Superintendent's Recommended Operating Budget FY 2026

Dr. J. Scott Smith
Superintendent

Ms. Tammy McCourt
Deputy Superintendent

Budget Priorities

Negotiated Agreements

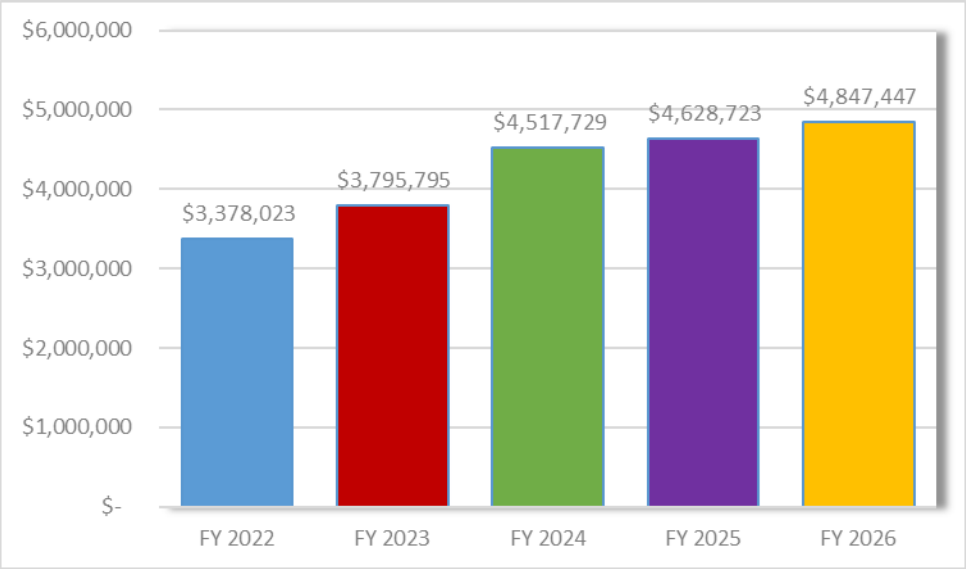
- EASMC Negotiated Agreement
  - Step, 2% COLA
- EASMC-ESP Negotiated Agreement
  - New Scale
  - Step, 1% COLA
- SMASA Negotiated Agreement
  - New Scale
  - Step, 1% COLA

- Health Insurance, Pension

Transportation

- Contracted bus driver/attendant wage increase
- Bus driver retention stipend
- Contract increases: PVA, operations, maintenance

Administration

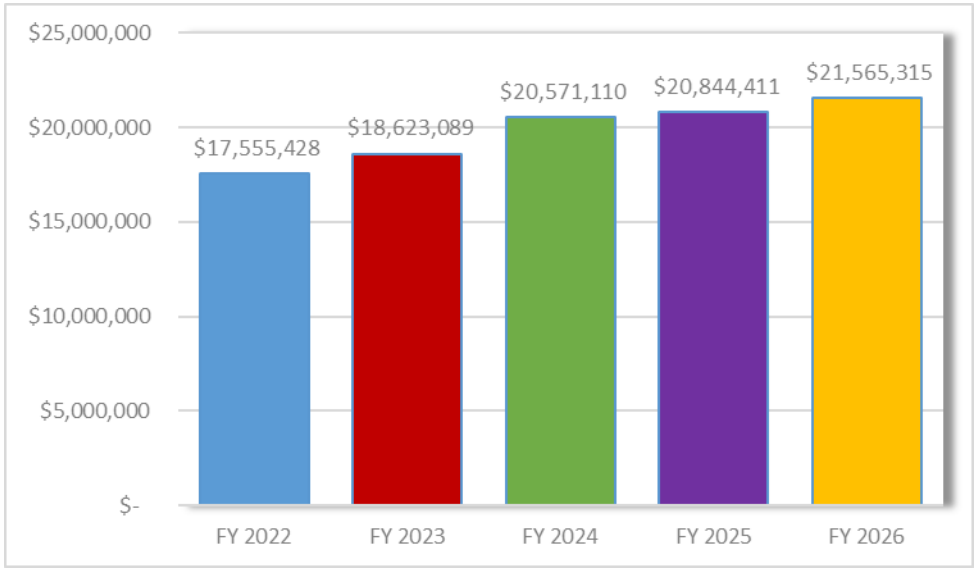


Requested Increase:
$218,724 (4.7% increase)

<u>Highlights:</u>

- Funding for negotiations
- Decrease in OPEB actuarial valuation
- Decrease DocStar host services

Mid-Level Administration

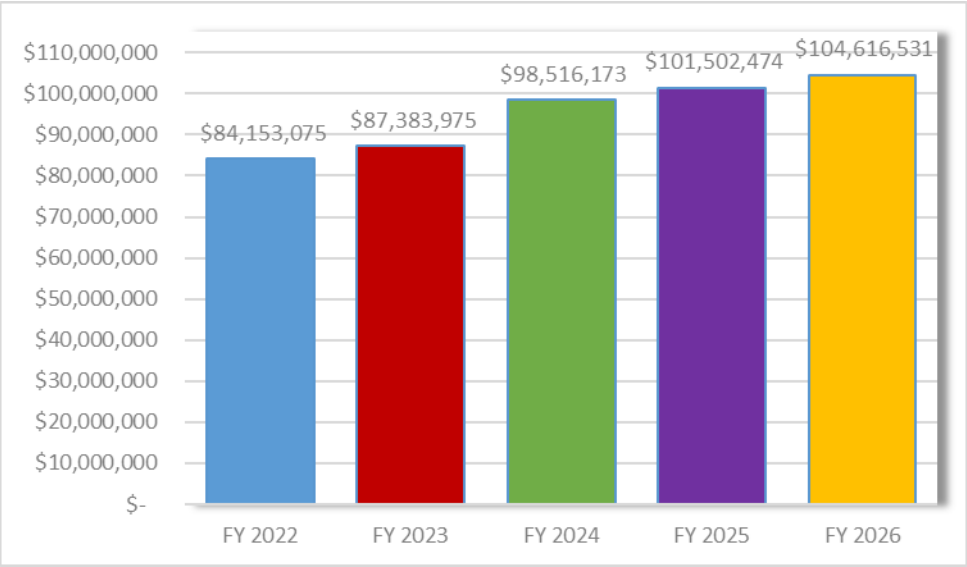


Requested Increase:
$720,904 (3.5% increase)

<u>Highlights:</u>

- Funding for negotiations
- Reduction in Information Technology communications contracts; Accountability Office dues/subscriptions, conferences

Instructional Salaries & Wages

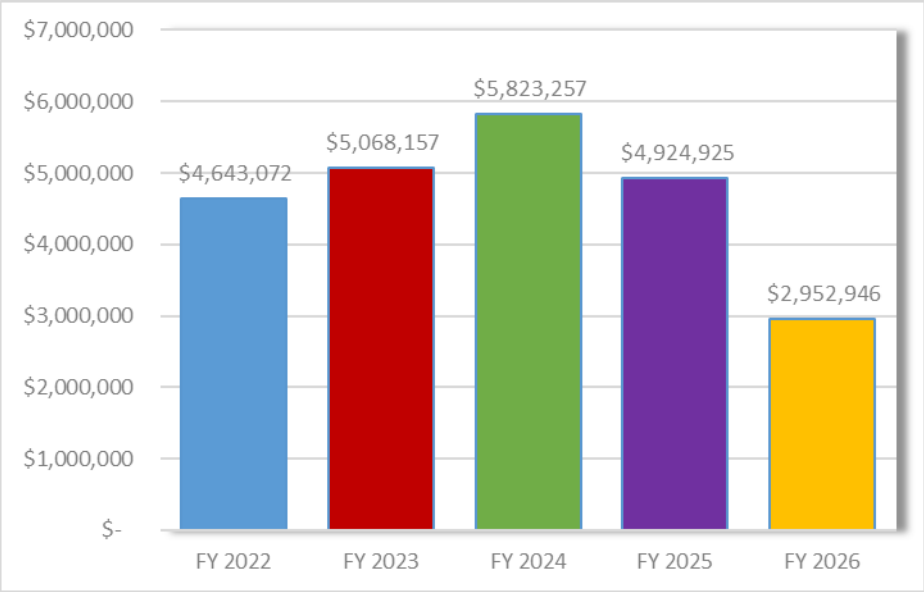


Requested Increase:
$3,114,057 (3.1% increase)

<u>Highlights:</u>

- Funding for negotiations
- Reduction of 16 positions
  - 5 reallocated to Special Education TIDES/SAIL (FY25 mid-year)
  - 1 reallocated to Health Services
- Reduction of stipends, supplemental pay, curriculum workshops

Textbooks & Instructional Supplies

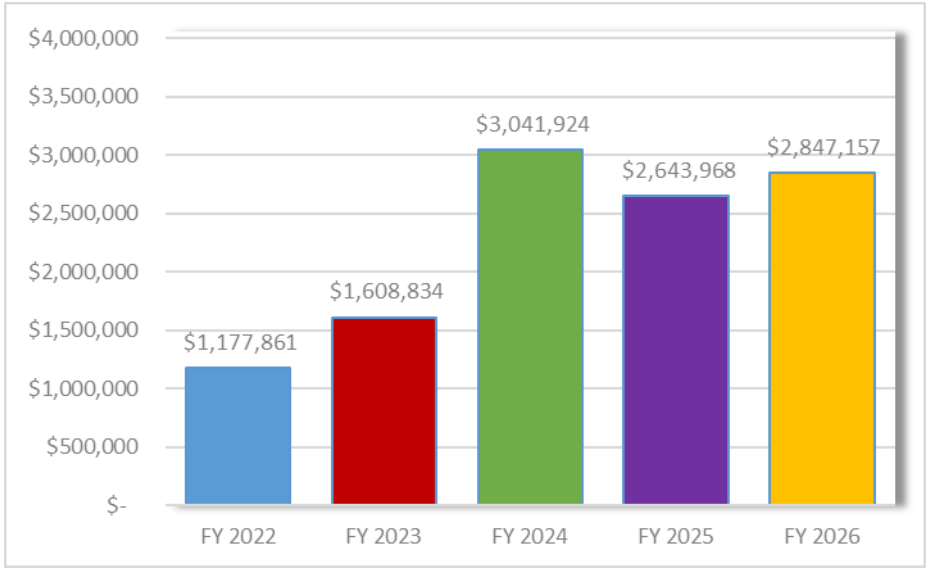


Requested Decrease:
-$1,971,979 (40% decrease)

Highlights:

- No allocation of fund balance for textbook adoptions

Other Instructional Costs

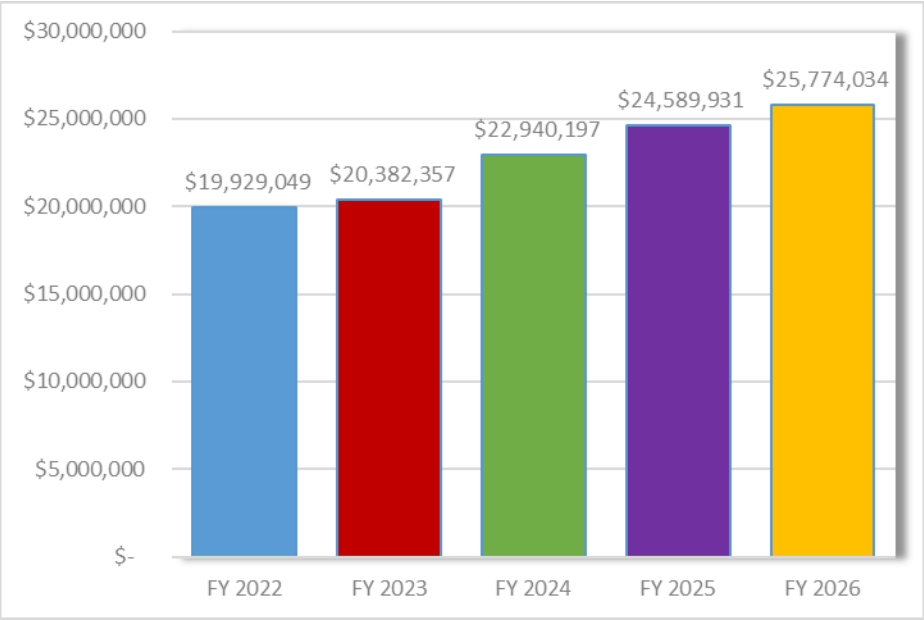


Requested Increase:
$203,189 (7.7% increase)

Highlights:

- Contracted athletic trainer rate increase
- Use of Blueprint - Workforce Development fund balance to support SchoolLink's college and career software
- Reduction in contracted temp agency, conferences, training, dues/subscriptions

Special Education

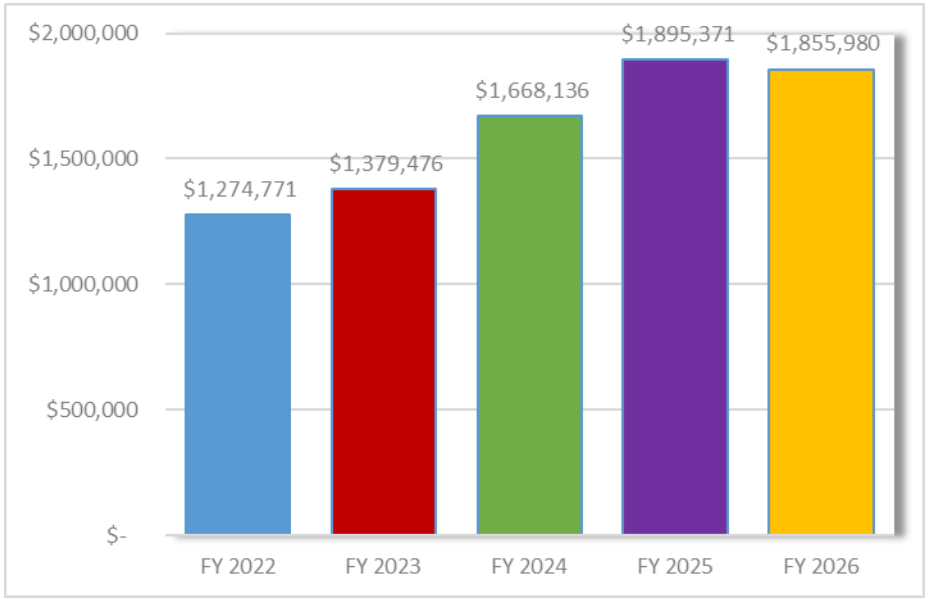


Requested Increase:
$1,184,103 (4.8% increase)

<u>Highlights:</u>

- Funding for negotiations
- FY25 mid-year reallocation of positions from Instructional Salaries category to TIDES/SAIL

Student Personnel Services

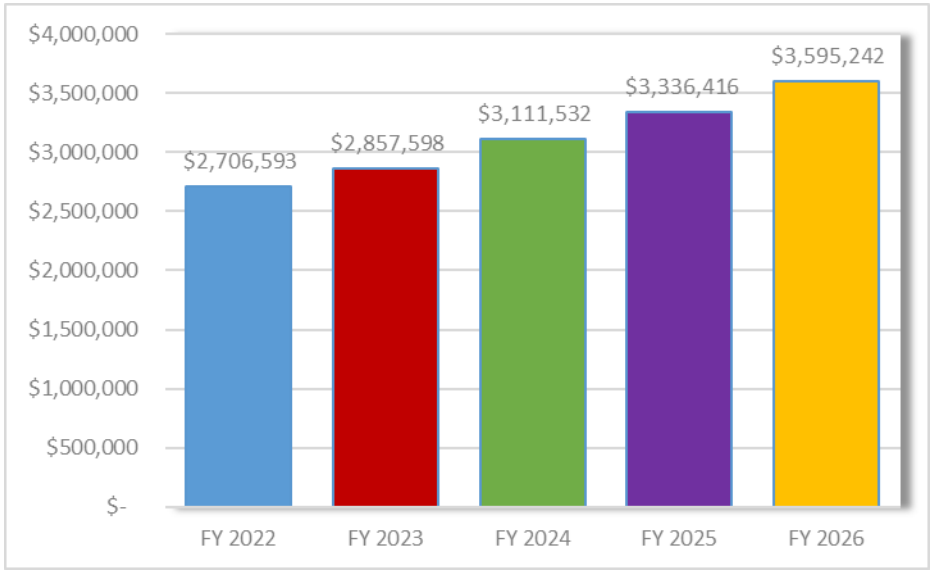


Requested Decrease:
-$39,391 (2.1% decrease)

<u>Highlights:</u>

- Funding for negotiations
- Reduction in computer software, covered by Blueprint – Workforce Development

Student Health Services

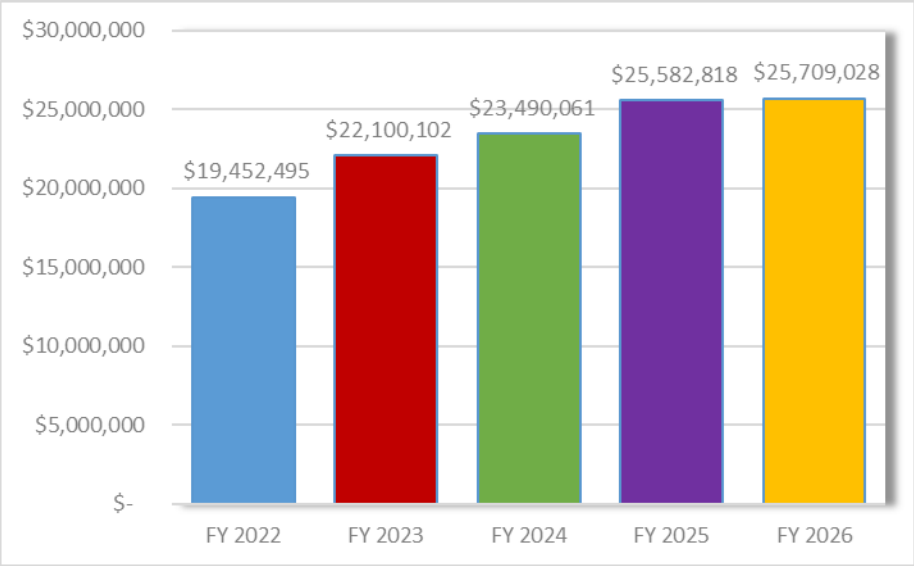


Requested Increase:
$258,826 (7.8% increase)

<u>Highlights:</u>

- Funding for negotiations
- Reallocation from Instructional Salaries category for 1 Nurse position
- Epi pens, AED battery replacement

Student Transportation

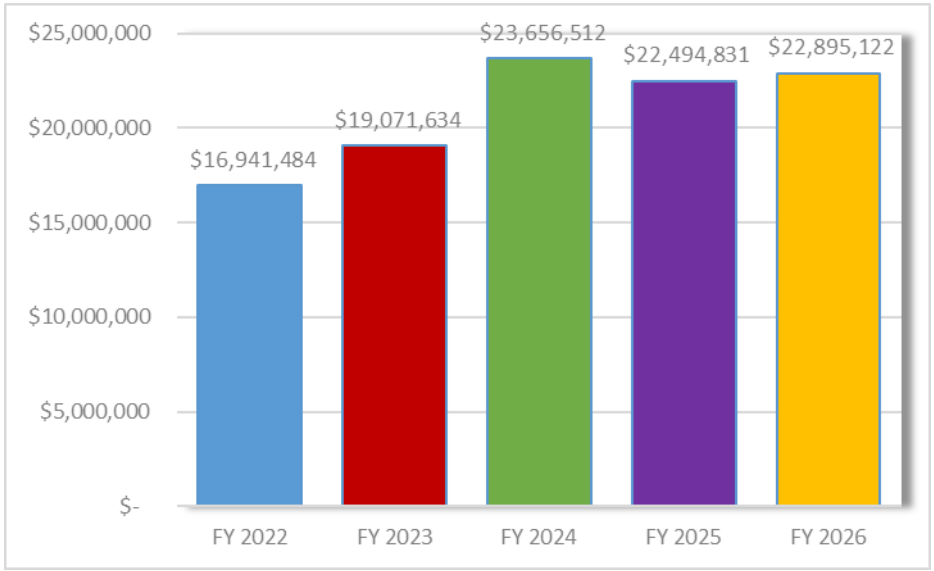


Requested Increase:
$126,210 (0.5% increase)

Highlights:

- Funding for negotiations
- Hourly contracted driver/attendant rate increase
- Maintenance fee increase
- Healthcare Trust contribution increase
- Contracted bus PVA increase
- Use of fund balance to support continuation of the contracted bus driver retention stipend
- Reduction in fuel rate

Operation of Plant

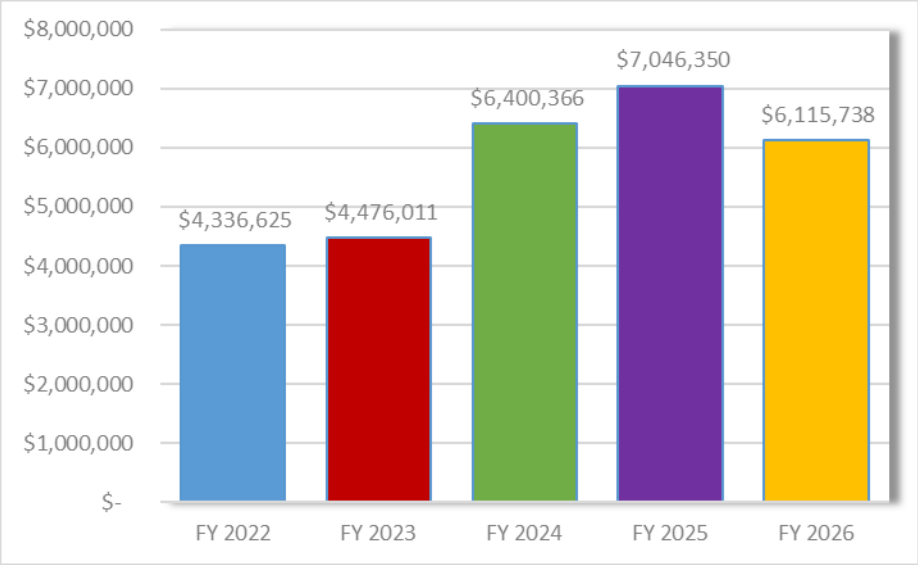


Requested Increase:
$400,291 (1.8% increase)

<u>Highlights:</u>

- Funding for negotiations
- No vehicle replacements
- 3 year AHERA inspections
- Print shop copier lease renewal
- Property insurance
- Additional security camera licenses
- Intrusion alarm repairs, elevator and lift inspections, fire alarm maintenance/inspections, sprinkler inspections/tests
- Reduction in utilities

Maintenance of Plant

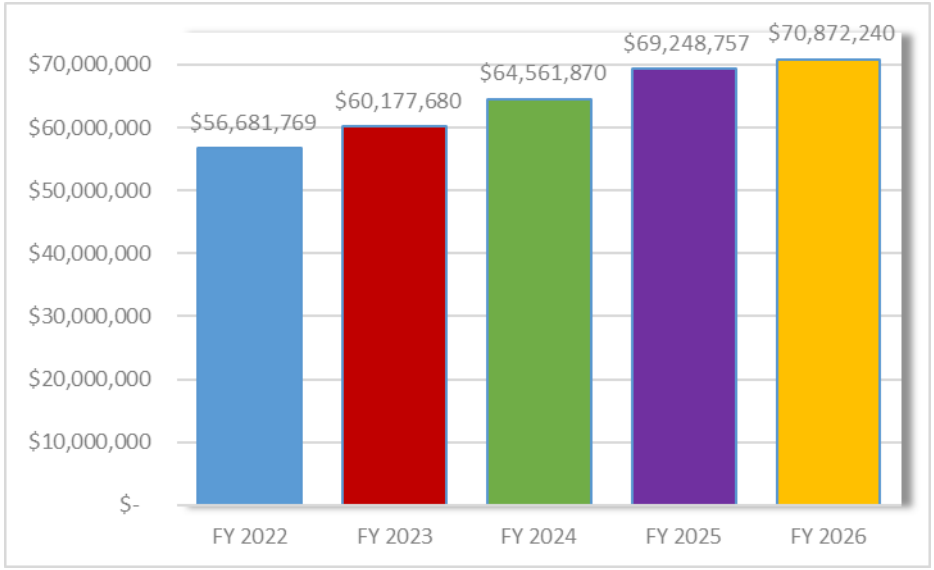


Requested decrease:
-$930,612 (13.2% decrease)

Highlights:

- Funding for negotiations
- No allocation of fund balance (FY25 allocation for building management system)
- Reduction of consultant services

Fixed Charges

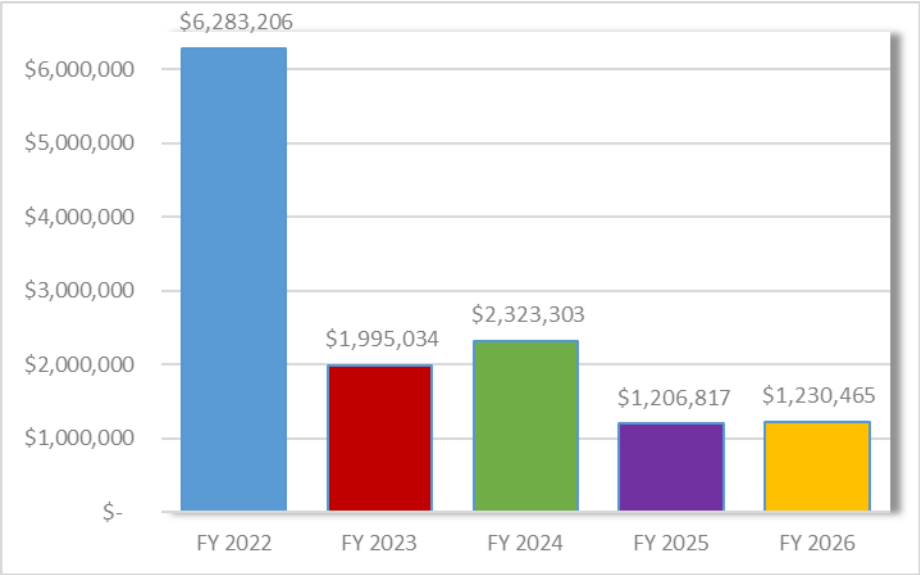


Requested Increase:
$1,623,483 (2.3% increase)

Highlights:

- Social Security associated with negotiations
- Pension increase
- Health Insurance minimal increase of 5% projected
- General liability/workers compensation insurance
- Reduction in OPEB contribution

Capital Outlay



Requested Increase:
$23,648 (2% increase)

Highlights:

- Funding for negotiations
- Reduction of part-time support

Unrestricted Fund Positions (Reductions to Reflect Declining Enrollment)

	FY 2025 Adopted Budget	FY 2026 Recommended Budget
Summary of Positions by Category		
Administration	35.20	35.20
Mid-Level Administration	187.06	187.06
Instructional Salaries & Wages	1,234.24	1,218.24
Textbooks and Instructional Supplies	0.00	0.00
Other Instructional Costs	0.00	0.00
Special Education	307.07	312.07
Student Services	16.60	16.60
Health Services	38.00	39.00
Student Transporation	25.00	25.00
Operation of Plant	204.40	204.40
Maintenance of Plant	39.85	39.85
Fixed Charges	0.00	0.00
Food Services	0.00	0.00
Capital Outlay	8.60	8.60
Total Current Expense Fund	2,096.02	2,086.02

Anticipated recurring savings of $700,000

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Unrestricted Fund Revenue Budget (Recurring based on Enrollment)

- Projected State Revenue
  - Declining enrollment
  - Decrease in FARMS applicants
  - Decrease in allocation for:
    - Transitional Supplemental Instruction
    - Blueprint Transition grant

  Compounded by:
  - Increasing county wealth

	Enrollment	Change	3 year rolling average	Change
9/30/2021	16,714.00			
9/30/2022	16,853.25	139.25		
9/30/2023 *	16,699.00	-154.25	16,755.42	
9/30/2024	16,370.00	-329.00	16,640.75	(114.67)

*Includes 1 student for the Seed School

Unrestricted Fund Revenue Budget (Recurring)

	FY 2025 Adopted Budget	FY 2026 Recommended Budget	$ Change
Summary of Revenues - Recurring			
Local	$134,369,907	$139,744,703	$5,374,796
State	143,386,981	147,717,410	4,330,429
Federal	2,687,000	2,706,000	19,000
Other	2,405,000	3,119,700	714,700
Total Unrestricted Fund Revenues - Recurring	**$282,848,888**	**$293,287,813**	**$10,438,925**

4%

Unrestricted Fund Revenue Budget (Non-Recurring)

	FY 2025 Adopted Budget	FY 2026 Recommended Budget	$ Change
Summary of Revenues - Nonrecurring			
SMCPS Fund Balance	6,584,280	1,452,231	(5,132,049)
SMCPS Fund Balance - CPCS	512,624	137,201	(375,423)
Total Unrestricted Fund Revenues - Nonrecurring	**$7,096,904**	**$1,589,432**	**($5,507,472)**

Unrestricted Fund Revenue Budget

	FY 2025 Adopted Budget	FY 2026 Recommended Budget	$ Change
Summary of Revenues - Recurring			
Local	$134,369,907	$139,744,703	$5,374,796
State	143,386,981	147,717,410	4,330,429
Federal	2,687,000	2,706,000	19,000
Other	2,405,000	3,119,700	714,700
Subtotal Unrestricted Fund Revenues - Recurring	**$282,848,888**	**$293,287,813**	**$10,438,925**
Summary of Revenues - Nonrecurring			
SMCPS Fund Balance	6,584,280	1,452,231	(5,132,049)
SMCPS Fund Balance - CPCS	512,624	137,201	(375,423)
Subtotal Unrestricted Fund Revenues - Nonrecurring	**$7,096,904**	**$1,589,432**	**($5,507,472)**
Total Unrestricted Fund Revenues	**$289,945,792**	**$294,877,245**	**$4,931,453**

1.7%

Unrestricted Fund Expenditure Budget (Recurring and Non-Recurring)

	FY 2025 Adopted Budget	FY 2026 Recommended Budget	$ Change
Summary of Expenditures by Category			
Administration	$4,628,723	$4,847,447	$218,724
Mid-Level Administration	20,844,411	21,565,315	720,904
Instructional Salaries & Wages	101,502,474	104,616,531	3,114,057
Textbooks and Instructional Supplies	4,924,925	2,952,946	(1,971,979)
Other Instructional Costs	2,643,968	2,847,157	203,189
Special Education	24,589,931	25,774,034	1,184,103
Student Personnel Services	1,895,371	1,855,980	(39,391)
Student Health Services	3,336,416	3,595,242	258,826
Student Transportation	25,582,818	25,709,028	126,210
Operation of Plant	22,494,831	22,895,122	400,291
Maintenance of Plant	7,046,350	6,115,738	(930,612)
Fixed Charges	69,248,757	70,872,240	1,623,483
Capital Outlay	1,206,817	1,230,465	23,648
Total Current Expense Fund	**$289,945,792**	**$294,877,245**	**$4,931,453**

1.7%

Important Dates

Date	Description of Activity
January 9, 2025	Superintendent's 2026 Proposed Budget presented to BOE
January 15, 2025	Board of Education 2026 Budget Work Session
January 22, 2025	2026 Proposed Budget Public Hearing
February 5, 2025	Board of Education approval of recommended budget for submission to the Commissioners of St. Mary's County.
April 22, 2025	Commissioners of St. Mary's County Public Hearing on Recommended Budget (including the Board of Education recommended budget), 6:30 p.m. at Leonardtown High School.
May 20, 2025	Commissioners of St. Mary's County provide final direction on their operating budget.
May 21, 2025	Board of Education adopts final FY 2026 operating budget.

Date	Description of Activity
January 8, 2025	Legislative Session starts
January 15, 2025	Governor's FY 2026 budget is released