

# Superintendent's Recommended Operating Budget FY2020

January 16, 2019



# Committed to the Future

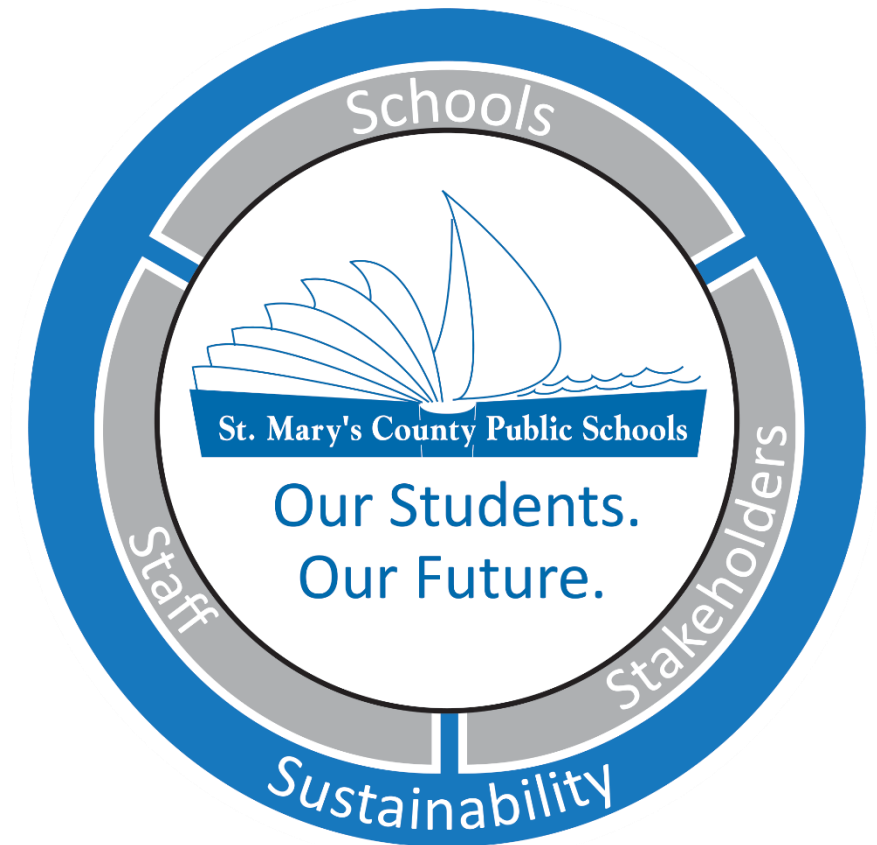
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SMCPS is 18,000 students working with over 2,000 adults - all committed to learning and growing to become the very best versions of ourselves we can be.

The commitments we make to students, to staff, to our schools, to our stakeholders, and ultimately our commitment to our own sustainability will define us. What we do today, we must be able to do tomorrow, next week, next month, and for the years to follow.

Because our students enter as toddlers and leave as young adults - we are responsible for their preparation for adulthood - to succeed and contribute meaningfully to their community.

We are a force committed to action and excellence.



## ***Our commitment to*** **Students**

*means that our focus will be on teaching and learning in order to support students in achieving their goals.*

## ***Our commitment to*** **Staff**

*means that staff will be engaged and supported in their professional growth to meet the expectations of performance.*

## ***Our commitment to*** **Schools**

*means that schools will be maintained and supported to provide high quality learning experiences for students.*

## ***Our commitment to*** **Stakeholders**

*means that the community will be informed and engaged in how we deliver services to students.*

## ***Our commitment to*** **Sustainability**

*means that we will only invest in that which we will be able to maintain*

# *Our commitment to* **Students**

1

- 1.1 Students have equitable access to rigorous and relevant learning.
- 1.2 Students are engaged in learning experiences that meet their needs and interests.
- 1.3 Students are safe and supported in their academic, social, and emotional growth.
- 1.4 Student learning is aligned to nationally recognized standards.
- 1.5 Student learning is measured in a fair, meaningful, and timely way.
- 1.6 Student learning is designed to support students' preparation for a balanced lifestyle.

- 5.1 We invest in instructional resources.
- 5.2 We invest in programs, experiences, and learning for students.
- 5.3 We invest in technology to engage, educate, and communicate.

5

## Sustainability

# *Our commitment to* **Staff**

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2

- 2.1 Staff have a deep understanding of factors that impact learning.
- 2.2 Staff are highly qualified, highly effective, and diverse.
- 2.3 Staff are engaged in an open, trusting, and solution-oriented environment.
- 2.4 Staff actively drive their learning and advancement.
- 2.5 Staff are supported and accountable in meeting expectations for performance.
- 2.6 Leadership is grown from within the school system.

- 5.4 We invest in our people.
- 5.5 We invest in technology to enhance efficiency and further productivity.
- 5.6 We invest in professional development, internal advancement, and growing our own.

5

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## **Sustainability**

# *Our commitment to* **Schools**

3

- 3.1 Schools are well maintained, safe, and welcoming learning environments.
- 3.2 Schools support the social and emotional safety and well being of students.
- 3.3 School programs support the development of the whole child.
- 3.4 Schools support learning, effectiveness, and efficiency.

- 5.7 We develop long-range plans for the growing needs of our school system.
- 5.8 We invest in our schools, classrooms, and work spaces.
- 5.9 We invest in our system infrastructure.

5

## Sustainability

# *Our commitment to* **Stakeholders**

4

- 4.1 Family and community members are welcomed as supportive partners.
- 4.2 Two-way communication with stakeholders is open, honest, and timely.
- 4.3 Partnerships anchor our schools and students to the community we serve.

- 5.10 We invest in communication systems to tell our story
- 5.11 We develop and implement a budget that is understandable and transparent.
- 5.12 We are responsible and accountable to our stakeholders.

5

## Sustainability

# Budget Priority # 1: People

## 5.4 We invest in our people



**TOTAL COST = \$210,331,638**  
**94% of the unrestricted budget**



# Budget Priority # 2:

## Support for Students / Staff

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### **1.3 Students are safe and supported in their academic, social, and emotional growth**

- Psychologists
- Guidance Counselors
- Social Workers
- Teachers
- Para-educators
- Safety Assistants

### **2.5 Staff are supported and accountable in meeting expectations for performance**

- Professional development
- Mentoring
- Infrastructure support
- Technology enhancements
- Responsive staffing for new mandates

# Budget Priority # 3: Sustaining our System

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5.7 We develop long-range plans for the growing needs of our school system.

Sustainable Association  
Agreements

Alignment of  
Technology Initiatives

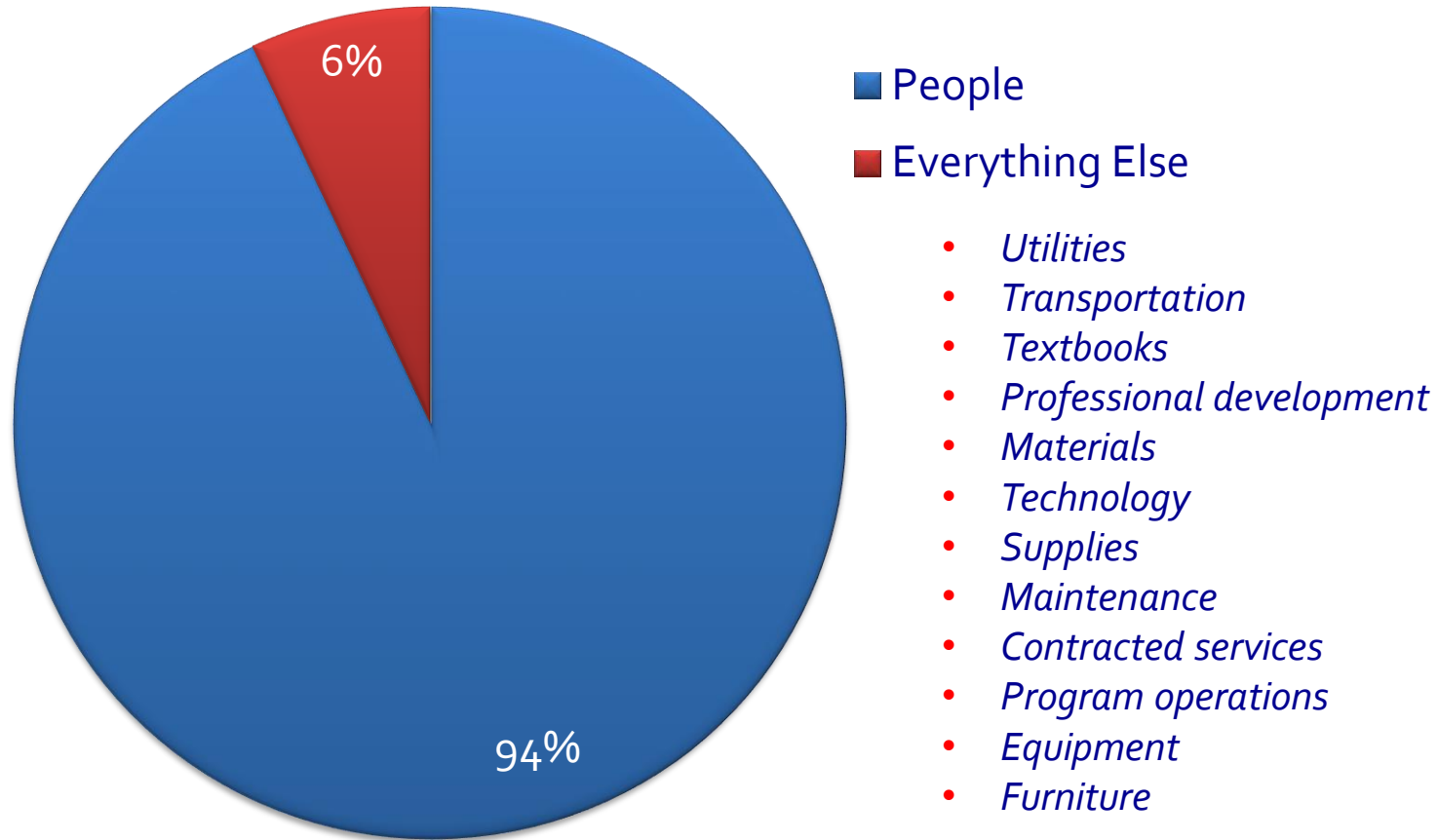
Operations &  
Maintenance

## Highlights:

- 4-year negotiated agreements
- Collaboration across all employee groups on health care plans, premiums, and overall costs
- Program support for student-centered initiatives
- Support to maintain existing programs and resources
- Student internships opportunities

# Proposed FY2020 Budget

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# The Big Picture

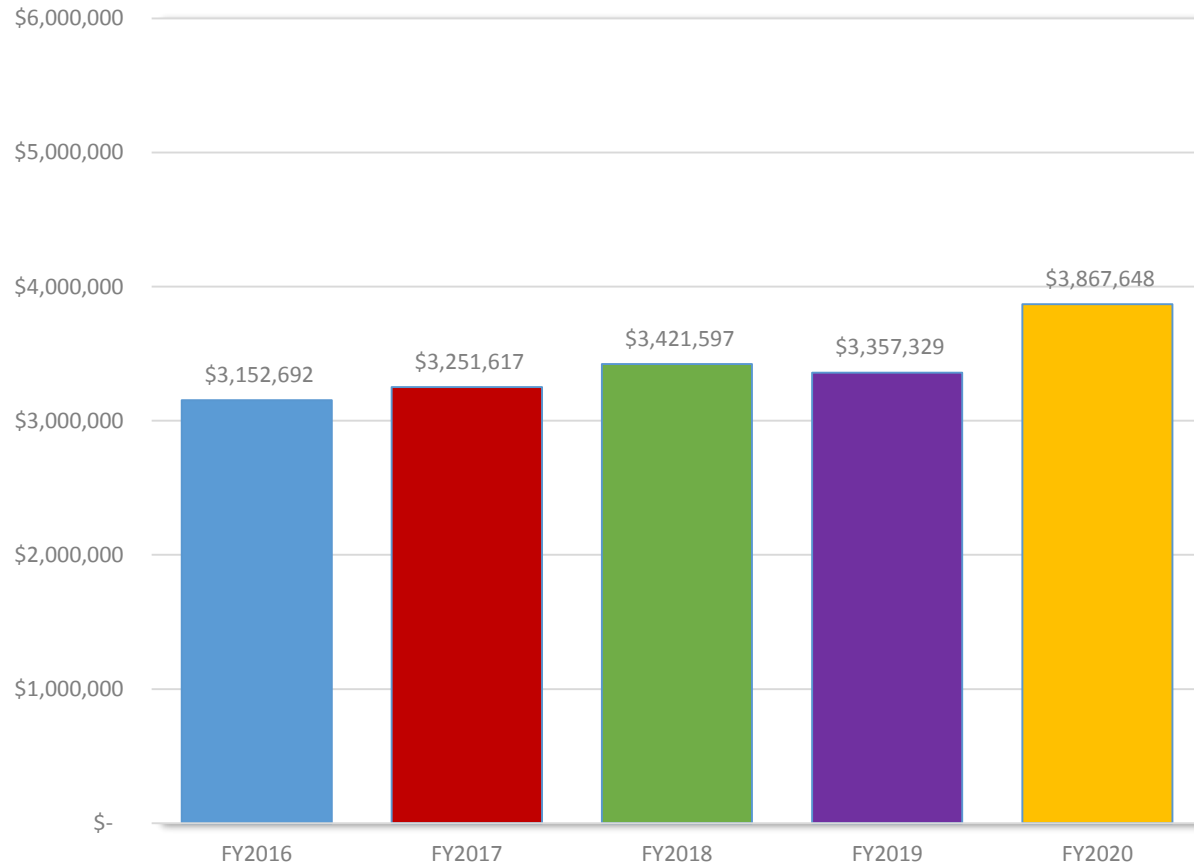
	<b>FY2019 Adopted Budget</b>	<b>FY2020 Recommended Budget</b>	<b>\$ Change</b>
<b>Summary of Revenues</b>			
Local	\$103,852,525	\$113,777,967	\$9,925,442
Local Fund Balance	-	-	-
SMCPS Fund Balance	200,000	-	
SMCPS Fund Balance - CPCS	-	34,870	34,870
State	106,348,590	106,735,031	386,441
Federal	2,765,300	2,765,300	-
Other	<u>1,093,500</u>	<u>1,266,700</u>	<u>173,200</u>
<b>Total Unrestricted Fund</b>	<b>\$214,259,915</b>	<b>\$224,579,868</b>	<b>\$10,319,953</b>

Increase of **\$10,319,953**  
is a **4.82%** increase over the  
2019 Adopted Budget

# Total Operating Budget

	FY2019 Adopted Budget	FY2020 Recommended Budget	\$ Change
<b>Summary of Expenditures by Category</b>			
Administration	\$3,357,329	\$3,867,648	\$510,319
Mid-Level Administration	16,304,178	16,941,443	637,265
Instructional Salaries & Wages	80,590,442	83,549,198	2,958,756
Textbooks and Instructional Supplies	2,769,776	2,694,389	(75,387)
Other Instructional Costs	1,535,572	1,716,294	180,722
Special Education	19,390,370	19,999,674	609,304
Student Personnel Services	1,183,947	1,410,281	226,334
Student Health Services	2,432,313	2,564,816	132,503
Student Transportation	16,718,358	17,428,570	710,212
Operation of Plant	15,302,848	16,861,070	1,558,222
Maintenance of Plant	4,063,336	4,385,752	322,416
Fixed Charges	49,818,008	52,344,373	2,526,365
Capital Outlay	<u>793,438</u>	<u>816,360</u>	<u>22,922</u>
<b>Total Unrestricted Fund</b>	<b>\$214,259,915</b>	<b>\$224,579,868</b>	<b>\$10,319,953</b>

# Administration

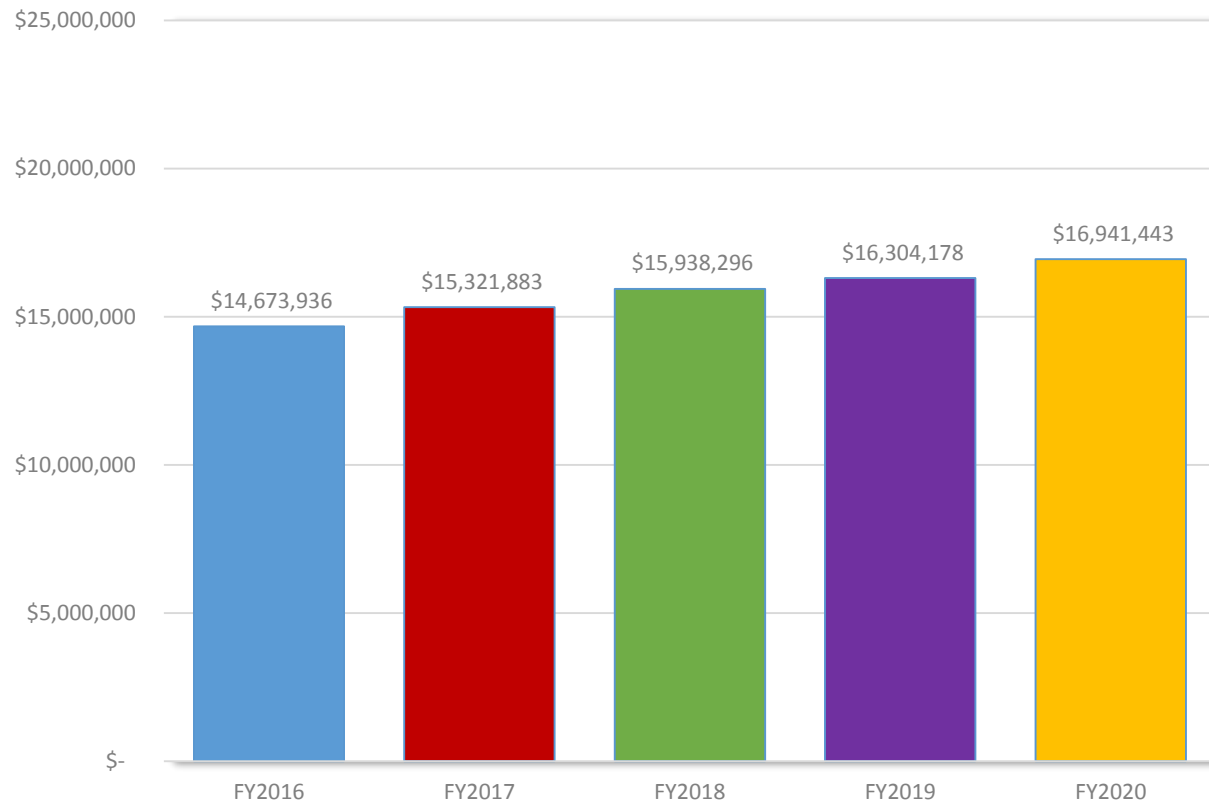


Requested Increase:  
**\$510,319** (15.2% increase)

## Highlights:

- Negotiated salary step progression and COLA for staff
- Reclassification to Executive Director HR
- New Internships to introduce student to the various opportunities within SMCPS (\$443k)

# Mid-Level Administration



Requested Increase:

**\$637,265** (3.9% increase)

Highlights:

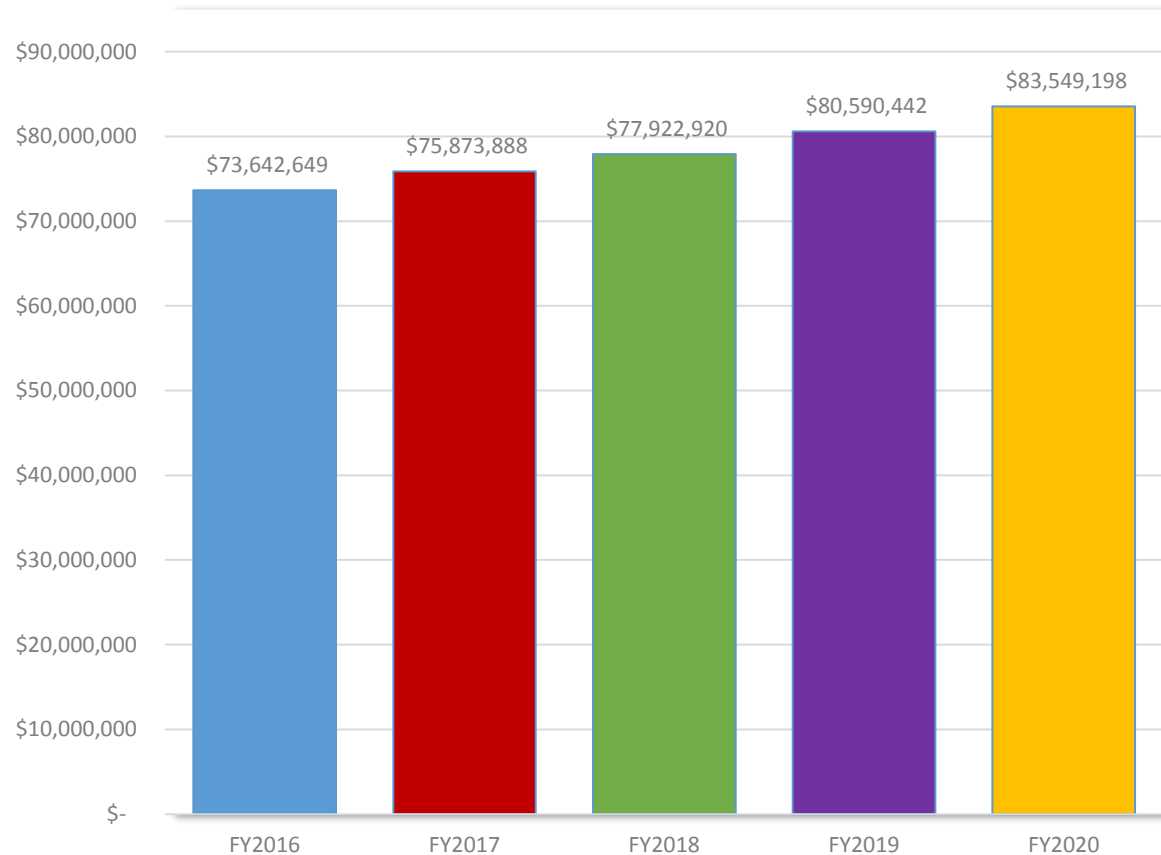
- Negotiated salary step progression and COLA for staff
- Replace vacant Strategic Planning Project Coordinator with Educational Equity Assurance Coordinator
- Reclassification to Assessment & Accountability Project Coordinator I
- Reclassification to Assessment & Accountability Programmer/Database Administrator
- eSchool software upgrade
- Timekeeping software

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Grant Funds:

- Reclassification Fiscal Secretary

# Instructional Salaries and Wages



Requested Increase:

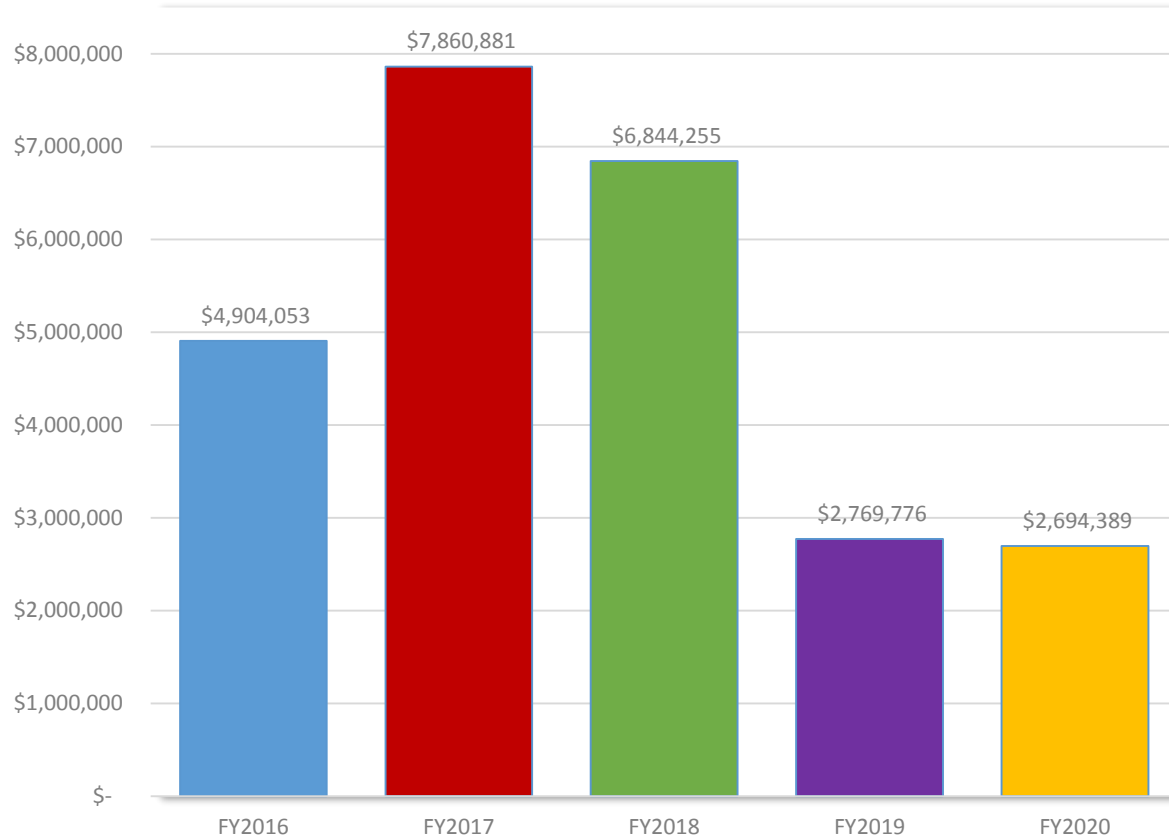
**\$2,958,756** (3.7% increase)

## Highlights:

- Negotiated salary step progression and COLA for staff
- New School Psychologists (2)
- New School Counselors (3)
- New General Classroom Teacher
- New ESOL Teacher
- New Teacher – Certified Clinical Medical Assist.
- New Teacher – Criminal Justice
- New Teachers CPCS (1.75)
- Removal Teacher – Baby Talk
- Removal Paraeducators – Baby Talk (4)



# Textbooks and Instructional Supplies



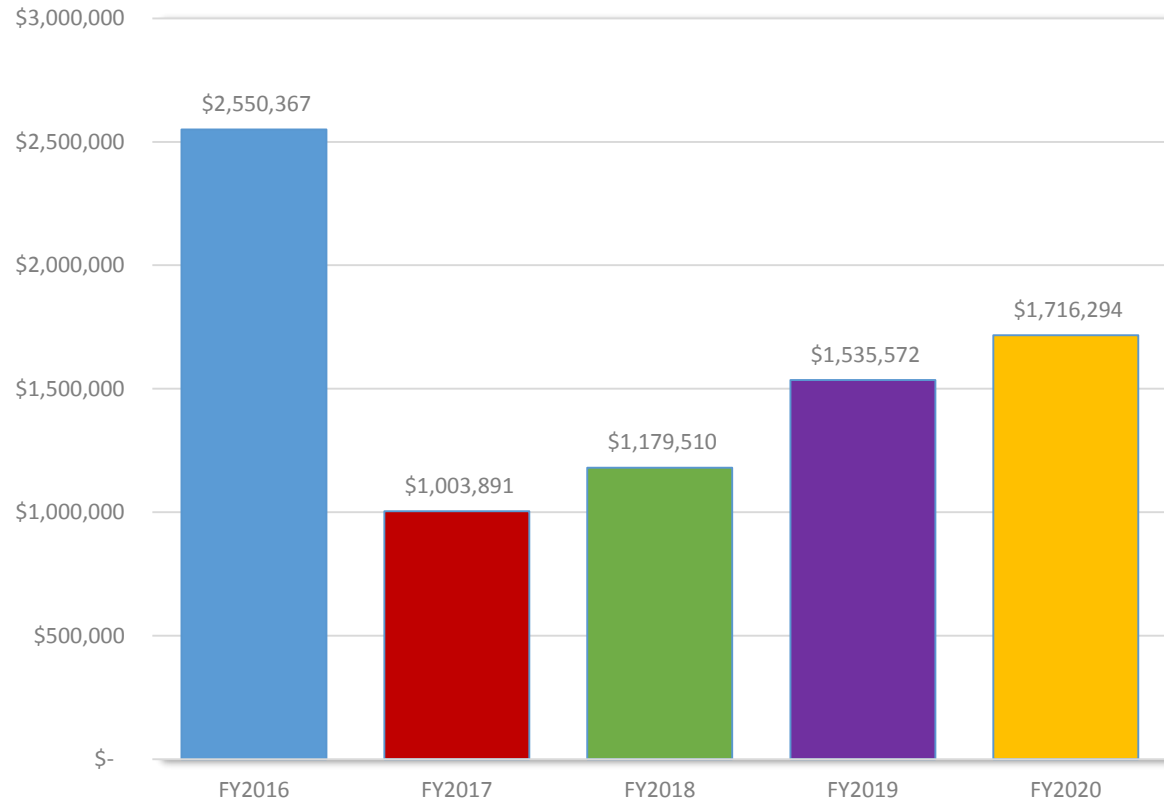
Requested Increase:

**-75,387** (-2.7% increase)

Highlights:

- Academy program laptop carts
- Offset of non-recurring cost in FY19 to support the new math curriculum

# Other Instructional Costs

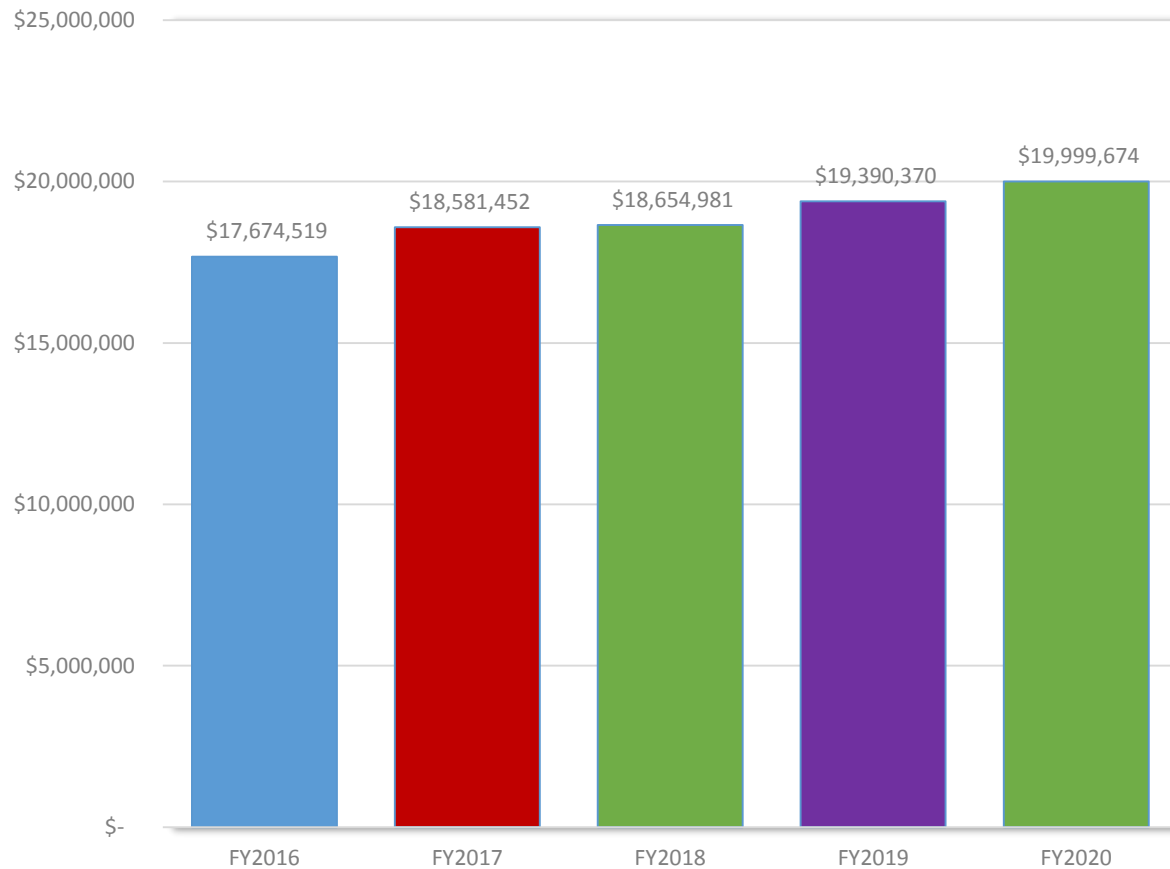


Requested Increase:  
**\$180,722** (11.8% increase)

## Highlights:

- High Roads - IAEC
- Athletic trainers increase in hours
- Contracted translations of countywide documents

# Special Education



Requested Increase:

**\$609,304** (3.1% increase)

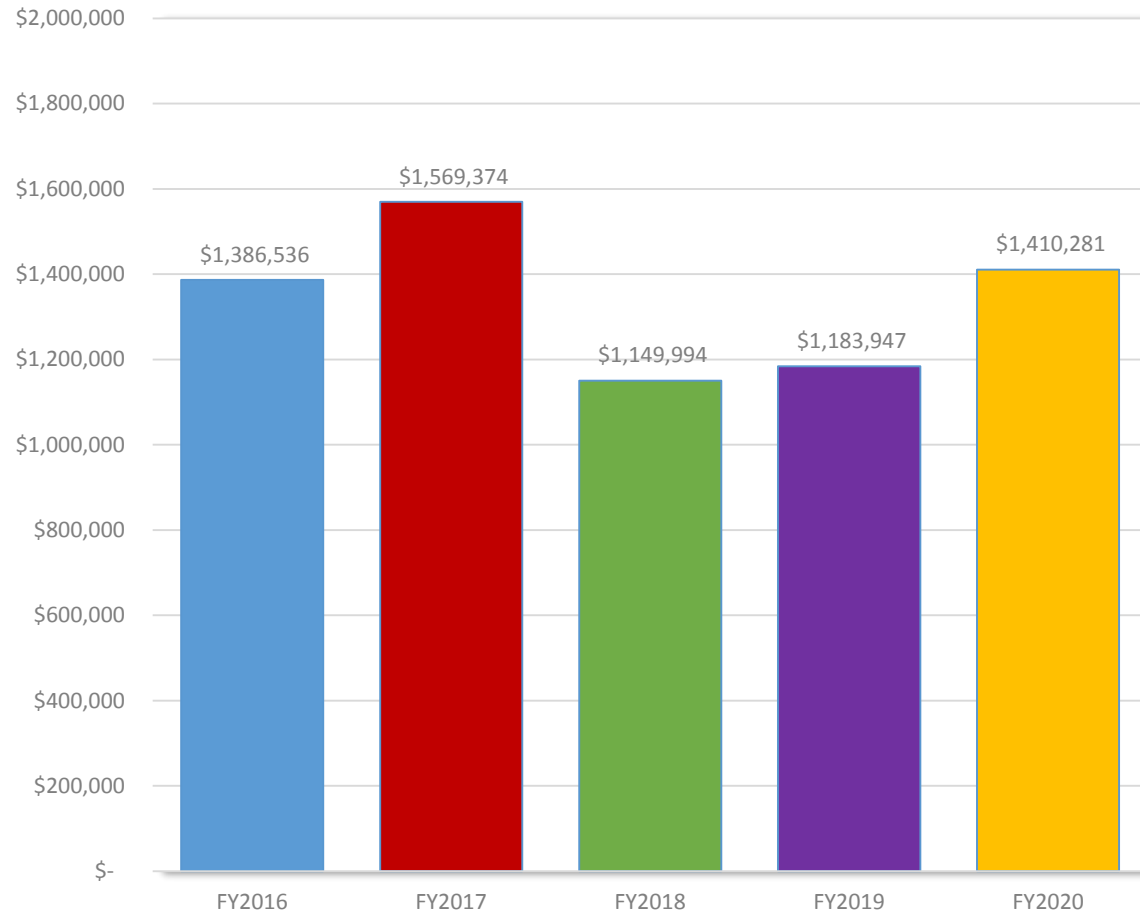
Highlights:

- Negotiated salary step progression and COLA for staff
- New Teacher – IEP Chair
- New Supervisor of Special Education
- Removal of 11/12M Teacher (offset)
- Removal Teachers (4, restructuring program)
- Removal Paras (4, restructuring program)
- New Teacher – CPCS
- New Para - CPCS

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Grant Funds:

- Highroads program (2)
- New Paraeducators (15)

# Student Personnel Services

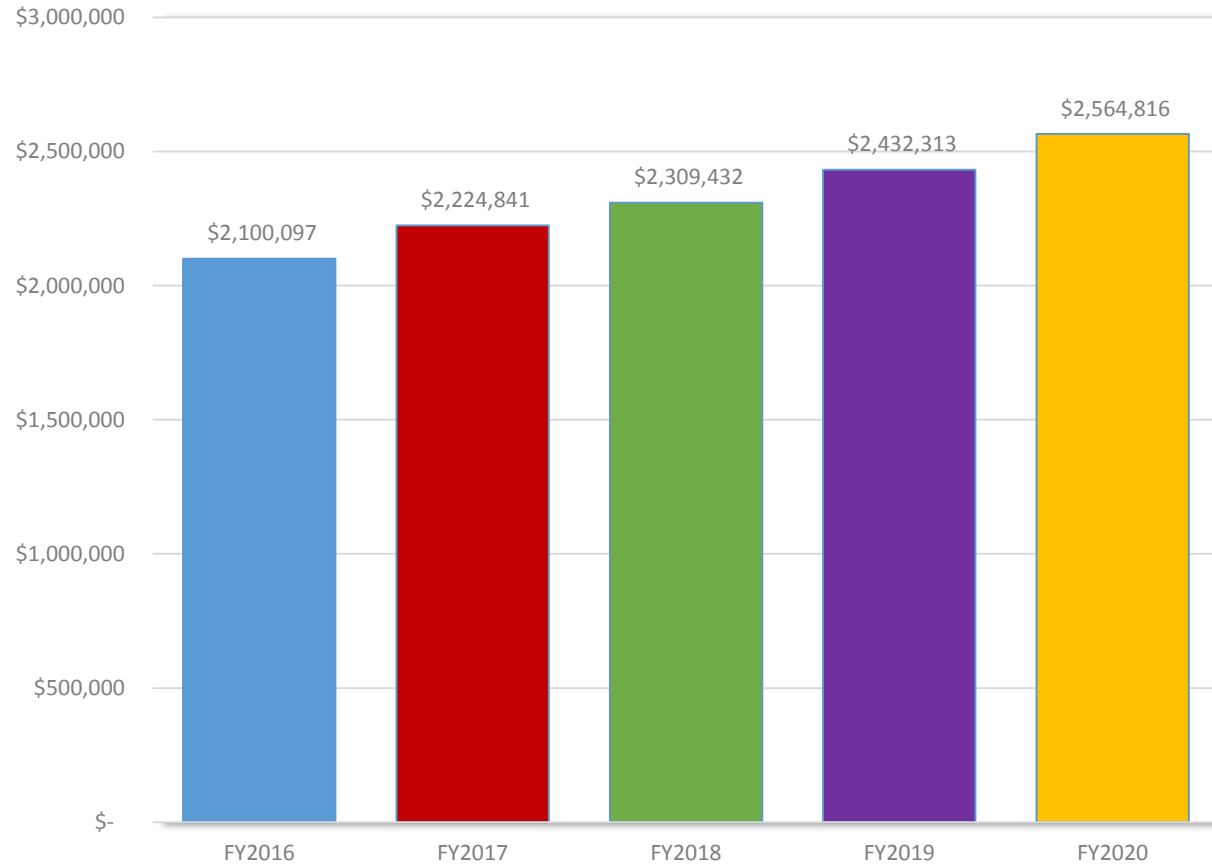


Requested Increase:  
**\$226,334** (19.1% increase)

## Highlights:

- Negotiated salary step progression and COLA for staff
- New Mental Health Coordinator (approved FY19)
- New School Social Worker
- Naviance – middle school
- Contracted interpreter services
- Robots – maintenance contract

# Student Health Services

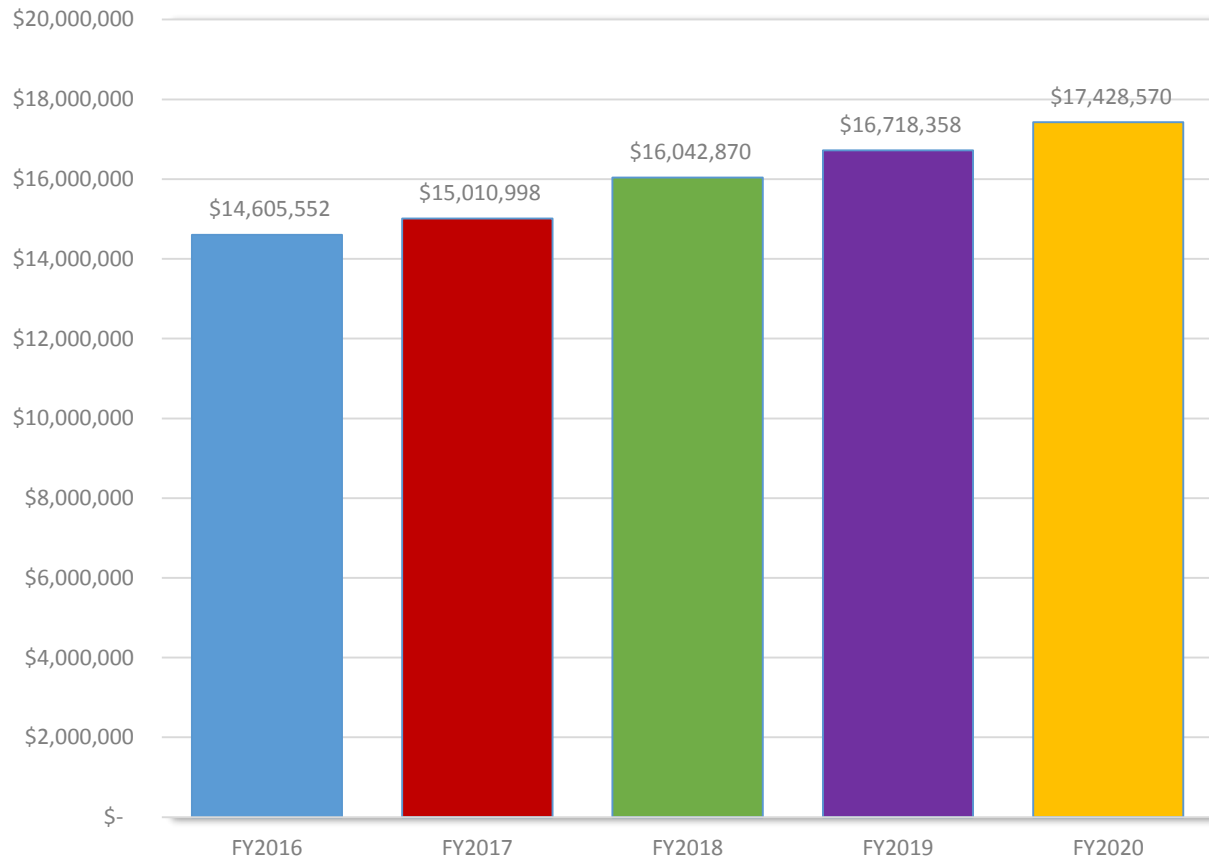


Requested Increase:  
**\$132,503** (5.4% increase)

## Highlights:

- Negotiated salary step progression and COLA for staff
- New Registered Nurse
- Reclassification to Registered Nurse 11 month
- Replacement automated external defibrillator (AED)

# Student Transportation



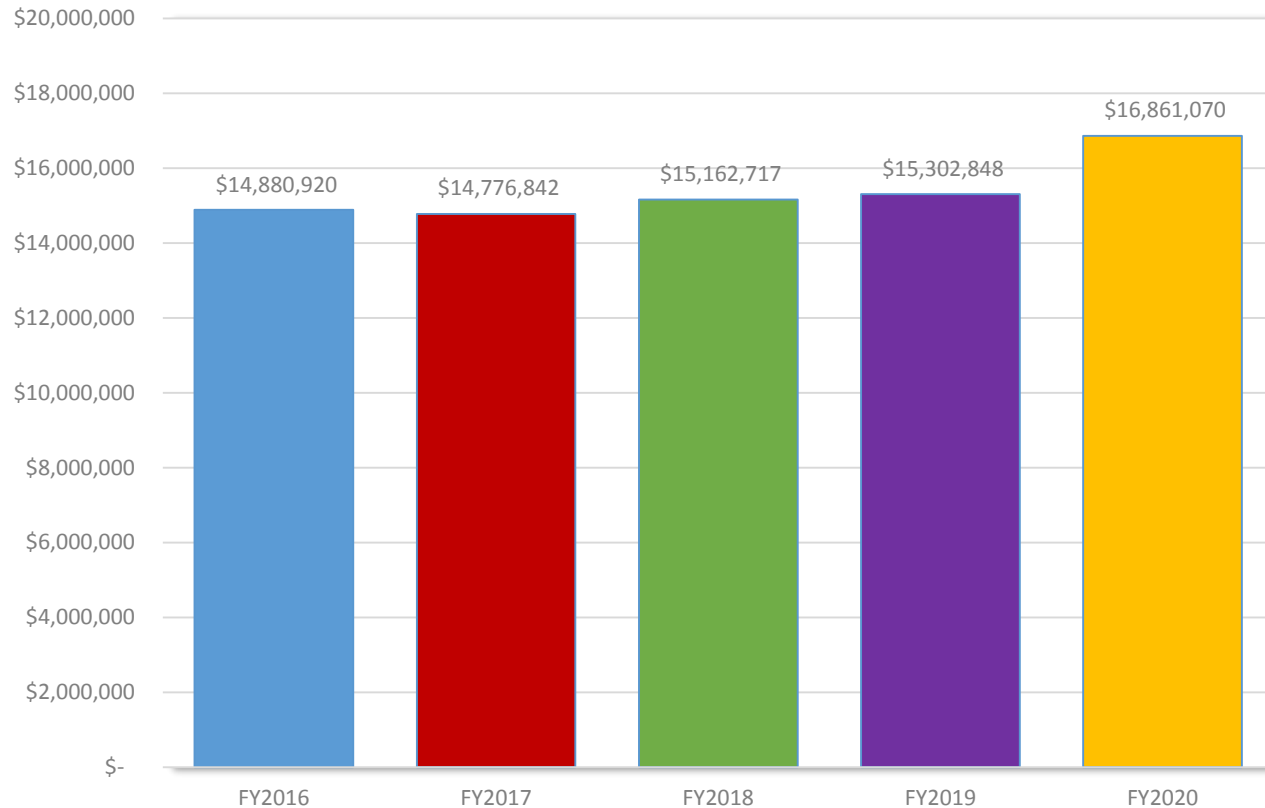
Requested Increase:

**\$710,212** (4.2% increase)

## Highlights:

- Negotiated salary step progression and COLA for staff
- Reclassification to Supervisor
- Reclassification to Program Analyst
- Contracted bus route fee increase
- Hourly contracted driver/attendant rate increase
- Bus fuel increase

# Operation of Plant



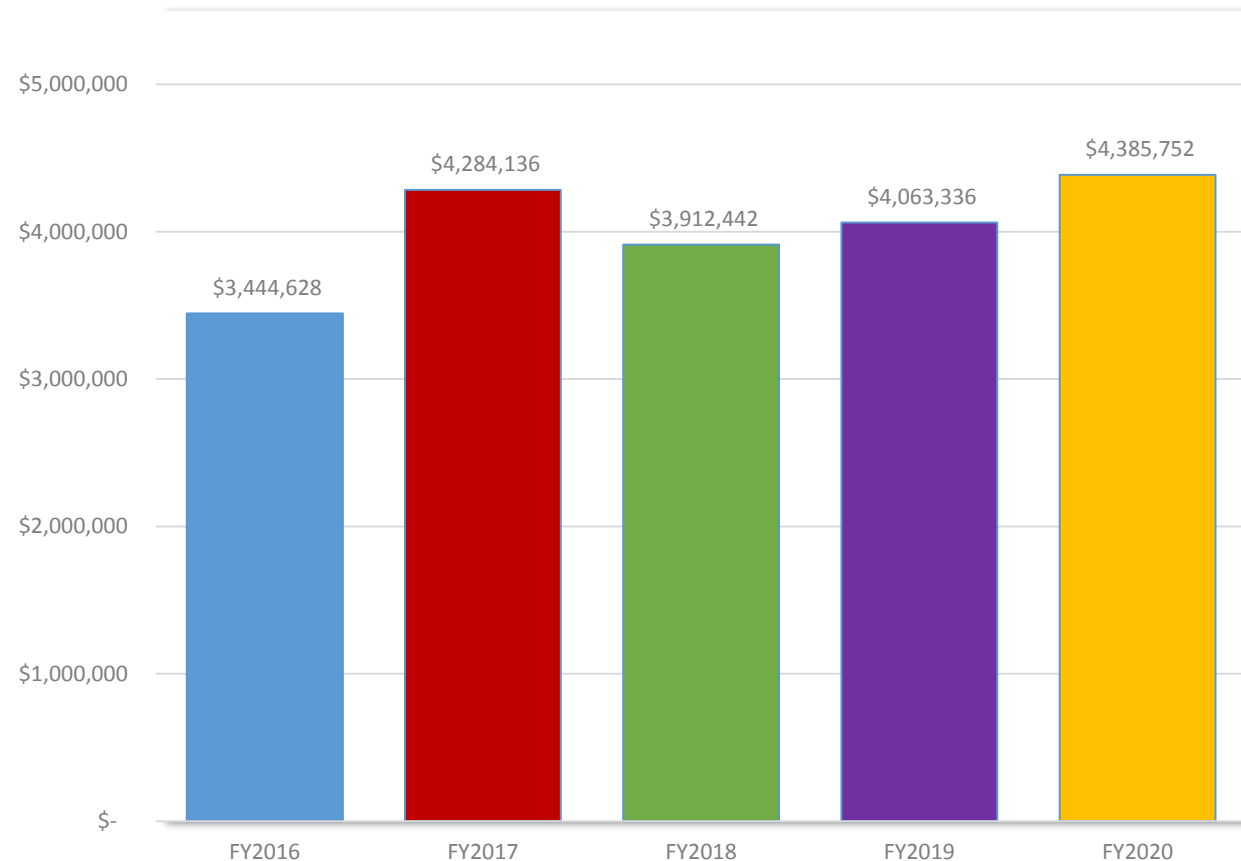
Requested Increase:

**\$1,558,222** (10.2% increase)

## Highlights:

- Negotiated salary step progression and COLA for staff
- New School Safety Coordinator (approved FY19)
- New Information Technology Project Coordinator
- New Safety & Security Specialist
- New Safety & Security Assistants (10)
- Reclassification to Supervisor of Operations
- Reclassification to Project Coordinator
- Replacement/New Vehicles
- Utilities
- AHERA tri-annual inspections
- Revised lead testing – new state requirements

# Maintenance of Plant



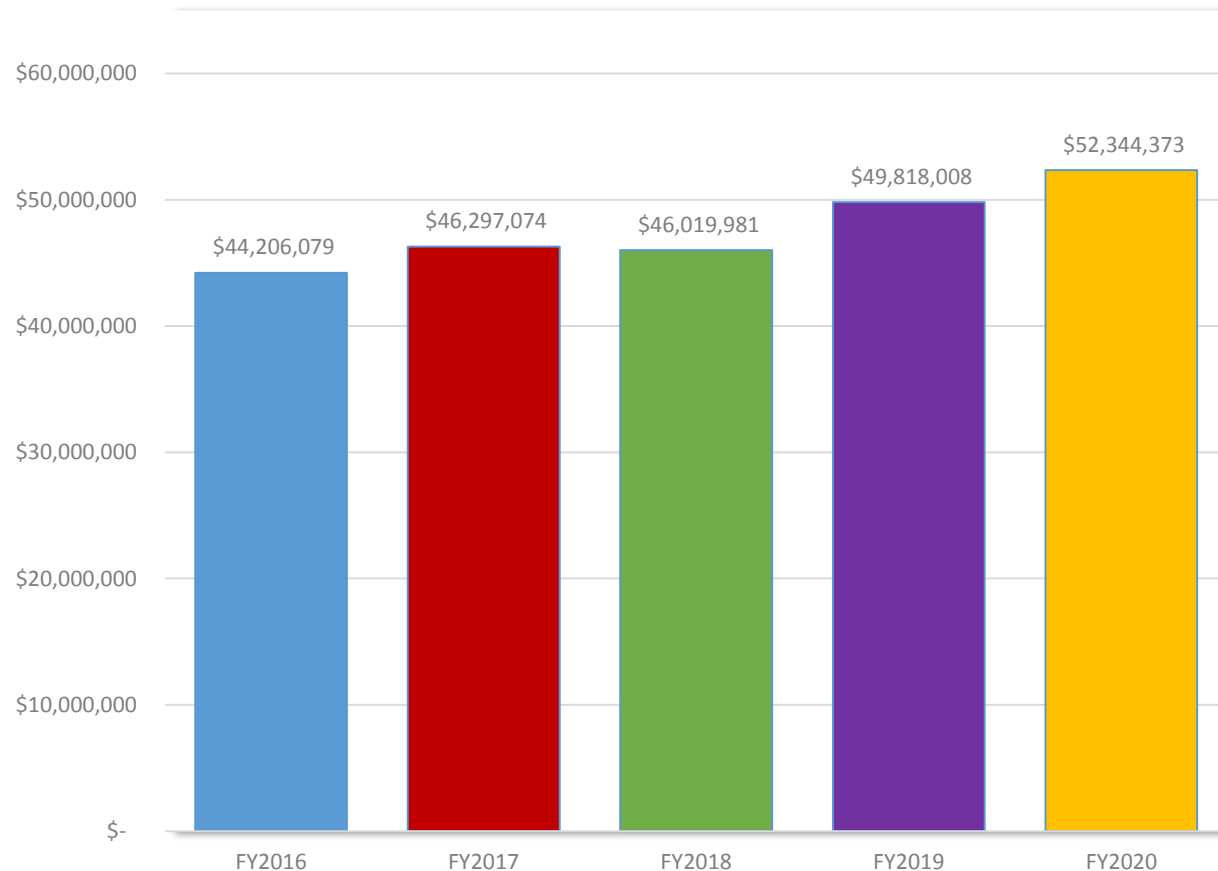
Requested Increase:  
**\$322,416** (7.9% increase)

## Highlights:

- Negotiated salary step progression and COLA for staff
- Reclassification Locksmith IV
- Contracted Services: HVAC replacement, Exterior Lighting Controls, Water Heater replacement, Well Pump replacement
- Physical security systems maintenance



# Fixed Charges

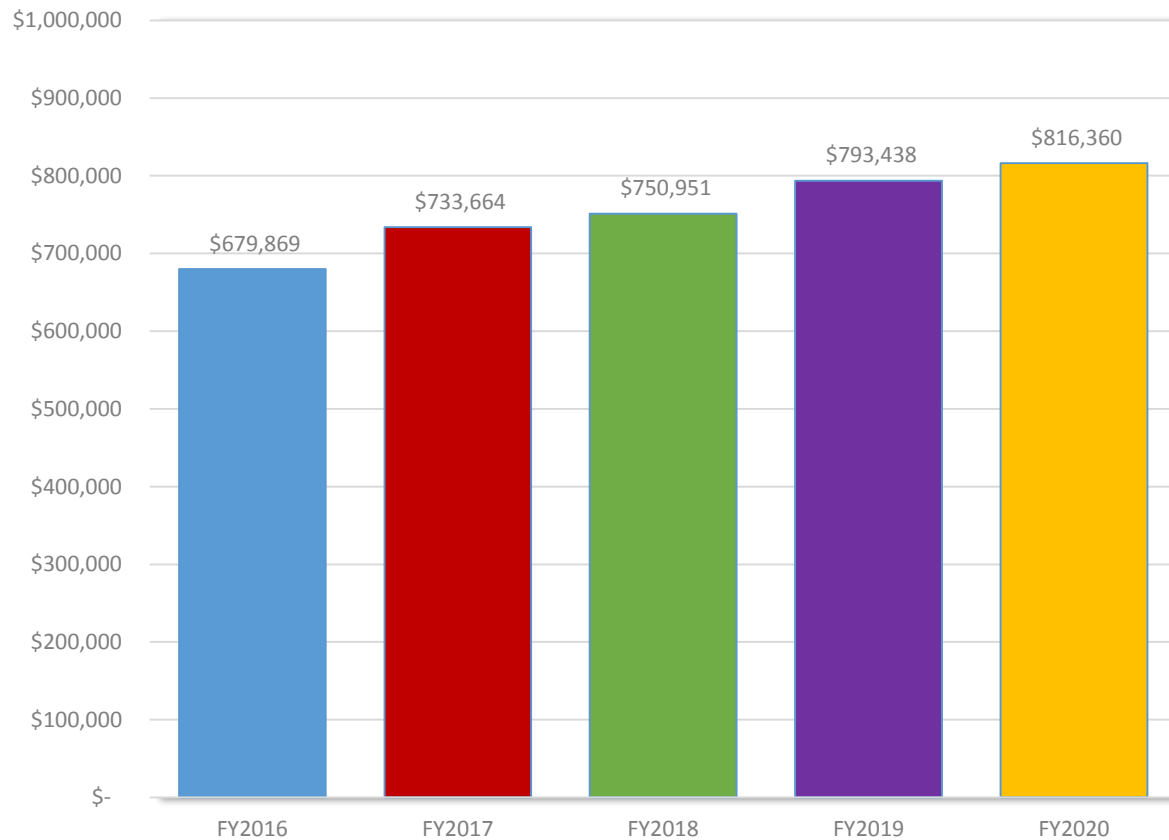


Requested Increase:  
**\$2,526,365** (5.1% increase)

## Highlights:

- Social Security associated with negotiated step progression and COLA for staff
- Pension increase
- Health Insurance estimate to be received Feb/Mar, 5% estimated increase
- Tuition reimbursement
- General liability/workers compensation insurance

# Capital Outlay



Requested Increase:  
**\$22,922** (2.9% increase)

## Additional Costs:

- Negotiated salary step progression and COLA for staff
- New Fiscal Specialist Position (offset by 0.5 Secretary)

# Health Insurance

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## Current Contribution, EASMC:

HMO w/ deductible	90% / 10%
<b>HMO</b>	<b>85% / 15%</b>

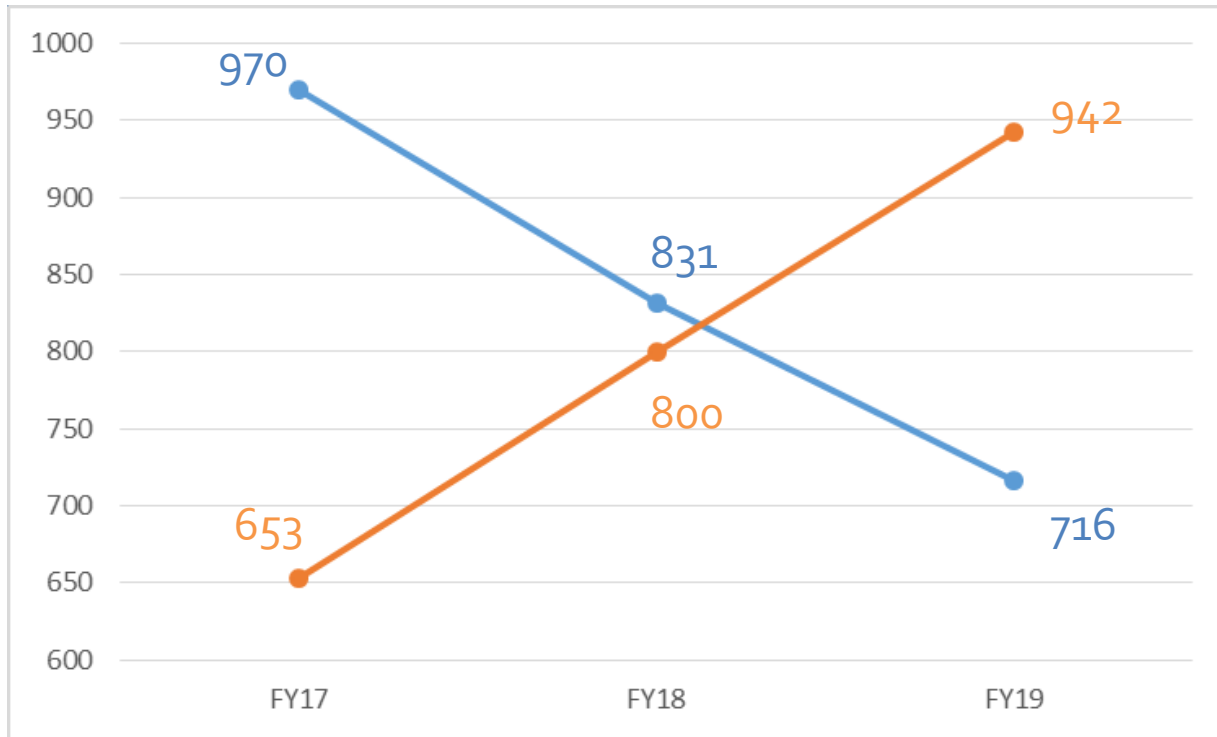
Triple Option w/ deductible	85% / 15%
<b>Triple Option</b>	<b>80% / 20%</b>

## Current Contribution, SMASA:

HMO w/ deductible	90% / 10%
<b>HMO</b>	<b>85% / 15%</b>

Triple Option w/ deductible	80% / 20%
<b>Triple Option</b>	<b>75% / 25%</b>

# Healthcare Data - Participation



■ = Triple Option Participants

■ = HMO Participants

	FY17	FY18	FY19
Triple Option 2	946	707	580
Triple Option 1	24	124	136
Triple Option	970	831	716
HMO 2	613	452	432
HMO 1	40	348	510
HMO	653	800	942

# SMCPS Step Progression

SY	2010-11	2011-12	2012-13	2013-14	2014-15 <i>Negotiations</i>
STEP	Yes (Make-up)	No	No	Yes (Make-up)	No
COLA	0%	0%	1.5%	0%	0%
SY	2015-16 <i>Negotiations</i>	2016-17	2017-18	2018-19	2019-20
STEP	Yes (Make-up)	New Scale (No Steps)	Yes	Yes	Yes
COLA	0%	0%	0%	0%	1%/2%

# SMC Fund Balance Increase

COMMISSIONERS OF ST. MARY'S COUNTY STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2018				
	General Fund	Capital Projects	Non-Major	Total
<b>REVENUES</b>				
Property taxes	\$ 109,091,603	\$ -	\$ -	\$ 109,091,603
Income taxes	90,410,603	-	-	90,410,603
Energy taxes	1,021,597	-	-	1,021,597
Recordation taxes	5,918,163	-	-	5,918,163
Transfer taxes	-	6,512,987	-	6,512,987
Agricultural/development taxes	-	604,536	-	604,536
Impact fees	-	1,634,800	-	1,634,800
Other local taxes	1,502,026	-	-	1,502,026
Highway user revenues	1,187,782	-	-	1,187,782
Licenses and permits	1,533,482	-	-	1,533,482
Intergovernmental	7,105,344	3,300,587	-	10,405,931
Charges for services	3,023,296	-	-	3,023,296
Fines and forfeitures	376,635	-	-	376,635
Special assessments	-	-	74,992	74,992
Other revenues	1,132,282	-	3,337,469	4,469,751
Sub-total	222,302,813	12,052,910	3,412,461	237,768,184
Pass-throughs	-	-	-	-
<b>TOTAL REVENUES</b>	<b>222,302,813</b>	<b>12,052,910</b>	<b>3,412,461</b>	<b>237,768,184</b>
<b>EXPENDITURES</b>				
General government	22,079,539	3,048,027	-	25,127,566
Public safety	41,447,745	797,090	3,220,235	45,465,070
Public works	12,730,147	13,850,302	-	26,580,449
Health	3,024,679	-	-	3,024,679
Social services	4,278,970	-	-	4,278,970
Primary and secondary education	104,302,717	1,893,934	-	106,196,651
Post-secondary education	4,232,365	-	-	4,232,365
Parks, recreation and culture	3,879,847	1,899,467	-	5,779,314
Libraries	2,800,572	-	-	2,800,572
Conservation of natural resources	348,950	1,606,697	-	1,955,647
Economic development and opportunity	2,773,722	-	-	2,773,722
Debt service - principal and interest	11,228,198	150,753	42,369	11,421,320
Other	3,222,191	-	-	3,222,191
Sub-total	216,349,642	23,246,270	3,262,604	242,858,516
Pass-throughs	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>216,349,642</b>	<b>23,246,270</b>	<b>3,262,604</b>	<b>242,858,516</b>
Excess of Revenues Over (Under) Expenditures	5,953,171	(11,193,360)	149,857	(5,090,332)
<b>OTHER FINANCING SOURCES AND USES</b>				
Proceeds from exempt financing	4,757,943	-	-	4,757,943
Proceeds from bonds	-	154,812	-	154,812
Fire & rescue loan repayments	-	-	574,429	574,429
Loans to fire and rescue	-	-	(577,500)	(577,500)
Capital projects - general fund pay-go	(365,518)	365,518	-	-
Total other financing sources / uses	4,392,425	520,330	(3,071)	4,909,684
Net Increase/(Decrease) in Fund Balances	10,345,596	(10,673,030)	146,786	(180,648)
<b>FUND BALANCE</b>				
Beginning of the year	49,831,206	27,258,796	1,764,952	78,854,954
End of year	\$ 60,176,802	\$ 16,585,766	\$ 1,911,738	\$ 78,674,306

St. Mary's County Government audited financial statements show fund balance increased in FY 2018 by **\$10.3m** to a total of **60.1M**

	-	154,812	-	154,812
	-	-	574,429	574,429
	-	-	(577,500)	(577,500)
	(365,518)	365,518	-	-
	4,392,425	520,330	(3,071)	4,909,684
	<b>10,345,596</b>	<b>(10,673,030)</b>	<b>146,786</b>	<b>(180,648)</b>
	<b>49,831,206</b>	<b>27,258,796</b>	<b>1,764,952</b>	<b>78,854,954</b>
<b>\$</b>	<b>60,176,802</b>	<b>\$ 16,585,766</b>	<b>\$ 1,911,738</b>	<b>\$ 78,674,306</b>

# Projected Revenue for St. Mary's County

## Revenue Outlook – Summary

In Millions

	<u>FY19*</u> <u>Approved</u>	<u>FY19</u> <u>Pro Forma</u>	<u>FY20</u>
Property	110.4M	110.4M	110.8M
Income	93.9M	94.1M	97.2M
<i>The Rest</i>	<u>25.8M</u>	<u>25.8M</u>	<u>26.0M</u>
TOTAL	230.1M	230.3M	234.0M
	Increase/(Decrease)		1.7%

\*FY2019 Income Tax used 3.5% growth  
Also included \$1 million tax reform addition

Current projected revenue increase for St. Mary's County for 2020 is **\$3.7** million or 1.7%

# Budget Priority # 1: People

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## 5.4 We invest in our people



**TOTAL COST = \$210,331,638**  
**94% of the unrestricted budget**



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## Support for Students / Staff

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## Sustaining our System

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Alignment of  
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### Highlights:

- 4-year negotiated agreements
- Collaboration across all employee groups on health care plans, premiums, and overall costs
- Program support for student-centered initiatives
- Support to maintain existing programs and resources
- Student internships opportunities

# Important Dates

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- January 30 – Budget work session
- February 13 – Board of Education budget public hearing
- February 20 – Board of Education budget work session
- February 27 – Board of Education budget approval