollars that go to education?*

- A. The role of our primary and secondary schools is to provide our young citizens the essential knowledge, skills, and attitudes to be contributing citizens and productive workers in Washington County. Investing in education fosters a more skilled workforce which can enhance productivity and innovation. Additionally, education dollars include funding for public libraries and Hagerstown Community College, both of which serve all demographics.

Q. *What is the Constant Yield Tax Rate, and how does it differ from the actual tax rate of the County?*

- A. The Constant Yield Tax Rate is the rate the County could set if it wanted to collect the same amount in property tax revenue as it had the previous year, after changes in property values are considered. State law requires the County to calculate and publicize the Constant Yield Tax Rate if it is less than the actual current rate, to make clear the amount of a budget increase that is attributable to rising property values. In years when the assessed values of properties go up, the Constant Yield Tax Rate is lower than the rate the commissioners set. The proposed property tax rate for FY2027 is \$0.928, and the Constant Yield Tax Rate is \$0.8749.

Q. *Why does the County issue Debt?*

- A. Paying for needed infrastructure on a cash basis avoids interest costs associated with financing over several years. However, many large Capital Improvement budgets are too expensive to be paid from a single year's budget, making financing necessary. Additionally, a principle called "intergenerational equity" suggests having the costs of capital improvements benefiting the public over 15 or more years to be borne by future generations, and not entirely by the current taxpayer.

How to Become Involved

The Board of County Commissioners welcomes citizens' input on the budget. Sign up to participate at one of the board meetings or attend the Public Hearing on the budget. Follow Washington County on social media:



EST. 1776

WASHINGTON COUNTY, MD

JULY 4, 2026 EVENT

DRONE SHOW & FIREWORKS

PRESENTED BY

VOLVO

MAEK

PRESENTED BY

The Arc.
Washington County

LIVE MUSIC ON A VIDEO STAGE

BEER GARDEN | FOOD TRUCKS & VENDORS

KIDS ZONE | GAMES | CAR SHOW

★ WASHINGTON COUNTY AGRICULTURAL EDUCATION CENTER ★
7313 SHARPSBURG PIKE, BOONSBORO, MD

FREE EVENT WASHINGTONCOUNTYMD250.COM **FREE EVENT**



These commemorative coins will be available for resale through an online store (stores.bjscustomcreations.com/wash-co-md-250/) as well as at the July 4th celebration honoring both America's and Washington County's anniversaries.