

# Superintendent's Recommended Operating Budget FY2024

Dr. J. Scott Smith, Superintendent  
Ms. Tammy McCourt, Assistant Superintendent  
January 12, 2023



# Budget Process / January

**January 4, 2023**  
Superintendent's  
Proposed Budget

**January 12, 2023**  
BOE Budget  
Work Session

**January 18, 2023**  
Public Hearing

**January 25, 2023**  
BOE Budget  
Work Session

**Feb 1**  
BOE  
Finalizes  
Budget

# Unrestricted Fund Revenue Budget

	FY 2023 Adopted Budget	FY 2024 Recommended Budget	\$ Change
<b>Summary of Revenues</b>			
Local	\$121,524,907	\$130,015,513	\$8,490,606
SMCPS Fund Balance	2,000,000	2,000,000	-
SMCPS Fund Balance - CPCS	287,831	299,545	11,714
State	125,382,752	141,721,294	16,338,542
Federal	2,486,000	2,491,000	5,000
Other	<u>1,070,800</u>	<u>2,204,119</u>	<u>1,133,319</u>
<b>Total Unrestricted Fund Revenues</b>	<b>\$252,752,290</b>	<b>\$278,731,471</b>	<b>\$25,979,181</b>

# Blueprint Accountability – Local Funding

	FY 2023 Adopted Budget	FY 2024 Recommended Budget
<b>Local Funding</b>		
County Appropriation		
Foundation	\$93,048,132	\$83,696,387
Compensatory Education	14,087,448	25,784,862
Special Education	6,103,554	7,184,516
English Learners	1,145,163	1,328,383
Full-Day PreK	400,209	2,510,214
Career Ladder	119,012	109,854
Post College & Career Ready	392,941	405,755
Transitional Supplemental Instruction	828,448	839,381
Retirement	5,400,000	5,400,000
Comparable Wage Index	0	2,756,161
<b>Local Total</b>	<b>\$121,524,907</b>	<b>\$130,015,513</b>

Local Funding  
increase of  
\$8,490,606 or 7.0%

# Blueprint Accountability – State Funding

	FY 2023 Adopted Budget	FY 2024 Recommended Budget
<b>State Funding</b>		
Foundation	\$82,150,249	\$84,466,083
Transition Grant	3,251,181	3,251,181
Regional Cost Difference	267,347	-
Special Education	7,382,835	8,844,700
Transportation (Student)	8,293,618	8,375,562
Compensatory Aid	16,435,249	26,803,024
Special Education Tuition	700,000	700,000
Limited English Proficiency	1,514,037	1,782,737
Environmental Education Program	5,000	5,000
Career Ladder	177,988	167,146
Full Day Pre-K	3,710,537	2,904,184
Post College & Career Ready	556,919	586,321
Transitional Supplemental Instruction	937,792	966,699
Comparable Wage Index	-	2,868,657
<b>State Total</b>	<b>\$125,382,752</b>	<b>\$141,721,294</b>

State Funding  
increase of  
\$16,339,542 or 13.0%

# CSMC Budget Work Session



## 1/10/23 CSMC Budget Work Session

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Budget Work Session Agenda January 10, 2023	
• <b>Operating Budget</b>	
◦ Power Point Presentation – Operating Budget	
◦ Reference materials	
• <b>Commissioner Direction</b>	
◦ Use of Unassigned Fund Balance	
◦ Homestead percentage – Change to SDAT – March 2023	
◦ HR Recommendations on use of Health Premium refund	
• <b>Next Budget Work Session</b>	
◦ February 14, 2023	
▪ Review CIP Request – based on December Direction	
▪ Funding Balanced, Debt Capacity, Excise Tax Update	
<b>Materials:</b>	
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# CSMC Budget Work Session

Jeanette Cudmore, CFO, presented a multi-year budget projection to include annual increases of 4% for all county departments and elected officials.

Board and agencies are slated for a 2% increase except for SMCPS, which showed less than 1% increase for 2024 and 0% for 2025.

St. Mary's County Government, Maryland Multi-Year Budget Projections Expenses - Summary								
Department/Spending Unit	FY2023	ASSUMED GROWTH	FY2024	FY2025	FY2026	FY2027	FY2028	
	APPROVED		removed FY2023 Non- Recurring					
County Commissioners/County Administrator	1,450,842	4.0%	1,508,876	1,569,231	1,632,000	1,697,280	1,765,171	
Aging & Human Services	5,661,273	4.0%	6,074,924	6,317,921	6,570,638	6,833,463	7,106,802	
County Attorney	1,269,389	4.0%	1,320,165	1,372,971	1,427,890	1,485,006	1,544,406	
Economic Development	4,810,977	4.0%	2,153,816	2,239,969	2,329,567	2,422,750	2,519,660	
Emergency Services	21,412,721	4.0%	10,395,725	10,811,554	11,244,016	11,693,778	12,161,527	
Finance	2,405,677	4.0%	2,403,104	2,499,228	2,599,197	2,703,165	2,811,292	
Human Resources	2,513,368	4.0%	2,613,903	2,718,459	2,827,197	2,940,285	3,057,895	
Information Technology	7,437,025	4.0%	5,996,808	5,820,880	6,053,507	6,295,648	6,547,474	
Land Use & Growth Management	3,004,782	4.0%	3,088,573	3,212,116	3,340,601	3,474,225	3,613,194	
Public Works & Transportation	25,763,121	4.0%	26,012,606	27,053,110	28,135,234	29,260,944	30,431,070	
Recreation & Parks	5,220,471	4.0%	5,382,490	5,597,789	5,821,701	6,054,569	6,298,752	
Total, Departments	81,149,846		66,550,958	69,213,028	71,981,549	74,860,811	77,855,243	
Circuit Court	2,157,494	4.0%	2,235,994	2,325,434	2,418,451	2,515,189	2,615,796	
Orphan's Court	64,754	4.0%	66,304	68,956	71,715	74,583	77,566	
Office of the Sheriff	58,956,164	4.0%	59,342,211	61,715,899	64,184,535	66,751,917	69,421,993	
Office of the State's Attorney	5,313,541	4.0%	5,526,063	5,747,126	5,977,011	6,216,091	6,464,735	
Office of the County Treasurer	512,190	4.0%	532,678	553,985	576,144	599,190	623,157	
Total, Elected Officials	67,004,143		67,703,269	70,411,400	73,227,856	76,156,970	79,203,249	
Department of Health	3,198,052	2.0%	3,139,613	3,202,405	3,266,453	3,331,782	3,398,418	
Department of Agriculture	102,000	2.0%	104,040	106,121	108,243	110,408	112,616	
Department of Social Services	497,819	2.0%	507,775	517,931	528,290	538,855	549,632	
Alcohol Beverage Board	459,984	2.0%	433,484	442,153	450,995	460,016	469,217	
Board of Elections	2,223,966	2.0%	1,839,775	1,876,571	1,914,102	1,952,384	1,991,432	
University of Maryland Extension (UME)	280,786	2.0%	286,402	292,130	297,972	303,932	310,010	
Ethics Commission	833		833	833	833	833	833	
So. MD Forest Conservation Board	2,500		2,500	2,500	2,500	2,500	2,500	
Soil Conservation District	108,078	2.0%	110,240	112,444	114,693	116,987	119,327	
So. MD Resource Conservation & Development	15,300		15,300	15,300	15,300	15,300	15,300	
Tri-County Community Action	35,000		35,000	35,000	35,000	35,000	35,000	
Tri-County Council	125,000		125,000	125,000	125,000	125,000	125,000	
Tri-County Youth Services	143,600		143,600	143,600	143,600	143,600	143,600	
SDAT - Leonardtown Office	452,580	2.0%	461,632	470,864	480,282	489,887	499,685	
University of MD - Southern MD	40,000		40,000	40,000	40,000	40,000	40,000	
County Funds - Board of Education	121,524,907	MOE/Blueprint 2034	122,535,554	122,535,554	124,100,000	126,500,000	129,400,000	
County Funds - College of Southern Maryland	4,758,945	2.0%	4,854,124	4,951,205	5,050,231	5,151,235	5,254,260	
County Funds - Board of Library Trustees	3,310,048	2.0%	3,376,249	3,443,774	3,512,649	3,582,902	3,654,560	
Total, Boards and State Agencies	137,279,358		138,011,120	138,313,387	140,186,145	142,900,623	146,121,391	
Other Budget Costs								
Leonardtown Tax Rebate	70,929	1.0%	71,638	72,355	73,078	73,809	74,547	
Employer Contributions - Actuarial - Current Retirees		ADC - Actuarial	4,420,000	4,615,000	4,824,000	5,050,000	5,292,000	
Funding from Trust - review annually		FY2022 - 102% funded	(4,420,000)					
Employer Contributions - Unemployment	25,000		25,000	25,000	25,000	25,000	25,000	
Bank / GOS Costs	46,000		46,000	46,000	46,000	46,000	46,000	
Debt Service	13,267,798	debt capacity	15,593,390	16,256,106	18,125,106	21,381,492	23,784,749	
Other Budget Costs	13,408,727		15,741,028	21,014,461	23,093,184	26,576,301	29,222,296	
Transfers & Reserves								
Pay-Go - Use of Fund Balance/Operating	22,586,905							
Appropriation Reserve	2,500,000		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	
Reserve - Bond Rating	400,000		400,000	400,000	400,000	400,000	400,000	
Reserve - Emergency & Public Hearing	500,000		500,000	500,000	500,000	500,000	500,000	
Transfers & Reserves	25,986,905		3,400,000	3,400,000	3,400,000	3,400,000	3,400,000	
TOTAL GENERAL FUND BUDGET -recurring	324,829,819		291,406,404	302,352,275	311,888,733	323,894,705	335,802,172	
Total General Fund w/o Fund Balance	\$288,664,540			0.9%	3.8%	3.2%	3.8%	3.7%
Revenue			294,741,552	304,270,069	314,131,527	324,337,988	334,901,960	
Difference			2.1%	3.2%	3.2%	3.2%	3.3%	
			3,335,148	1,917,794	2,242,794	443,283	(900,219)	
Operating Impacts FTE's			262,887	48,000	332,530	5,900	5,000	
Operating Impacts - In year started								

University of MD - Southern MD							
County Funds - Board of Education	121,524,907	MOE/Blueprint 2034	122,535,554	122,535,554	124,100,000	126,500,000	129,400,000



# CSMC Budget Work Session

Commissioner Hewitt moved that they implement a **4.5% COLA for all their employees this year** effective in March/April. It was seconded by Commissioner Ostrow and approved unanimously.

Projected Cost for 2023 - TBD  
Projected Cost for 2024 - 3.7M

## Compensation Factors – FY2024

### Committed:

- ❑ FY2023 step/turnover - \$740,000 (actual savings, principally health insurance) move to reserve
- ❑ State Pension – Current rate is 10.93% in FY2023
- ❑ Sheriff Pension – Current rate is 39% - FY2023
- ❑ Phase-in minimum wage changes – Next increase 5.66%
  - Hourly July 2023
  - Enterprise January 2024
- ❑ LOSAP - \$1,000,000 - FY2024

### Pending:

- ❑ If, 1 step (anniversary date) a 2.5% equivalent = \$890,000
- ❑ If, each 1% COLA = \$820,000 (full year)
- ❑ If, 5% health premium increase = \$640,000 – plan to use CareFirst refund (County cost)
- ❑ OPEB
  - FY2023 - \$0, use trust - 113% funded as of 6/30/2021
  - FY2024 - \$4,420,000, recommend \$0, use trust – 102% funded as of 6/30/2022

BWS 1.10.2023

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# Wealth Equalization

The greater the **value of homes** in a county and the **income earned** by its residents, the **LESS** the state provides in funding, regardless of the actual revenue brought in due to local tax rates on income or property.

Maryland's state funding of schools is based on the "**capacity**" of a county to pay for its services.

	Total Major State Aid for Education - Per Pupil				
Local Education Agency	FY 23	FY 22	FY 21	FY 20	FY 19
Allegany	11,921.36	11,123.93	10,795.81	10,522.83	9,810.99
Anne Arundel	5,497.22	4,969.19	4,864.99	4,758.33	4,405.15
Baltimore City	15,207.71	12,510.38	12,115.58	12,113.12	11,188.27
Baltimore	7,393.83	6,785.85	6,575.38	6,408.85	5,983.27
Calvert	6,608.61	6,123.77	5,838.64	5,768.04	5,195.01
Caroline	12,386.30	11,728.29	11,383.07	11,044.52	10,026.79
Carroll	6,140.24	5,727.32	5,537.79	5,470.05	5,154.76
Cecil	8,067.69	7,746.77	7,616.86	7,492.97	7,168.36
Charles	8,288.16	7,731.69	7,499.60	7,461.74	6,926.00
Dorchester	12,029.35	11,145.80	10,835.48	10,552.07	9,306.92
Frederick	7,327.12	6,483.67	6,423.01	6,318.45	5,957.61
Garrett	6,623.24	6,597.16	6,311.60	6,062.28	5,578.34
Harford	6,862.77	6,230.53	6,053.84	5,936.42	5,524.93
Howard	5,701.52	5,109.36	4,967.11	4,885.11	4,530.48
Kent	5,923.59	5,788.32	5,302.90	5,248.67	4,823.30
Montgomery	5,238.02	4,994.02	4,851.27	4,687.54	4,383.86
Prince George's	10,202.32	9,848.51	9,520.66	9,333.78	8,771.44
Queen Anne's	5,401.43	5,162.32	4,932.65	4,829.75	4,531.38
St. Mary's	7,274.77	6,870.85	6,690.74	6,624.99	6,145.99
Somerset	14,659.49	13,519.56	13,212.85	12,673.90	11,661.52
Talbot	4,053.05	3,748.30	3,576.09	3,419.12	3,106.69
Washington	9,789.84	9,273.51	8,963.41	8,773.48	8,038.83
Wicomico	12,405.34	11,853.37	11,326.67	11,106.09	10,182.19
Worcester	3,783.50	3,346.57	3,242.93	3,215.70	3,029.13
<b>Total</b>	<b>7,939.07</b>	<b>7,288.50</b>	<b>7,064.94</b>	<b>6,940.42</b>	<b>6,474.22</b>

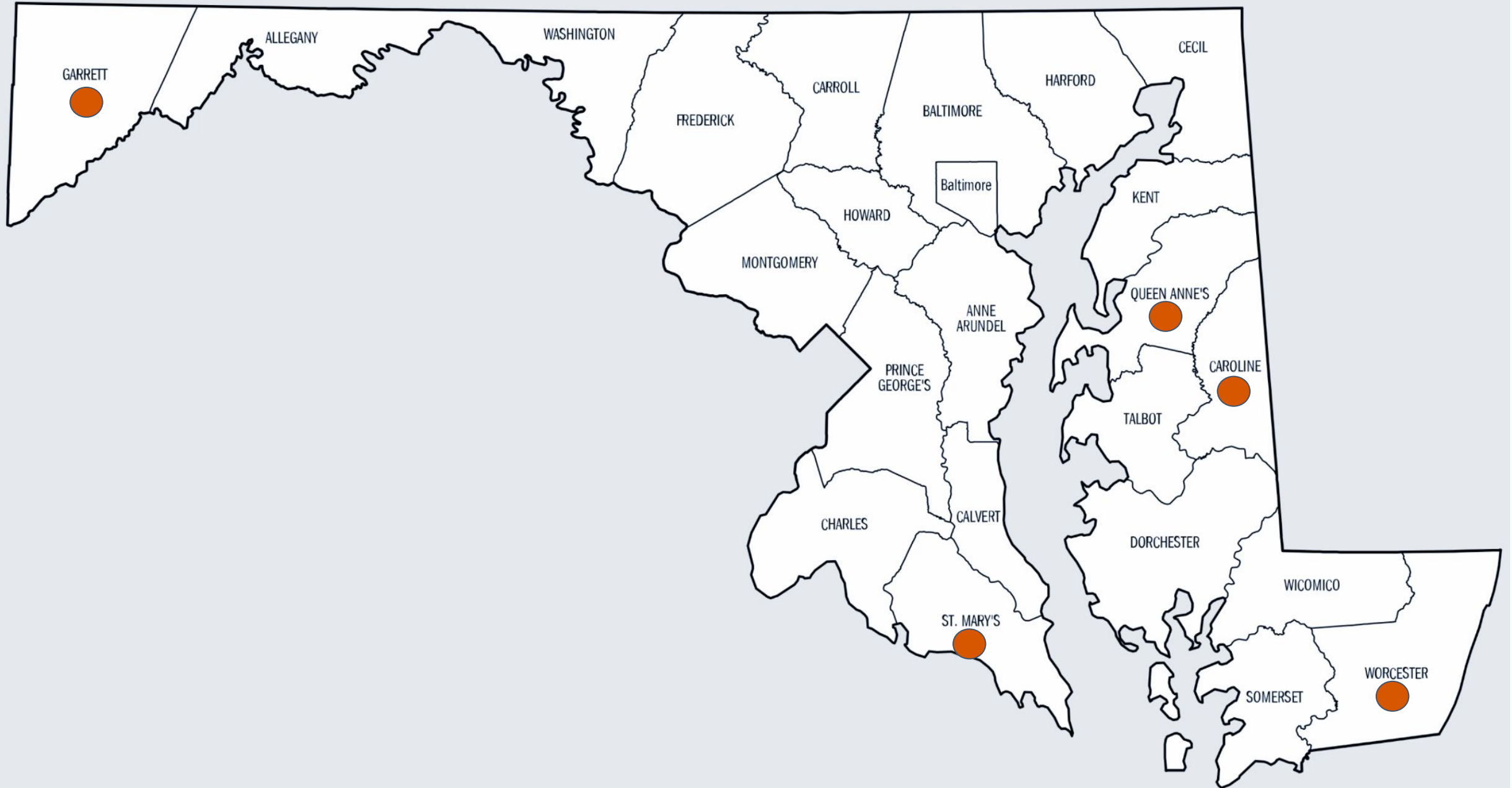
# Blueprint Funding & Requirements

- 10% teacher salary increase by June 30, 2024 (FY2024)
- \$60,000 minimum teacher salary by July 1, 2026 (FY2027)
- Career Counseling Program for Middle and High Schools Students:
  - §5–213. (c) (1) Each county board shall distribute to the local workforce development board for the county the following amount multiplied by the enrollment count in the county: (i) For fiscal year 2024, \$62
  - FY2024, 2025, 2026
  - Multiplied by *total* enrollment count in the county (over \$1M in 2024)

# \$60,000 Starting Salary by July 1, 2026

Local Education Agency	Bachelor s Degree Step 1** (Minimum)	Blueprint	Delta	% increase needed
Washington	\$56,987.00	\$60,000.00	\$3,013.00	5.29%
Howard	\$56,228.00	\$60,000.00	\$3,772.00	6.71%
Charles	\$54,508.00	\$60,000.00	\$5,492.00	10.08%
Harford	\$54,195.00	\$60,000.00	\$5,805.00	10.71%
Prince George's	\$52,961.00	\$60,000.00	\$7,039.00	13.29%
Baltimore	\$52,927.00	\$60,000.00	\$7,073.00	13.36%
Baltimore City	\$52,712.00	\$60,000.00	\$7,288.00	13.83%
Allegany	\$52,674.00	\$60,000.00	\$7,326.00	13.91%
Montgomery	\$52,286.00	\$60,000.00	\$7,714.00	14.75%
Cecil	\$51,858.00	\$60,000.00	\$8,142.00	15.70%
Frederick	\$51,780.00	\$60,000.00	\$8,220.00	15.87%
Wicomico	\$51,518.00	\$60,000.00	\$8,482.00	16.46%
Somerset	\$51,388.00	\$60,000.00	\$8,612.00	16.76%
Calvert	\$51,005.00	\$60,000.00	\$8,995.00	17.64%
Anne Arundel	\$50,247.00	\$60,000.00	\$9,753.00	19.41%
Carroll	\$50,061.00	\$60,000.00	\$9,939.00	19.85%
Dorchester	\$49,980.00	\$60,000.00	\$10,020.00	20.05%
Talbot	\$49,924.00	\$60,000.00	\$10,076.00	20.18%
Kent	\$49,766.00	\$60,000.00	\$10,234.00	20.56%
<b>St. Mary's</b>	<b>\$49,717.00</b>	<b>\$60,000.00</b>	<b>\$10,283.00</b>	<b>20.68%</b>
Worcester	\$49,707.00	\$60,000.00	\$10,293.00	20.71%
Caroline	\$48,455.00	\$60,000.00	\$11,545.00	23.83%
Queen Anne's	\$48,411.00	\$60,000.00	\$11,589.00	23.94%
Garrett	\$47,849.00	\$60,000.00	\$12,151.00	25.39%

# MARYLAND



# Budget Requirements

## Salary requirements from The Blueprint (req by 2027... over the next four years)

- EASMC & EASMC-ESP (in negotiations)
  - Every 1% salary adjustment = \$1.3m

LEA	Bachelor's Degree STEP 1** Minimum	Blueprint *req by SY 2027	DELTA	Percent increase required
SMCPS	\$49,717.99	\$60,000	\$10,283.00	20.68%

\$60,000 starting salary requires an increase of 20.6% X \$1.3M = **\$26.7M recurring by SY2027**

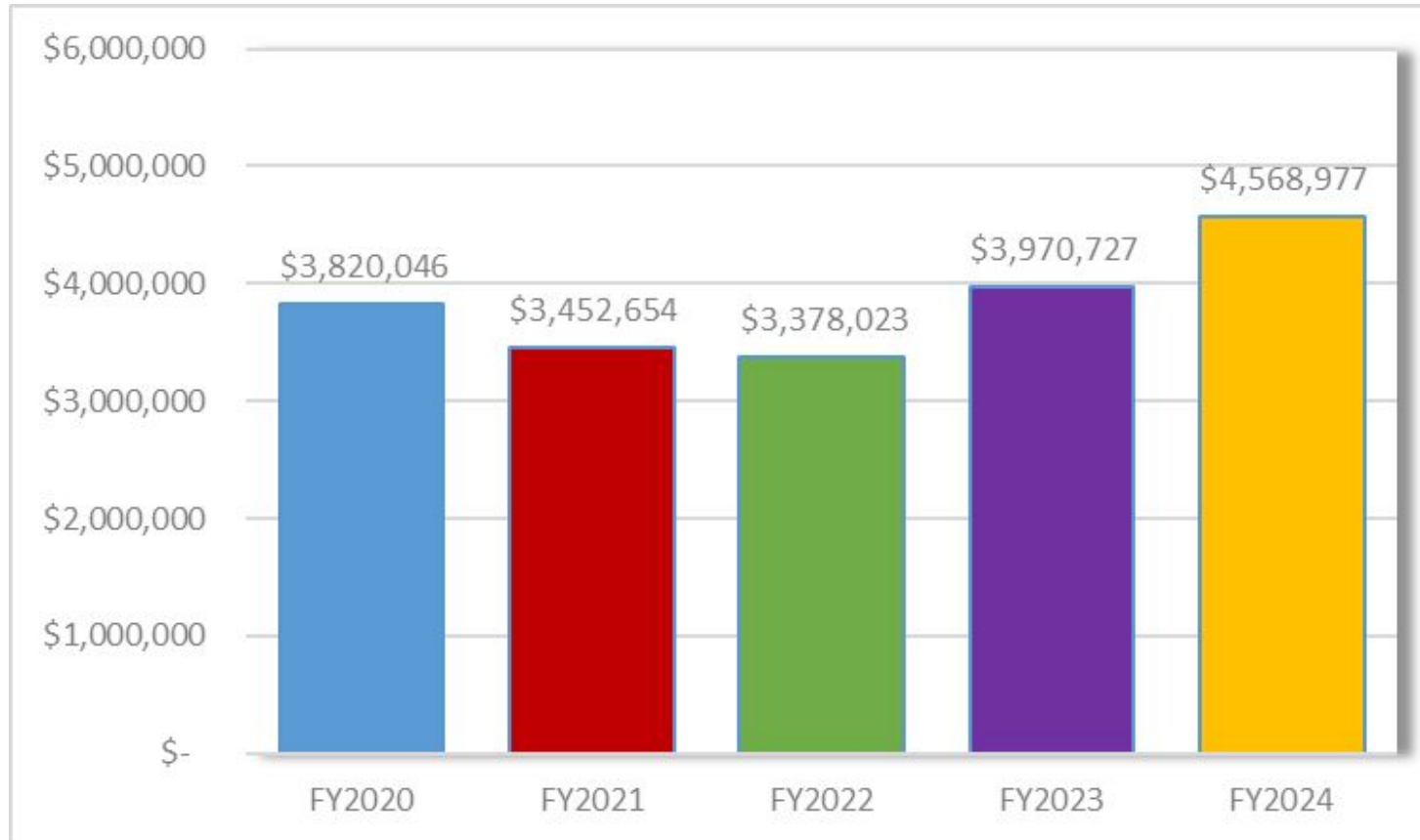
- SMASA (negotiated)
  - Step & 2% = \$800k

## Other Required Costs from The Blueprint

- Dual Enrollment (SMCPS must cover costs for all dual enrolled students - placeholder \$500,000)
- Workforce development (SMCPS must provide \$1.1M to the Tri-County Workforce Development Board)



# Administration

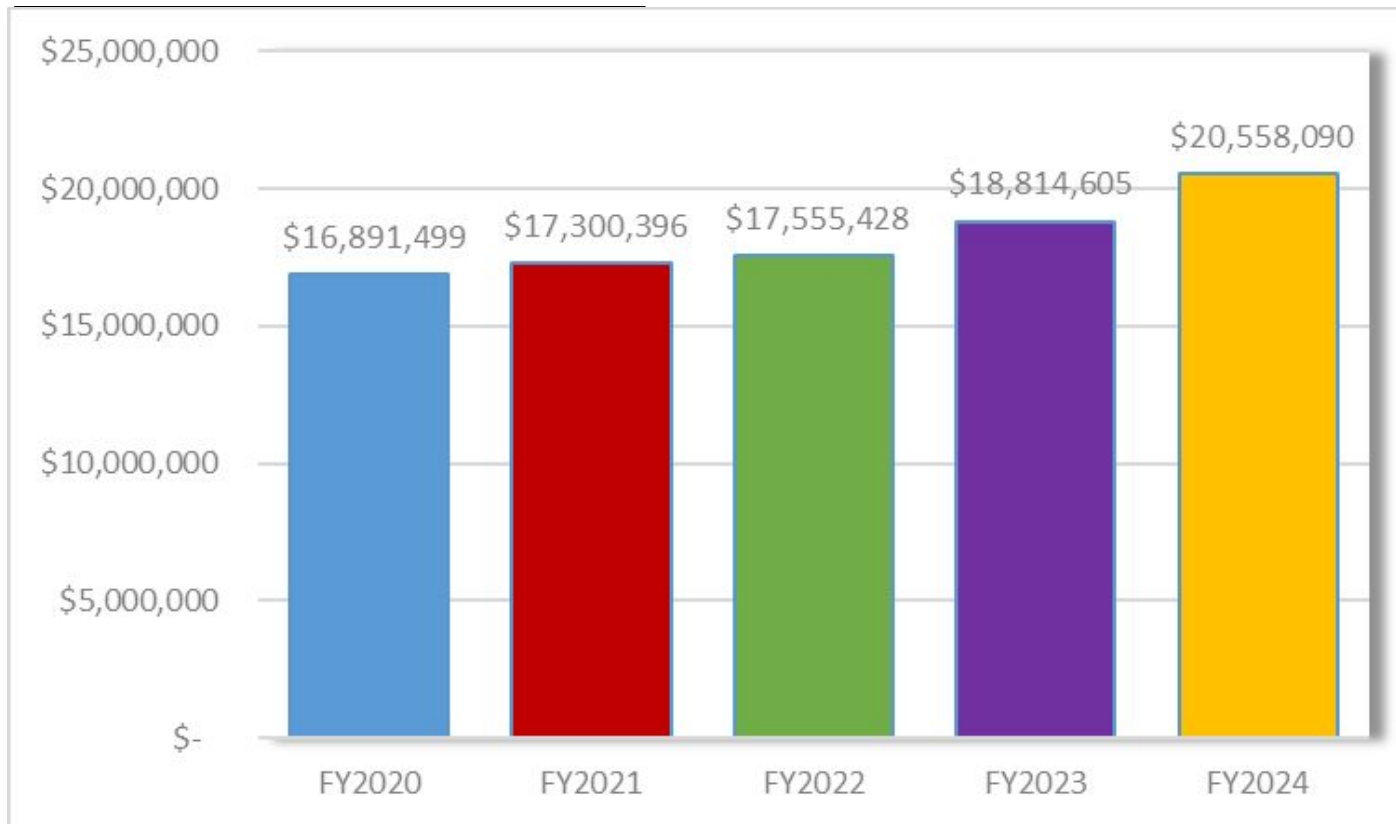


Requested Increase:  
**\$598,250** (15.1% increase)

## Highlights:

- Funding for salary increases
- Network switches and access points
- New SAF Auditor
- New Blueprint Accountant
- New Human Resources Staffing Manager

# Mid-Level Administration

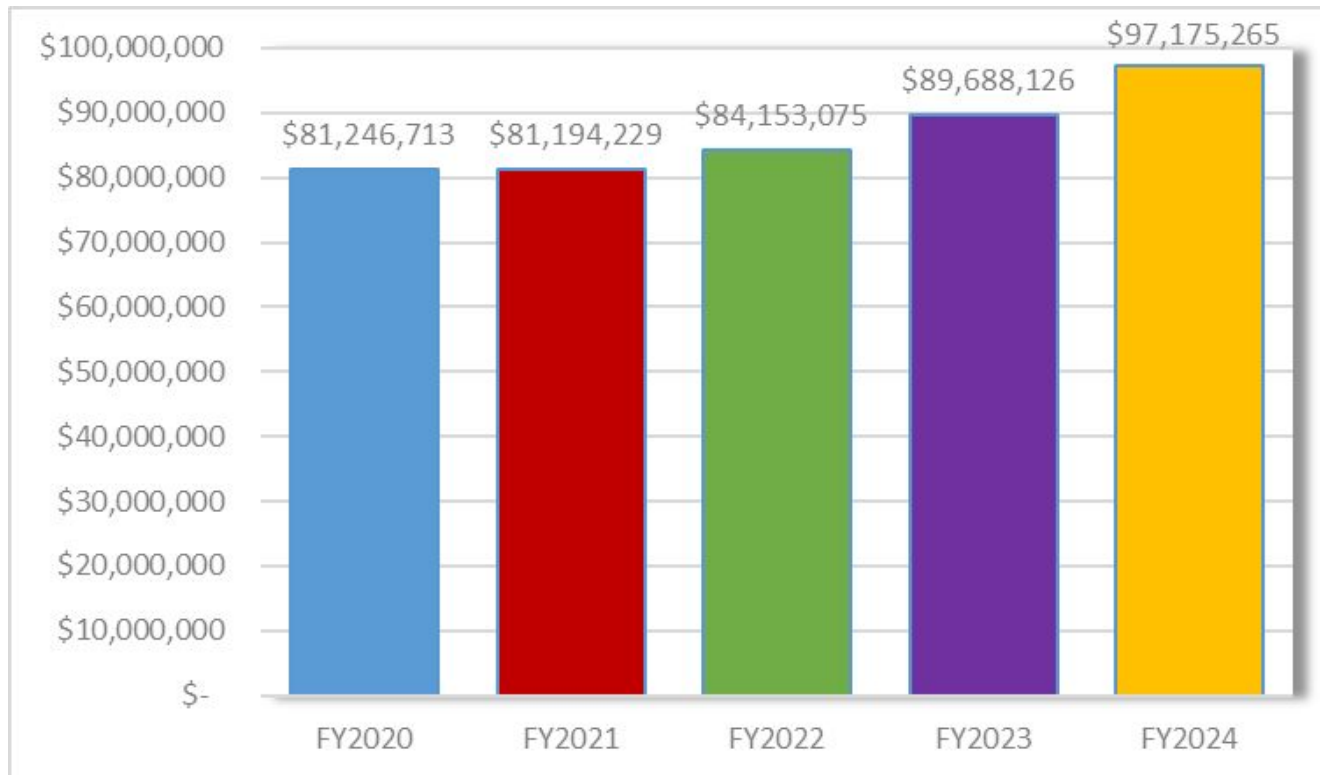


Requested Increase:  
**\$1,743,485** (9.3% increase)

## Highlights:

- Funding for salary increases
- Microsoft support for expanded service
- Data security platform enhancements
- Google Workspace for Education
- SAN Servers and Storage
- Firewall
- Mid-level Administration laptop refresh
- New CPCS Secretary
- New Programmer/Analyst

# Instructional Salaries and Wages



Requested Increase:

**\$7,487,139** (8.3% increase)

## Highlights:

- Funding for salary increases
- Reallocation of Blueprint Pre-K Expansion positions from Restricted (16)
- Reallocation of Teachers (2) from Title II
- New CPCS Guidance Counselor
- New Certified Athletic Trainers (3)
- New ESOL Teachers (3)
- New High School PE/Health Teachers (3)
- Reclassification of IRT Mentoring/Induction to 11 month
- Increase in substitute rate of pay

# Textbooks and Instructional Supplies



Requested Increase:

**\$2,614,455** (57.7% increase)

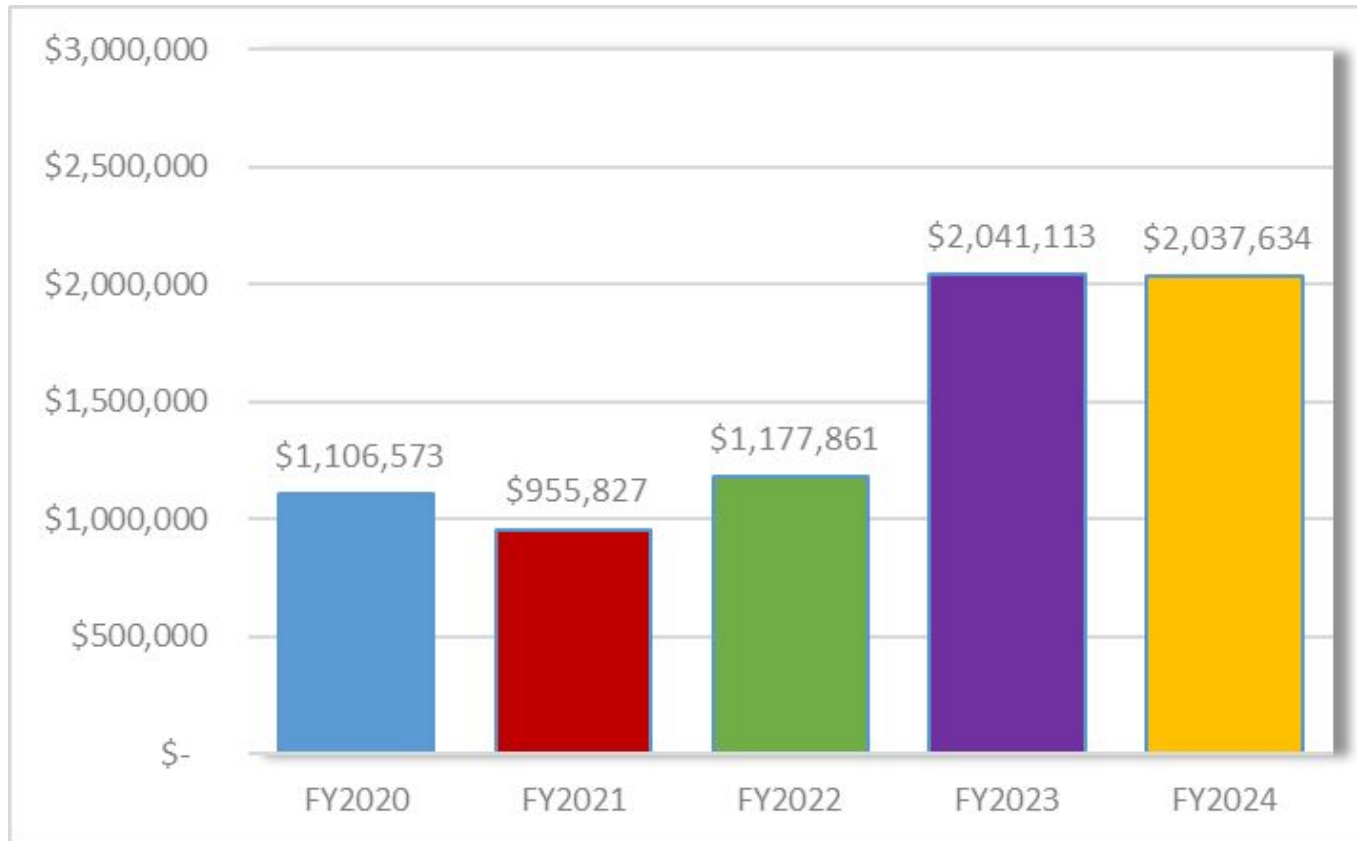
## Highlights:

- Smartpanels and technology refresh for schools
- SRMS and LPES network refresh for new PA
- Access points and switches
- Instructional software shift from grant funding
- Career and Technology instructional materials

Use of Fund Balance: \$2,000,000

- Secondary Math Textbook Adoption \$2m

# Other Instructional Costs



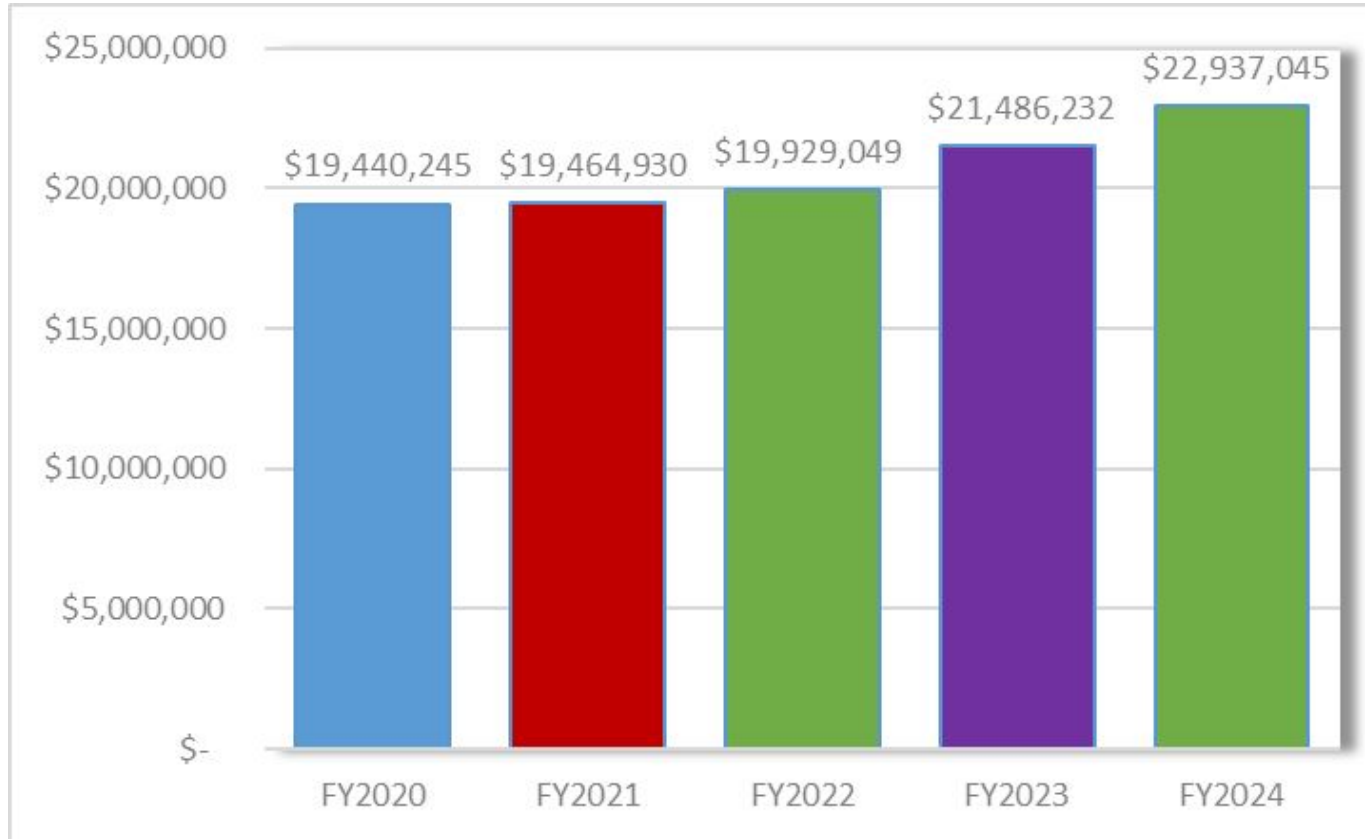
Requested Decrease:  
-**\$3,479** (-0.2% decrease)

## Highlights:

- Dual enrollment
- Overall decrease in contracted temporary hourly support, due to FY23 mid-year reallocation of staffing



# Special Education



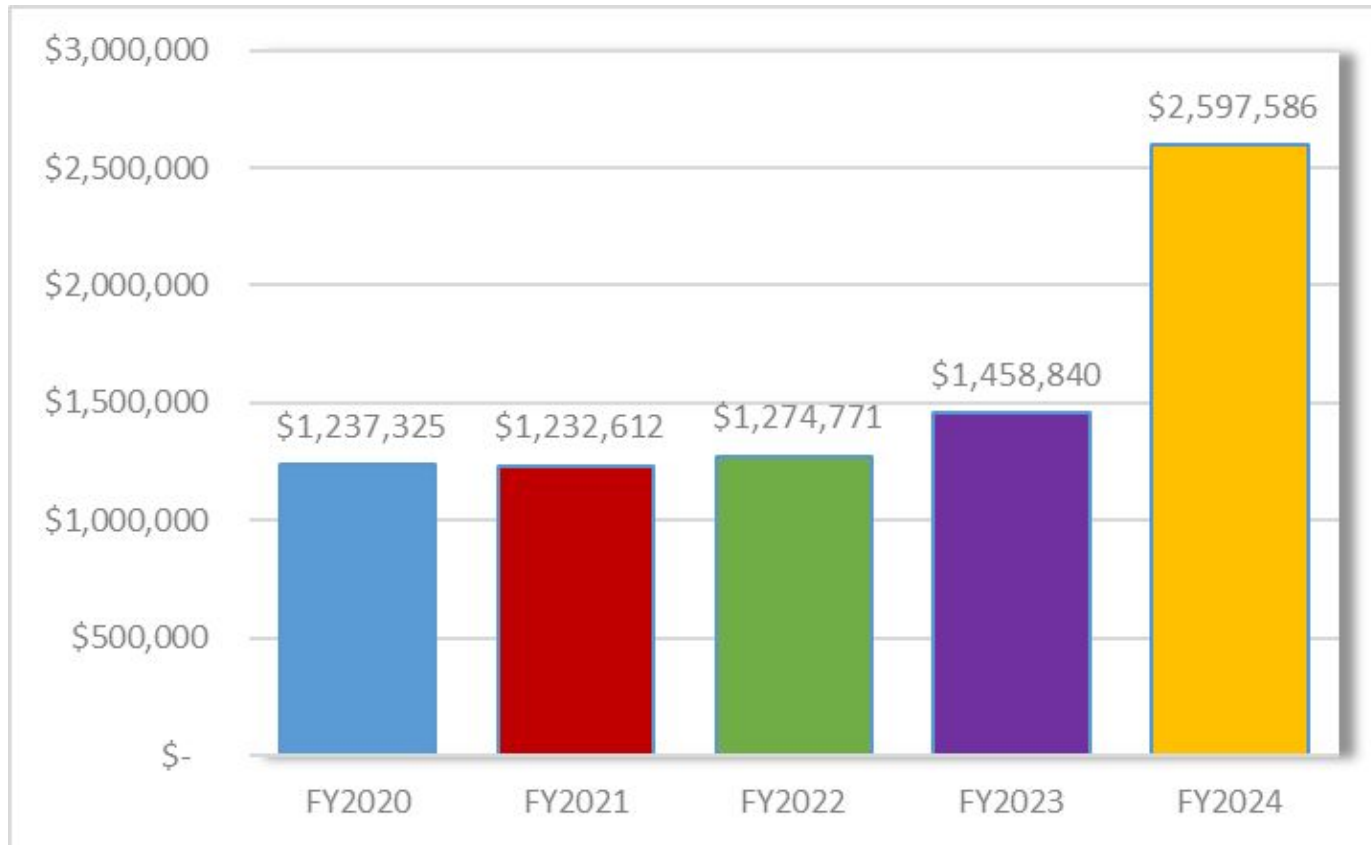
Requested Increase:

**\$1,450,813** (6.8% increase)

## Highlights:

- Funding for salary increases
- High Roads contract increase
- Non-public placements
- Reallocation of Blueprint Pre-K Expansion positions from Restricted (5)
- Reallocation of Tides program from Restricted (9)
- New Secretaries (2)

# Student Personnel Services



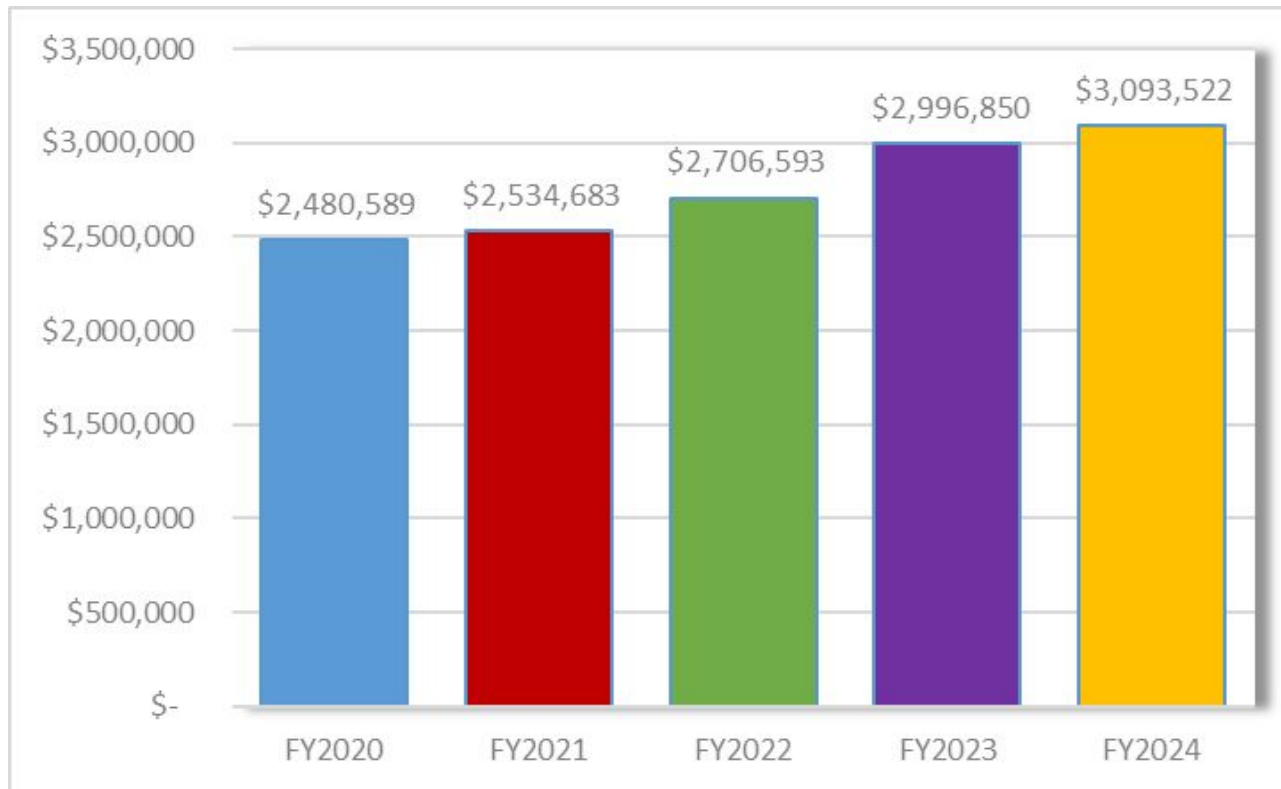
Requested Increase:

**\$1,138,746** (78.1% increase)

Highlights:

- Funding for salary increases
- Workforce development career counseling

# Student Health Services

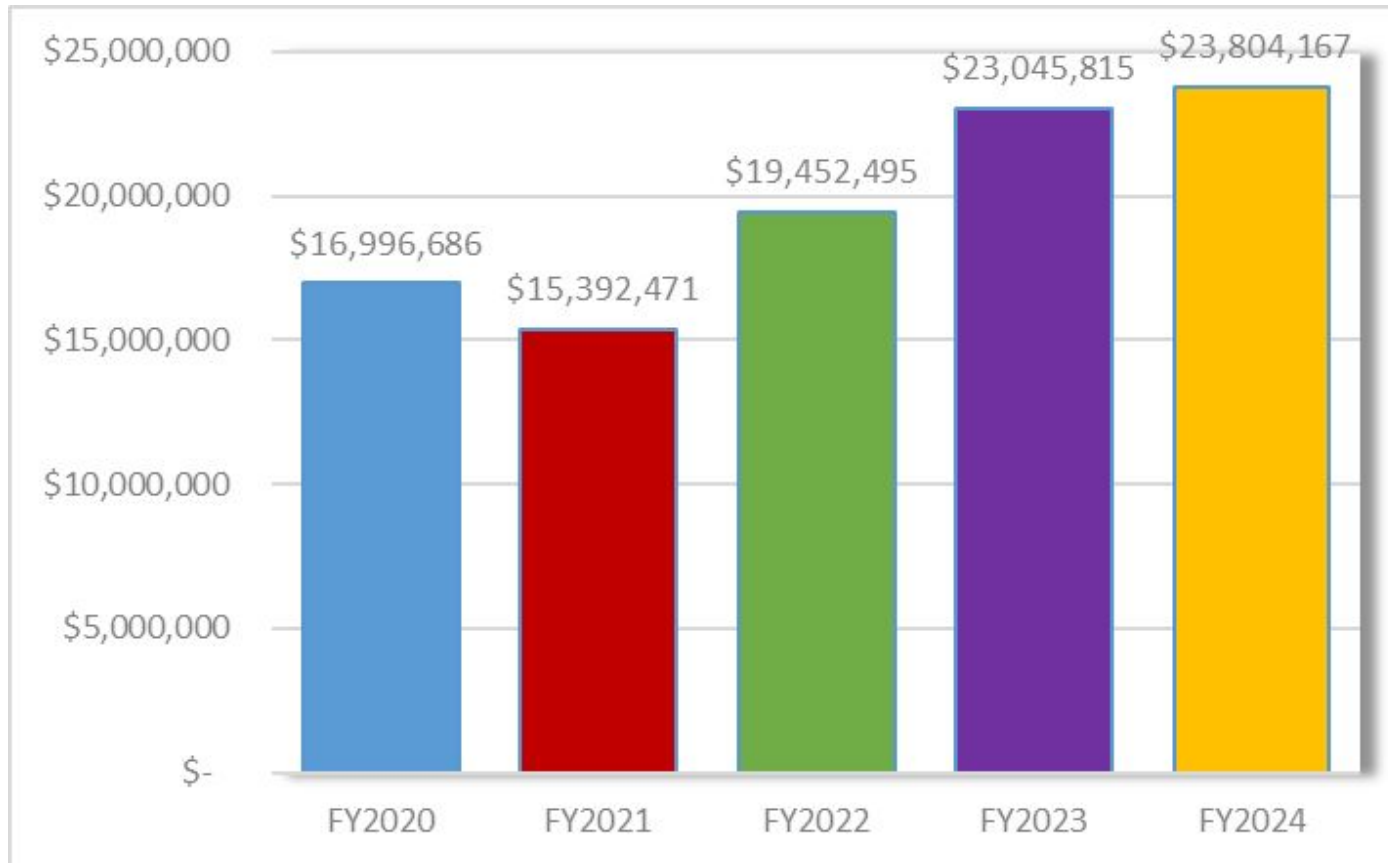


Requested Increase:  
**\$96,672** (3.2% increase)

## Highlights:

- Funding for salary increases
- Reclassification of Mental Health Coordinator

# Student Transportation

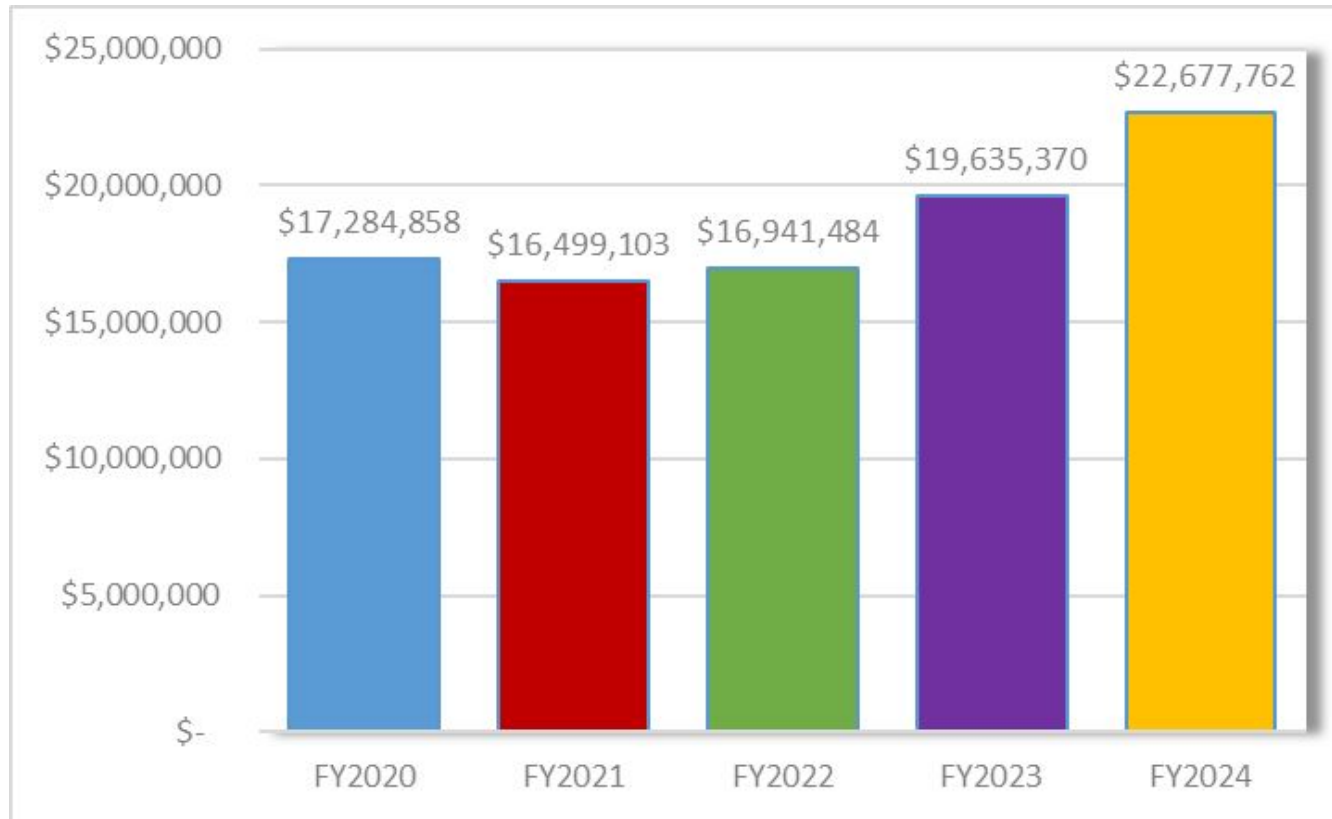


Requested Increase:  
**\$758,352** (3.3% increase)

## Highlights:

- Funding for salary increases
- Contracted bus PVA increase
- Hourly contracted driver/attendant rate increase
- Fuel rate of \$6.00/gallon
- Maintenance and operations fee increase
- Healthcare Trust contribution increase
- One replacement bus

# Operation of Plant



Requested Increase:

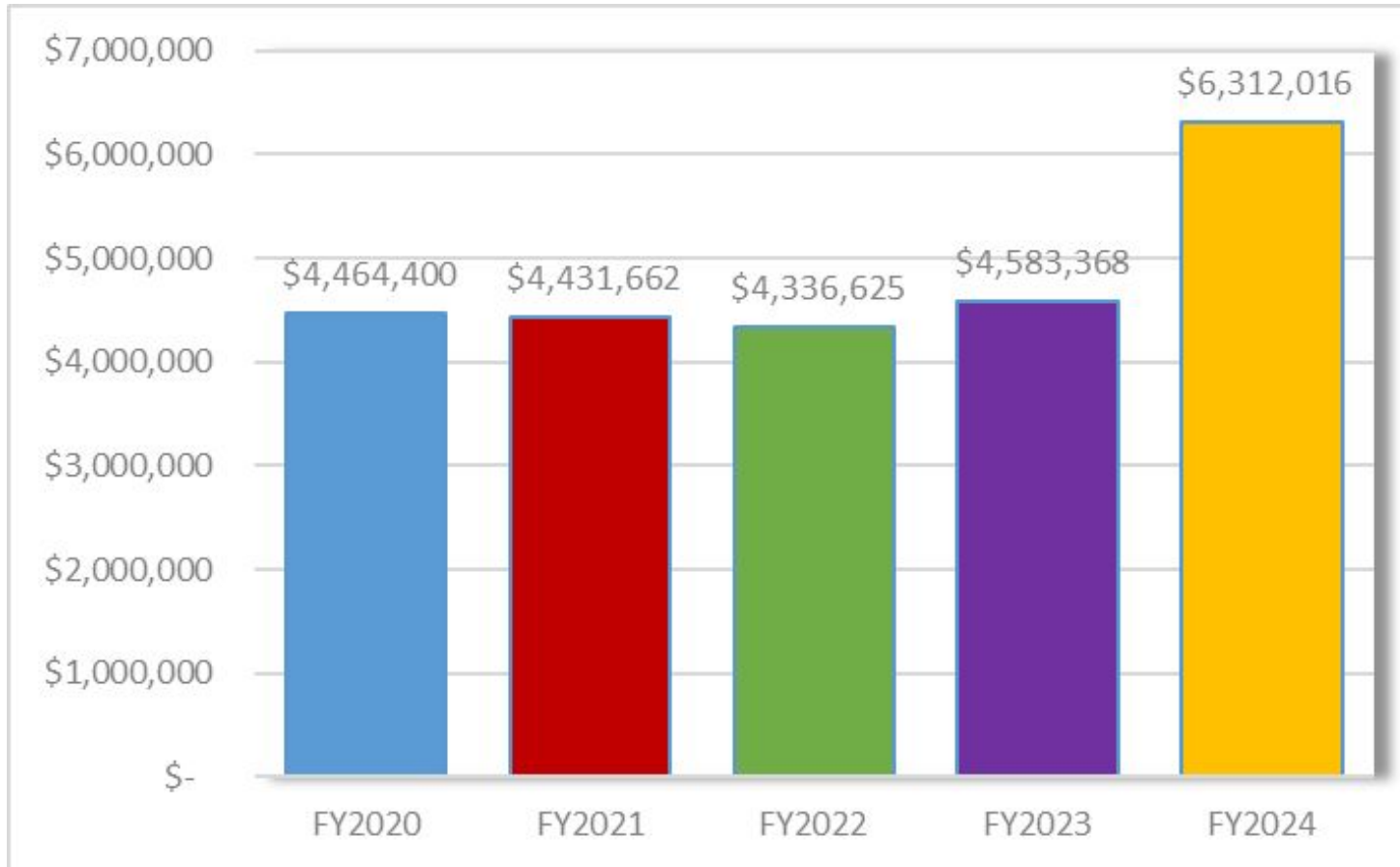
**\$3,042,392** (15.5% increase)

Highlights:

- Funding for salary increases
- New Safety and Security Assistants for elementary schools (18)
- New Computer Support Specialists (2)
- New Cyber Security Engineer
- New Building Service Workers (2)
- Reclassification of Information Technology Specialist to IT Project Coordinator
- Upgrade of video surveillance system
- Replace LMDES fire alarm system
- Contractual inflationary increases
- Utilities
- Replacement vehicles



# Maintenance of Plant



Requested Increase:

**\$1,728,648** (37.7% increase)

## Highlights:

- Funding for salary increases
- New Maintenance Team Lead (Work-Based Learning)
- Contractual inflationary increases
- JAFCTC, Moakley, and VA HVAC equipment replacement
- Contracted painting: ELMS, MBMS, EES, LPES, CHS
- Building repairs: exterior walls of WMES & VA, CHS stage floor
- Roofing maintenance: GKES, MES, OES, WMES

# Fixed Charges



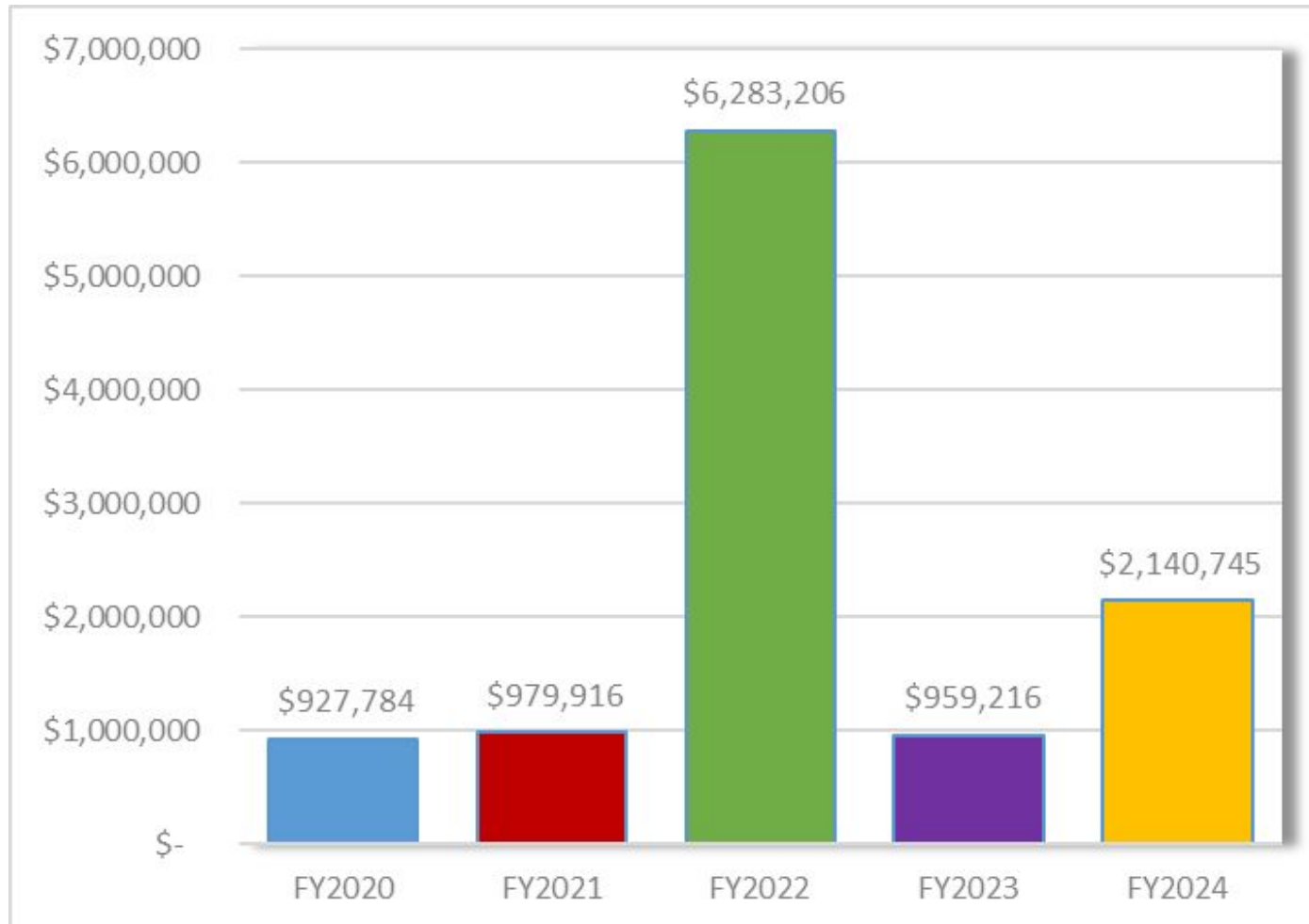
Requested Increase:

**\$4,142,179** (7.0% increase)

## Highlights:

- Social Security associated with salary increases and reallocated Blueprint funded positions
- Pension increase
- Health Insurance estimate to be received Feb/Mar, 5% estimated increase
- General liability/workers compensation insurance

# Capital Outlay



Requested Increase:  
**\$1,181,529** (123.2% increase)

Highlights:

- Funding for salary increases
- Building modifications
- Capital infrastructure and facilities management software
- OES furniture replacement

# Important Dates

- January 12 – Budget work session
- January 18 – Board of Education budget public hearing
- January 25 – Board of Education budget work session
- February 1 – Board of Education budget approval