

Good Faith Efforts to Address Washington County Budget Shortfalls

- Commissioners sought and secured the resignation of former Treasurer.
- Commissioners hired a Provisional Treasurer, appointed and expanded the responsibilities of a Deputy Treasurer.
- Commissioners tasked the Financial Office, et al, to review current and past practices and detect errors and procedures that contributed to our current budget crisis stemming from past Administrations. Many changes have been approved, including a series of “checks and balances” from Department Heads, County Manager and Commissioners. We have also engaged the services of a “financial consultant” who has successfully worked with many municipalities on their accounting procedures.
- Unique this year, Commissioners met with each Department Head over a three day period and examined their proposed 2026 Budgets, line by line, in order to better understand each Department’s services and determine any savings or increases that should happen.
- We have determined the history and time line of efforts taken in the past to obtain auditing services, back to 2018. It was determined that extraordinary efforts were done, above RFPs being publicized. Audit firms had been solicited when there were no responses to RFPs, as well other efforts by the Treasure and others; however, auditing services to keep our County current were not available from those efforts.
- We have contacted the State Auditor, Matt Dunlap and requesting help with overdue audits. The Auditor was unable to help with auditing.
- We requested of Governor Mills to submit a “stand alone bill” or include in the Supplemental Budget for 2026, a one time, appropriations of \$8 million for Washington County to cover existing TAN loans. She replied that she would have to see what other emergencies existed Statewide. She also recommended that WC contact State Treasurer Joe Perry to see if other State assistance might be possible.
- We contacted State Treasurer Perry who told us he and his staff would look for any options that the State Treasury could be of assistance.
- A pre-cloture bill for allocation of a one-time appropriation of \$8 million for Washington County was filed by Senator Moore.
- A pre-cloture bill to authorize WC to file for Chapter 9, “restructuring of TAN loans” was filed by Senator Moore.
- We determined that Maine State Statutes allow for Commissioners to appoint a Treasurer, rather than have an elected Treasurer. Such “decision” must be followed by a citizens’ referendum to authorize the position of an “appointed Treasurer”. Commissioners plan to move to “appointment” as prescribed by MRSA 30, Section 156.
- We are working to obtain the accounting services from another firm as our current Auditor is only part of the way through our 2022 finances.
- Commissioners and Senator Moore brought together the Washington County Legislative Delegation to triage further options to address our budget issues and help access any further State resources.

- We have determined that Commissioners have Statutory authority to adjust the “financial year”. Commissioners can produce a 6 month budget for January-June, 2026 and then produce a 12 month budget for July, 2026-June, 2027, to be more consistent with those of most municipalities in WC.
- When notified by the Auditor that the previous Treasurer had made a \$400,000 transfer of UT funds into the General budget, which was inappropriate, the District Attorney was notified. The DA, because of a conflict of interest, contacted the Maine Attorney General’s Office. The Maine AG’s Office also notified the US Attorney’s Office, as WC was a past recipient of \$6.1 million from Federal ARPA funds.
- Commissioners tasked the County Manager to produce a plan for cost sharing measures for 2025, including restrictions on travel, overtime, non-critical purchases, new hiring and, if necessary, personnel layoffs
- Commissioners have determined that none of the three Unions representing most of County employees are willing to “re-open” contract talks of their three year contracts. One union has said they would be willing to receive recommendations from the County to consider.
- Commissioners are asking that the existing contracts with Down East Wind be re-negotiated for purposes of directing funds to address WC budget issues.
- Commissioners and staff continue to work with BAC to perform a “look back” at accounting errors, department budget proposals and reexamine “critical and affordable” County services for WC.
- Commissioners initiated a Bond proposal for up to \$11 million to cover payment of TAN which is due to be paid in full by December 31, 2025. The Bond is to be voted on by WC voters on November 4, 2025.
- Commissioners unanimously voted not to borrow or expend more than \$8 million of the Bond, to be applied to the existing TAN and owed interest.
- We collaborated with the BAC Chair and Vice Chair to send requests to each town regarding “up front” payments toward the Bond (a maximum amount of \$8 million) which would release that town from any future responsibility for principle and interest.
- We will further pursue the current bill (LD 477) that would dedicate four State Troopers to be assigned and stationed in WC to augment law enforcement services of the County and municipalities. This has been passed by the House and Senate and currently remains unfunded by the current Legislature.
- Washington County has been offered additional assistance from the State Police Criminal Investigation Division to respond to child abuse and other criminal complaints in WC requiring investigation and prosecution.
- County Commissioners, County leadership and the BAC continue to pursue any viable options to meet our current financial responsibilities and produce the most responsible budget for 2026 possible.