

Superintendent's Recommended Operating Budget FY 2027

Dr. J. Scott Smith
Superintendent

January 14, 2026

Ms. Tammy McCourt
Deputy Superintendent



Budget Priorities

Negotiated Agreements (includes Payroll Tax)

- Steps = \$4.7m
- 2% COLA = \$3.5m
- National Board Certification \$.3m
- Health Insurance, Pension



\$8.5M

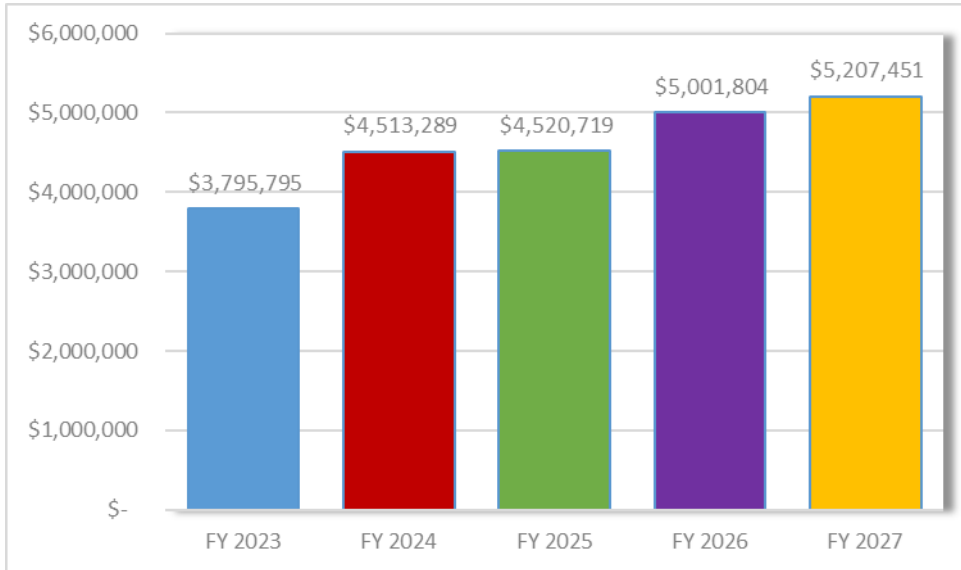
(for 2,300 SMCPs employees)

Transportation

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



Administration



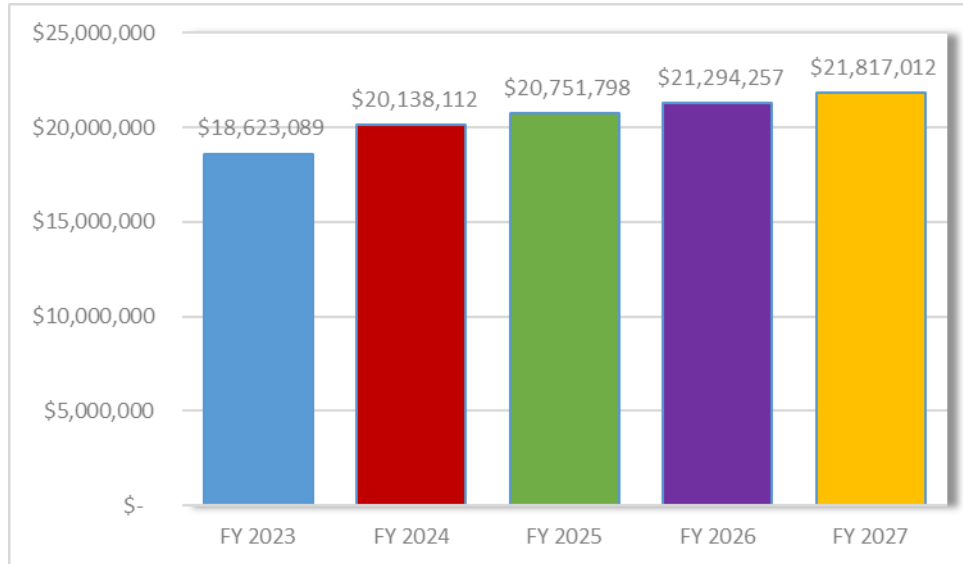
Requested Increase:
\$205,647 (4.1% increase)

Highlights:

- Funding for negotiations
- Decrease in attorney fees
- Increase in OPEB actuarial valuation
- Added 457 financial advisory services
- Decrease in banking fees
- Technology hardware for enhanced network redundancy
- Reclassification of Human Resource Coordinator



Mid-Level Administration



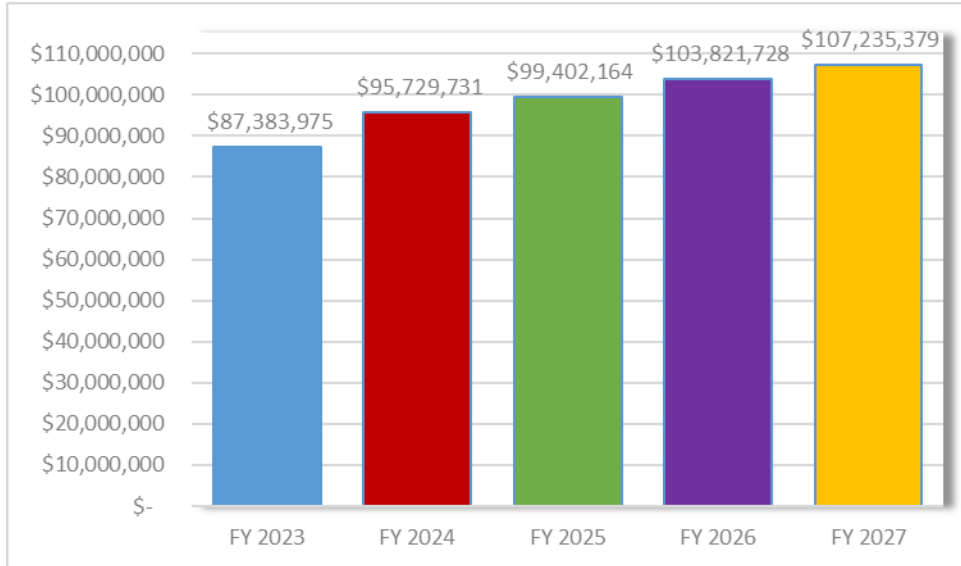
Requested Increase:
\$522,755 (2.5% increase)

Highlights:

- Funding for negotiations
- Reduction in Information Technology communications contracts – assuming work internally
- Removed contracted temp support in DAR
- eRate support of software/hardware maintenance and decommissioning of select virtual desktop infrastructure



Instructional Salaries & Wages



Requested Increase:

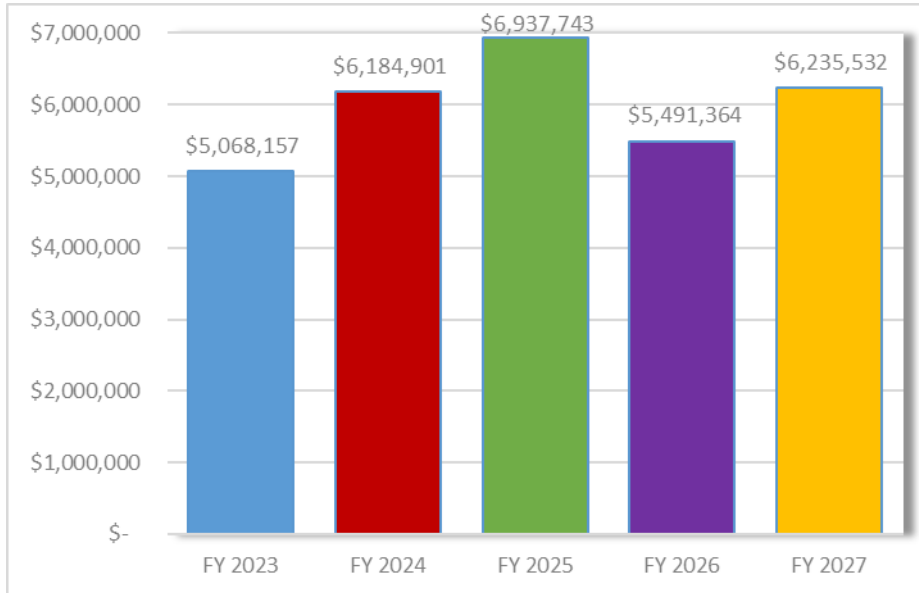
\$3,413,651 (3.3% increase)

Highlights:

- Funding for negotiations
- Add 3 Athletic Trainers
- Reduction of positions
 - 6.5 Teachers due to enrollment decline
 - 4 Paraeducators due to enrollment decline
 - 1 reallocated to Concentration of Poverty
 - 2.5 FY26 mid-year reductions/reallocation to Special Education



Textbooks & Instructional Supplies



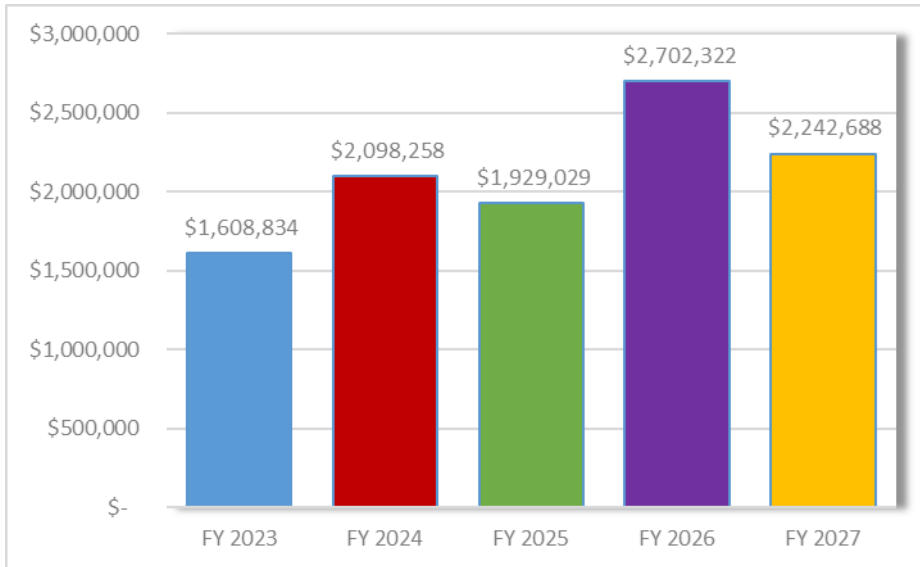
Requested Increase:
\$744,168 (13.6% increase)

Highlights:

- Social studies textbooks
- Workforce development materials
- CTE computer software and hardware for students
- Numeracy screener
- Technology refresh – use of fund balance



Other Instructional Costs



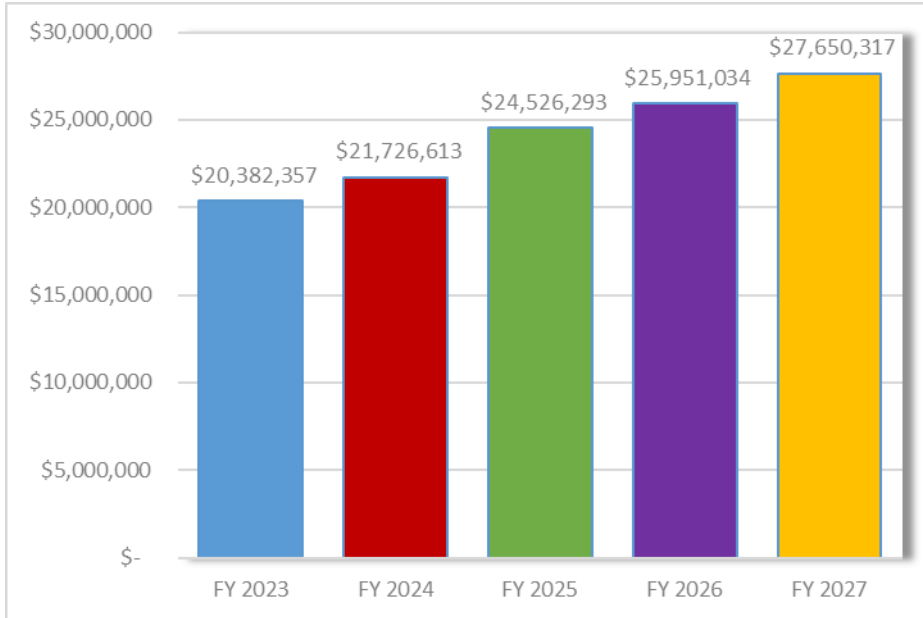
Requested Decrease:
-\$459,634 (17% decrease)

Highlights:

- Decrease literacy interventionists due to discontinuation of Blueprint Transitional Supplemental Instruction funding
- Remove contracted athletic trainers
- Reduction in Workforce Development – Tri County Council



Special Education



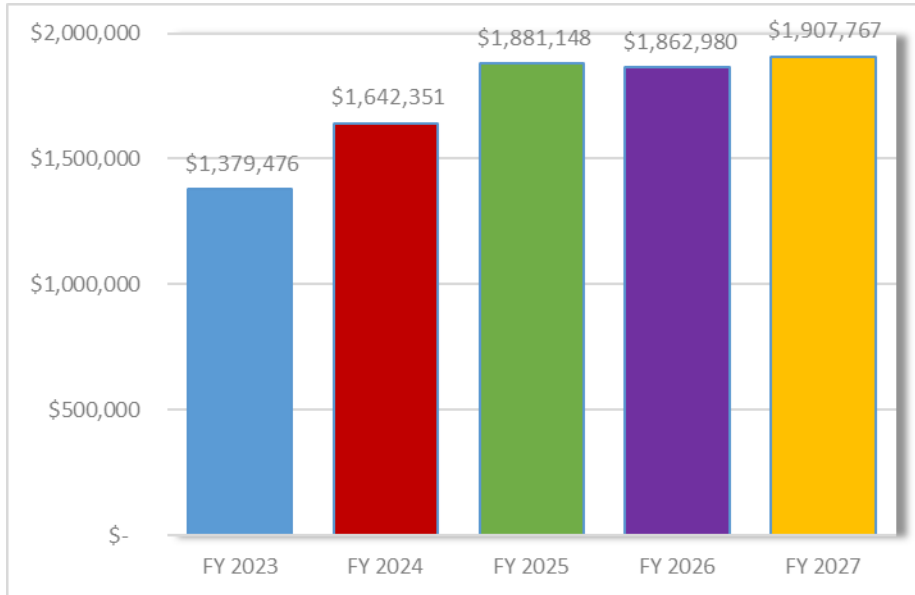
Requested Increase:
\$1,699,283 (6.5% increase)

Highlights:

- Funding for negotiations
- FY26 mid-year reallocation of positions from Instructional Salaries category
- Add 2 Paraeducator positions
- Reallocate Program Coordinator from CCEIS grant
- Non-public education placements



Student Personnel Services



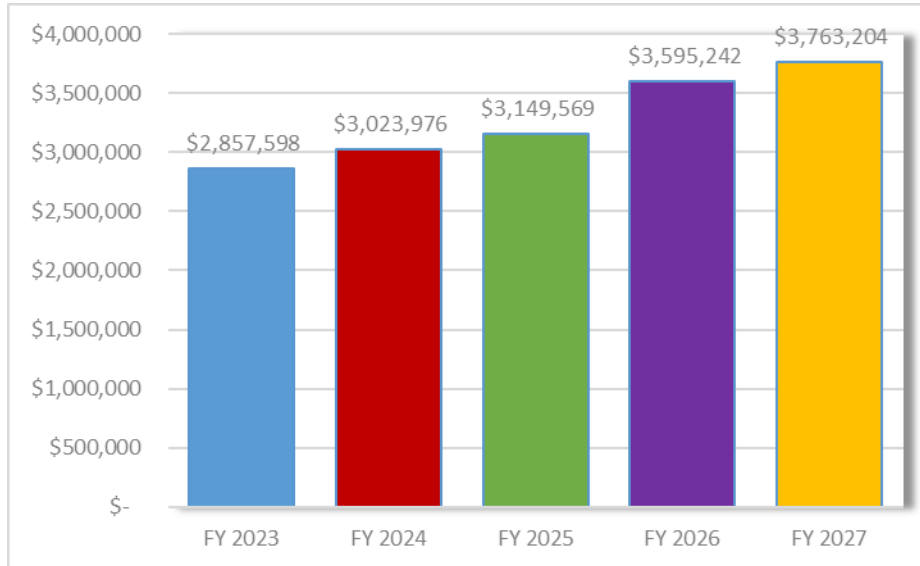
Requested Increase:
\$44,787 (2.4% increase)

Highlights:

- Funding for negotiations



Student Health Services



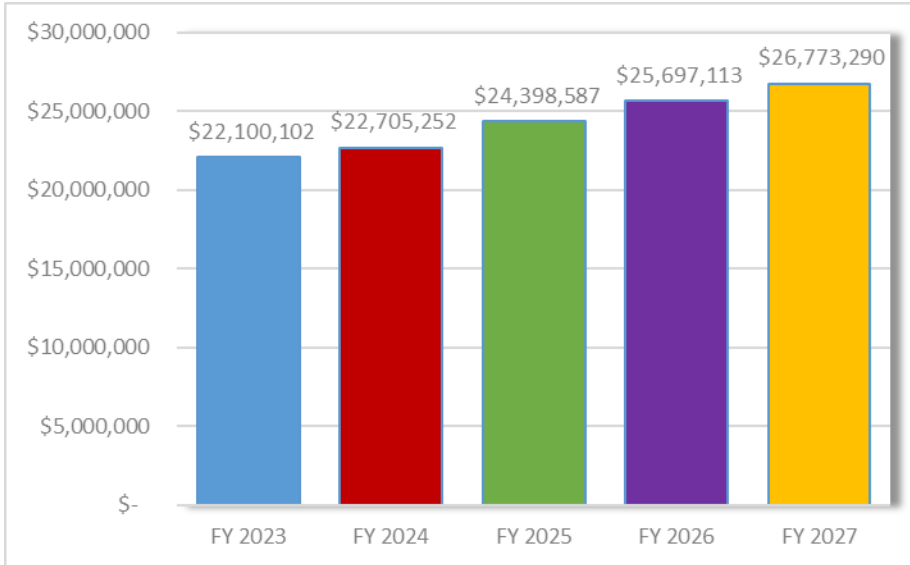
Requested Increase:
\$167,962 (4.7% increase)

Highlights:

- Funding for negotiations
- Reallocation from grant of 1 Nurse position



Student Transportation



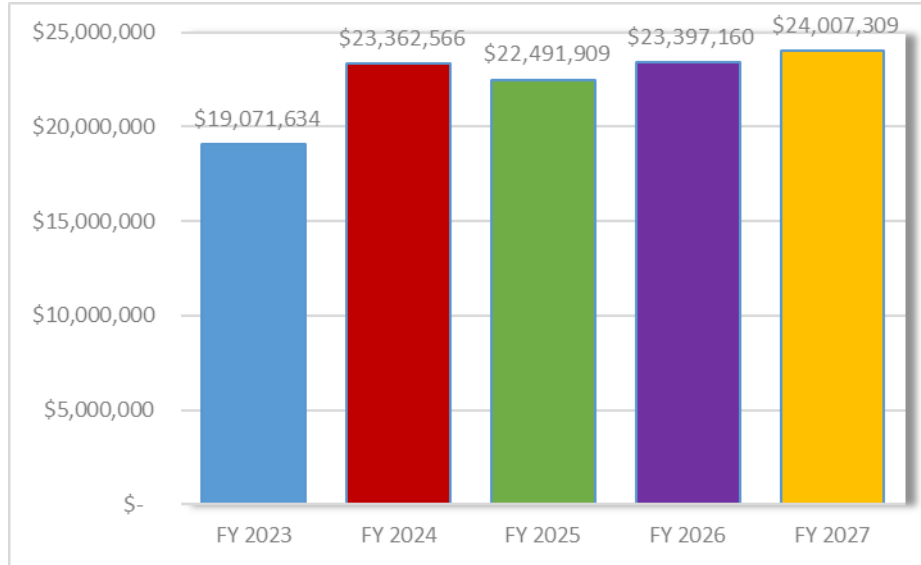
Requested Increase:
\$1,076,177 (4.2% increase)

Highlights:

- Funding for negotiations
- Hourly contracted driver/attendant rate increase
- Maintenance and Operations fee increase
- Contracted bus PVA increase
- Replacement bus
- Use of fund balance to support continuation of the contracted bus driver retention stipend



Operation of Plant



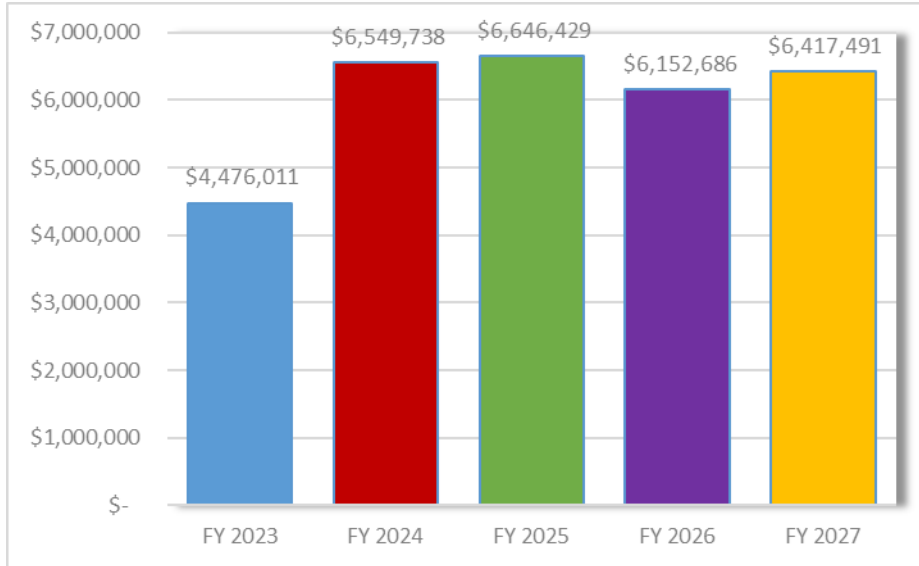
Requested Increase:
\$610,149 (2.6% increase)

Highlights:

- Funding for negotiations
- Delivery Driver reclassification
- Reallocation of BSW's to BSW Travel Team positions
- Reduction of 2 Operations positions
- Add Cyber Security Project Coordinator
- Print shop copier lease discontinuation
- Increase in utilities



Maintenance of Plant



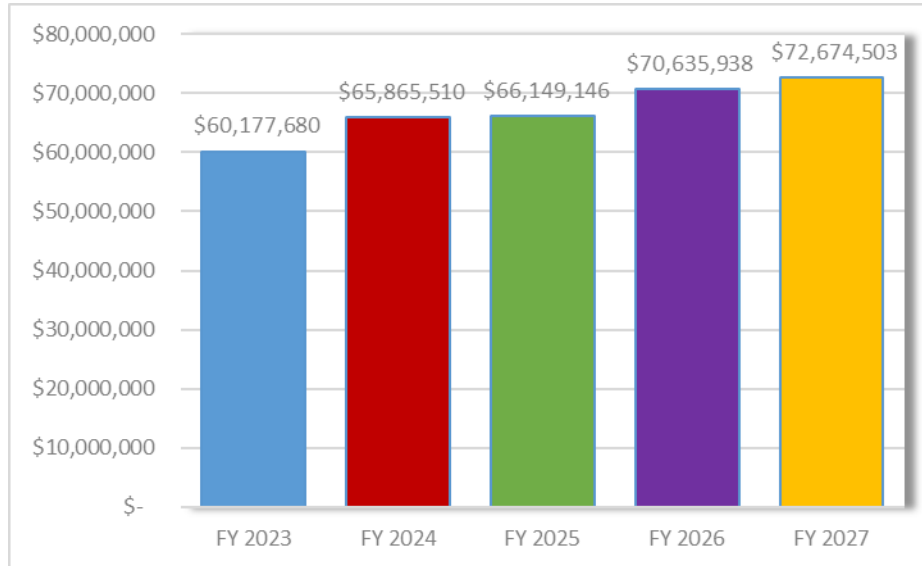
Requested increase:
\$264,805 (4.3% increase)

Highlights:

- Funding for negotiations
- Brightly work order software
- Cafeteria tables



Fixed Charges



Requested Increase:

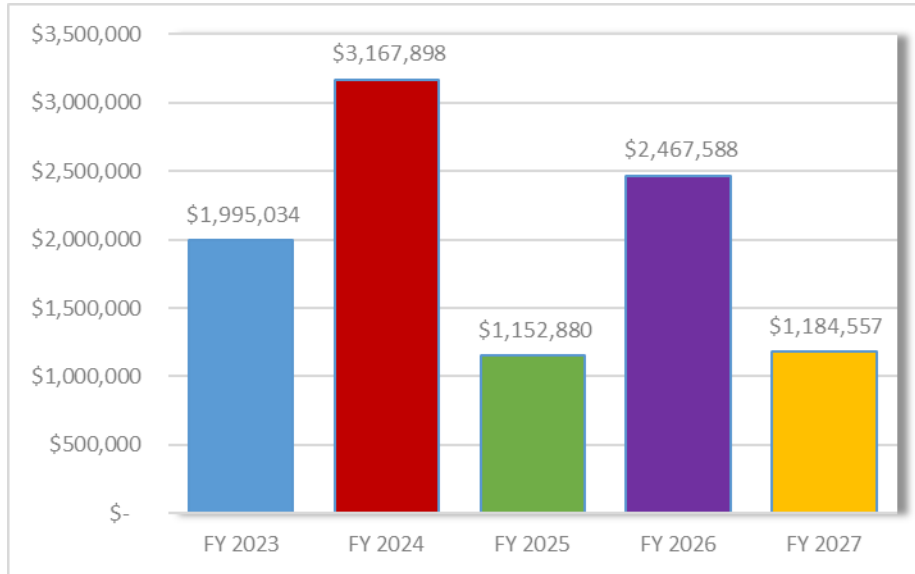
\$2,038,565 (2.9% increase)

Highlights:

- Social Security associated with negotiations
- Pension increase
- Health Insurance increase
- General liability/workers compensation insurance



Capital Outlay



Requested Decrease:
-\$1,283,031 (52% decrease)

Highlights:

- Funding for negotiations
- Remove FY26 use of fund balance for school maintenance projects



CIP: FY 2027 - 2032 Building Infrastructure: Critical & Programmatic Needs

Additional Building Maintenance Funding Needs

Critical	\$ 2,250,000
Programmatic	<u>7,040,000</u>
	\$ 9,290,000

Building Infrastructure - Critical

FY 2028 - LPES Emergency Generator (Construction)	\$ 250,000
FY 2028 - BBES Generator (Construction)	\$ 150,000
FY 2028 - DJAFCTC Emergency Generator (Study/Design)	\$ 20,000
FY 2028 - MBMS Emergency Generator (Construction)	\$ 450,000
FY 2029 - DAJFCTC Emergency Generator (Construction)	\$ 350,000
FY 2030 - EES Emergency Generator (construction)	\$ 275,000
FY 2030 - GMHS Scoreboard (construction)	\$ 90,000
FY 2030 - CHS Track Refurbishment (construction)	\$ 405,000
FY 2030 - CHS Scoreboard (Stadium)	\$ 90,000
FY 2031 - LES Emergency Generator (construction)	\$ 80,000
FY 2031 - LHS Scoreboard Stadium (construction)	\$ 90,000
Total Deferred	\$ 2,250,000

Building Infrastructure - Programmatic

FY 2027 - DJAFCTC Flooring	\$ 230,000
FY 2027 - EES Vegetative Roof Replacement Study	\$ 10,000
FY 2027 - MBMS Paving/Seal Coating	\$ 415,000
FY 2028 - EES Vegetative Roof Replacement	\$ 125,000
FY 2028 - GMHS Exterior Caulking	\$ 100,000
FY 2028 - PHES Exterior Caulking & Repointing	\$ 65,000
FY 2028 - DJAFCTC Exterior Caulking & Repointing	\$ 175,000
FY 2028 - BBES Exterior Caulking & Repointing	\$ 65,000
FY 2028 - GKES Exterior Caulking & Repointing	\$ 65,000
FY 2028 - GMHS VCT Flooring/Carpet (D Wing Hallway/Classrooms/ACM)	\$ 380,000
FY 2028 - WMES Flooring & ACM	\$ 60,000
FY 2028 - MBMS Classroom VCT	\$ 275,000
FY 2028 - BBES & ECC Paving	\$ 185,000
FY 2028 - DSS Fire Alarm	\$ 130,000
FY 2028 - HES Gym Floor Refurbishment	\$ 30,000
FY 2029 - BBES, DSS, OES, PHES Skylight Replacement	\$ 200,000
FY 2029 - TCES Playground Equipment	\$ 300,000
FY 2029 - EES Playground Equipment	\$ 300,000
FY 2029 - LMS Carpet	\$ 80,000
FY 2029 - EES Paving/Seal Coating	\$ 295,000
FY 2029 - PHES Gym Floor Refurbishment	\$ 30,000
FY 2029 - LHS Exterior Bleacher (Stadium) Replacement	\$ 900,000
FY 2030 - HES Fire Alarm	\$ 120,000
FY 2030 - OES Exterior Caulking & Repointing	\$ 65,000
FY 2030 - GKES Flooring & ACM	\$ 220,000
FY 2030 - Central Office Fire Alarm	\$ 130,000
FY 2030 - SRMS Exterior Caulking & Repointing	\$ 175,000
FY 2030 - LES Gym Floor Refurbishment	\$ 30,000
FY 2030 - Moakley II - Staircase flooring	\$ 15,000
FY 2030 - HES Playground (1, 2)	\$ 300,000
FY 2031 - MBMS Fire Alarm	\$ 150,000
FY 2031 - WMES Flooring & ACM (Hallways)	\$ 50,000
FY 2031 - LES Playground (1)	\$ 175,000
FY 2031 - BBES ECC Playground (A)	\$ 150,000
FY 2031 - DES Playground	\$ 150,000
FY 2031 - DES Paving	\$ 175,000
FY 2031 - GKES Paving	\$ 160,000
FY 2031 - Central Office - Fire Alarm	\$ 110,000
FY 2031 - MES Playground (1)	\$ 150,000
FY 2031 - OES Playground (1)	\$ 150,000
FY 2031 - DJAFCTC Fire Alarm - Devices Only	\$ 150,000
Total Deferred	\$ 7,040,000

Unrestricted Fund Positions (Reductions to Reflect Declining Enrollment)

	FY 2026 Adopted Budget	FY 2027 Recommended Budget
Summary of Positions by Category		
Administration	36.20	36.20
Mid-Level Administration	186.66	187.15
Instructional Salaries & Wages	1,208.24	1,197.24
Textbooks and Instructional Supplies	0.00	0.00
Other Instructional Costs	0.00	0.00
Special Education	314.07	319.07
Student Services	16.60	16.60
Health Services	39.00	40.00
Student Transportation	25.40	25.40
Operation of Plant	204.40	203.40
Maintenance of Plant	39.85	39.85
Fixed Charges	0.00	0.00
Food Services	0.00	0.00
Capital Outlay	<u>8.40</u>	<u>8.40</u>
Total Current Expense Fund	2,078.82	2,073.31

-5.51



Unrestricted Fund Revenue Budget (Recurring)

	FY 2026 Adopted Budget	FY 2027 Unrestricted Revenues	\$ Change
Summary of Revenues - Recurring			
Local	\$137,469,907	\$146,998,925	\$9,529,018
State	146,576,785	148,238,434	1,661,649
Federal	2,706,000	1,671,000	(1,035,000)
Other	<u>3,459,092</u>	<u>3,745,500</u>	<u>286,408</u>
Total Unrestricted Fund Revenues - Recurring	\$290,211,784	\$300,653,859	\$10,442,075

← 6.9%



Unrestricted Fund Revenue Budget (Non-Recurring)

	FY 2026 Adopted Budget	FY 2027 Unrestricted Revenues	\$ Change
Summary of Revenues - Nonrecurring			
SMCPS Fund Balance	7,722,231	6,238,093	(1,484,138)
SMCPS Fund Balance - CPCS	<u>137,201</u>	<u>224,548</u>	<u>87,347</u>
Total Unrestricted Fund Revenues - Nonrecurring	\$7,859,432	\$6,462,641	(\$1,396,791)



Unrestricted Fund Revenue Budget

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Federal	2,706,000	1,671,000	(1,035,000)
Other	<u>3,459,092</u>	<u>3,745,500</u>	<u>286,408</u>
Subtotal Unrestricted Fund Revenues - Recurring	\$290,211,784	\$300,653,859	\$10,442,075
Summary of Revenues - Nonrecurring			
SMCPS Fund Balance	7,722,231	6,238,093	(1,484,138)
SMCPS Fund Balance - CPCS	<u>137,201</u>	<u>224,548</u>	<u>87,347</u>
Subtotal Unrestricted Fund Revenues - Nonrecurring	\$7,859,432	\$6,462,641	(\$1,396,791)
Total Unrestricted Fund Revenues	\$298,071,216	\$307,116,500	\$9,045,284

← 3.6%

← 3.0%



Unrestricted Fund Expenditure Budget (Recurring and Non-Recurring)

	FY 2026 Adopted Budget	FY 2027 Recommended Budget	\$ Change
Summary of Expenditures by Category			
Administration	\$5,001,804	\$5,207,451	\$205,647
Mid-Level Administration	21,294,257	21,817,012	522,755
Instructional Salaries & Wages	103,821,728	107,235,379	3,413,651
Textbooks and Instructional Supplies	5,491,364	6,235,532	744,168
Other Instructional Costs	2,702,322	2,242,688	(459,634)
Special Education	25,951,034	27,650,317	1,699,283
Student Personnel Services	1,862,980	1,907,767	44,787
Student Health Services	3,595,242	3,763,204	167,962
Student Transportation	25,697,113	26,773,290	1,076,177
Operation of Plant	23,397,160	24,007,309	610,149
Maintenance of Plant	6,152,686	6,417,491	264,805
Fixed Charges	70,635,938	72,674,503	2,038,565
Capital Outlay	2,467,588	1,184,557	(1,283,031)
Total Current Expense Fund	\$298,071,216	\$307,116,500	\$9,045,284

← 3.0%

Projected State Aid for SMCPS in 2027

	FY 2026 Adopted Budget	FY 2027 Recommended Budget	\$ Change
State Funding			
Foundation	\$87,738,628	\$88,806,435	\$1,067,807
Transition Grant	2,113,268	1,625,591	(487,677)
Special Education	10,677,884	12,115,004	1,437,120
Transportation (Student)	9,365,383	9,660,435	295,052
Compensatory Aid	25,349,783	23,977,260	(1,372,523)
Special Education Tuition	745,419	800,000	54,581
Limited English Proficiency	2,441,051	2,331,444	(109,607)
Career Ladder	314,138	511,803	197,665
Environmental Education Program	5,000	5,000	0
Full Day Pre-K	3,369,218	4,367,175	997,957
Post College & Career Ready	631,593	725,967	94,374
Transitional Supplemental Instruction	481,962	-	(481,962)
BluePrint Coordinator	85,723	85,095	(628)
Comparable Wage Index	3,257,735	3,227,225	(30,510)
State Total	\$146,576,785	\$148,238,434	\$1,661,649



Budget Priorities

Negotiated Agreements (includes Payroll Tax)

- Steps = \$4.7m
- 2% COLA = \$3.5m
- National Board Certification \$.3m
- Health Insurance, Pension



\$8.5M

(for 2,300 SMCPs employees)

Transportation

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



FY 2027 Budget

Date	Description of Activity
January 8, 2026	Superintendent's 2027 proposed budget presented to Board of Education
January 14, 2026	Board of Education 2027 budget work session
January 21, 2026	2027 proposed budget public hearing
January 28, 2026	Board of Education budget work session and direction on budget
February 4, 2026	Board of Education approval of recommended budget for submission to the Commissioners of St. Mary's County
April 21, 2026	Commissioners of St. Mary's County public hearing on recommended budget
May 12, 2026	Commissioners of St. Mary's County provide final direction on their operating budget
May 20, 2026	Board of Education adopts final 2027 operating budget.

Date	Description of Activity – General Assembly
January 14, 2026	Legislative Session starts
January 21, 2026	Governor's 2027 budget is released
April 6, 2026	State budget bill to be passed by both Chambers
April 13, 2026	General Assembly adjournment "Sine Die"