

Superintendent's Recommended Operating Budget FY 2027

Dr. J. Scott Smith
Superintendent

Ms. Tammy McCourt
Deputy Superintendent



Budget Priorities

Negotiated Agreements

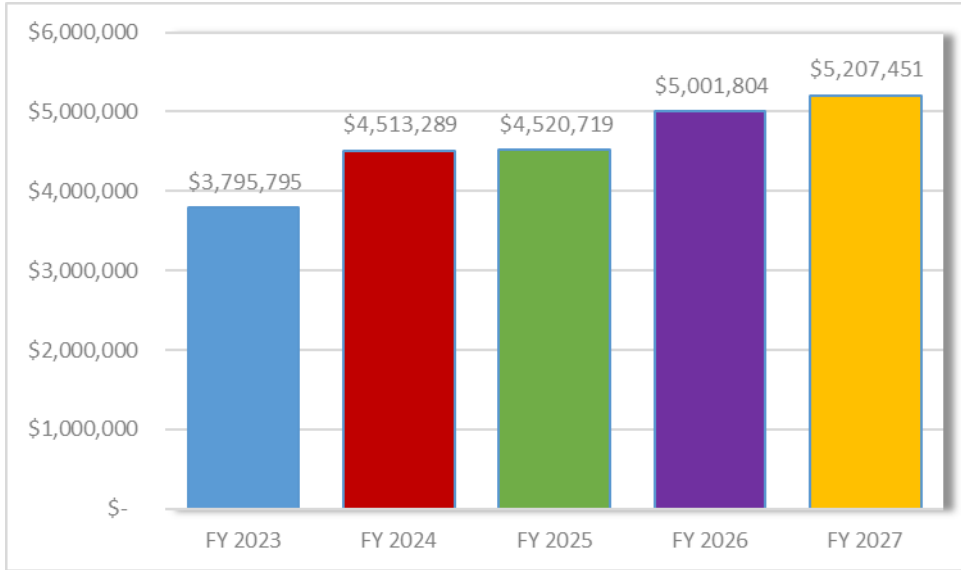
- EASMC Negotiated Agreement
 - Step, 2% COLA
- EASMC-ESP Negotiated Agreement
 - Step, 2% COLA
- SMASA Negotiated Agreement
 - Step, 2% COLA
- Health Insurance, Pension

Transportation

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



Administration



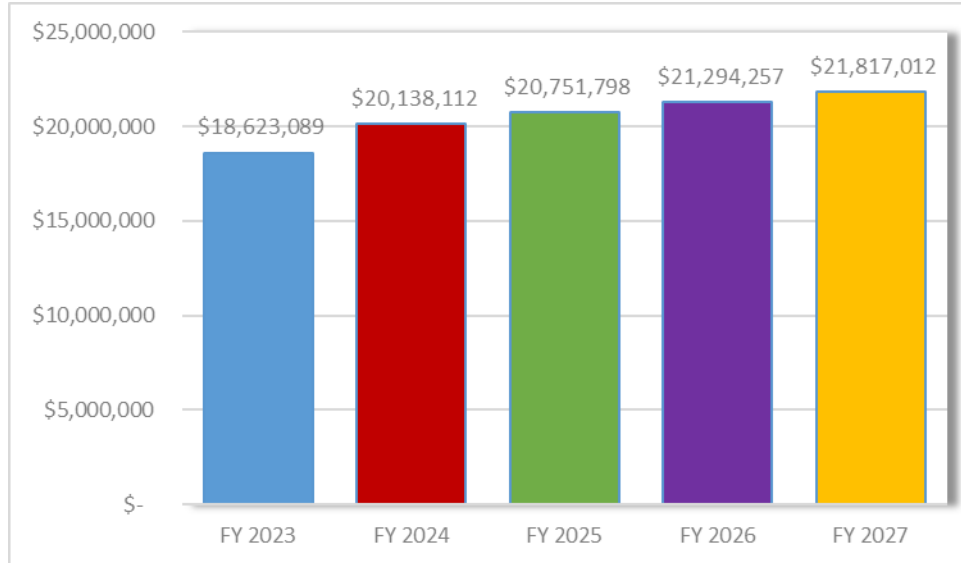
Requested Increase:
\$205,647 (4.1% increase)

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



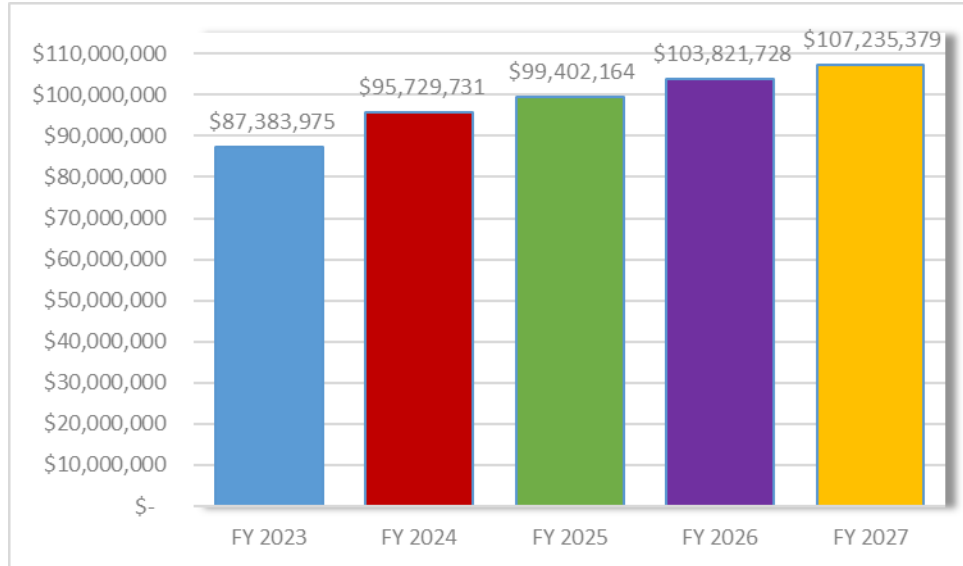
Requested Increase:
\$522,755 (2.5% increase)

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:

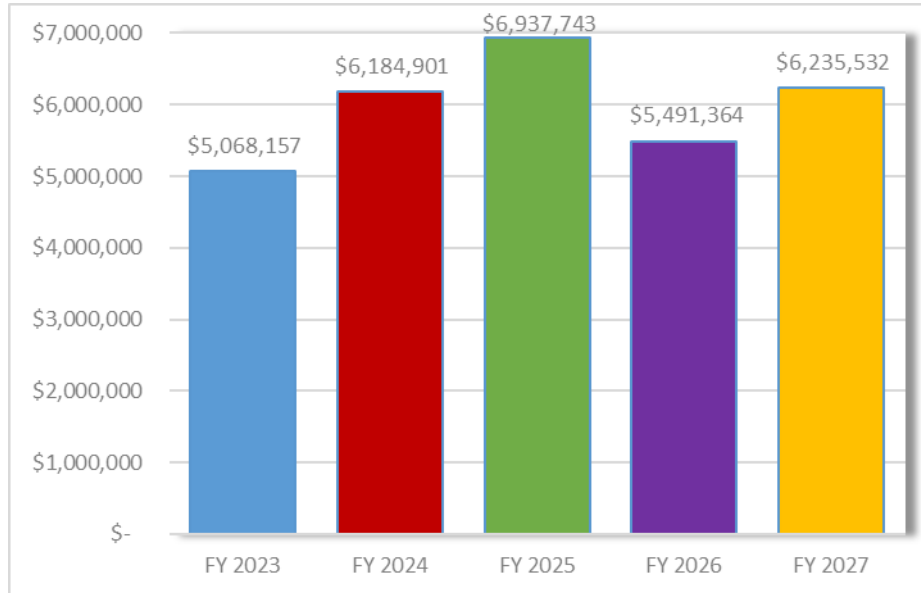
\$3,413,651 (3.3% increase)

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



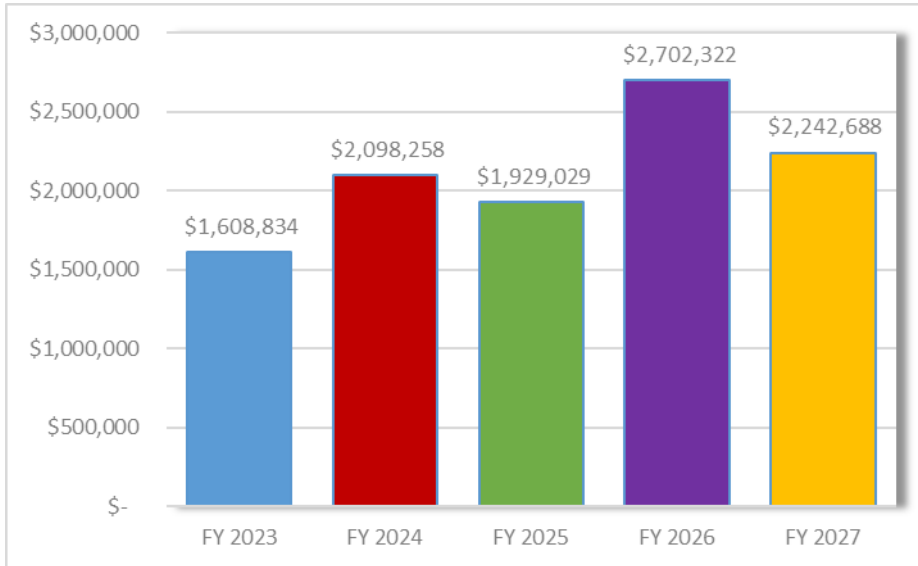
Requested Increase:
\$744,168 (13.6% increase)

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



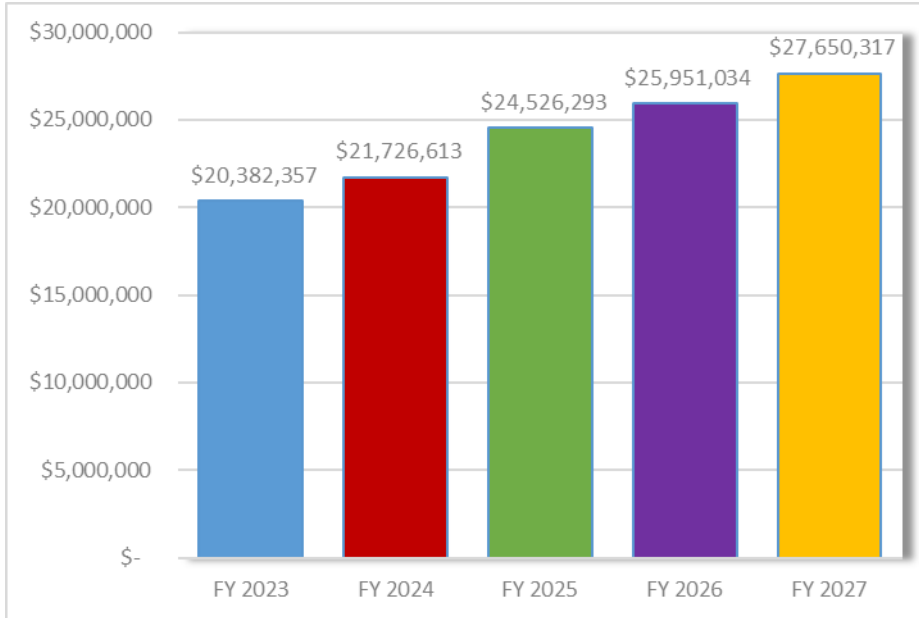
Requested Decrease:
-\$459,634 (17% decrease)

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



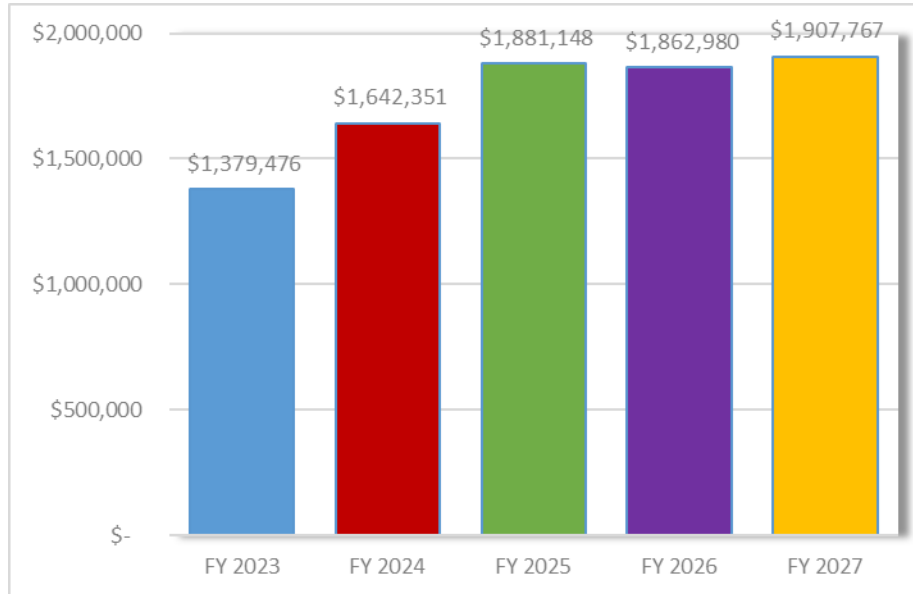
Requested Increase:
\$1,699,283 (6.5% increase)

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



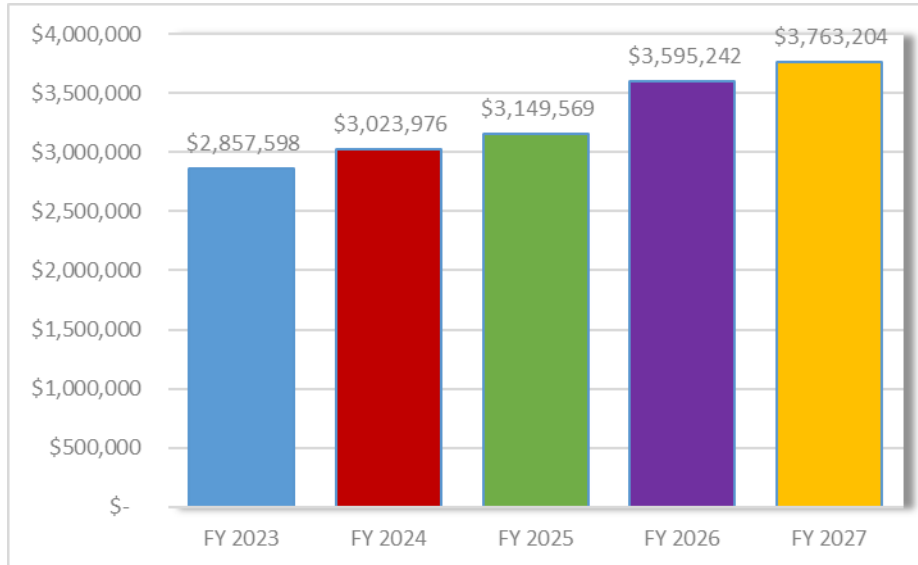
Requested Increase:
\$44,787 (2.4% increase)

Highlights:

- Funding for negotiations



Student Health Services



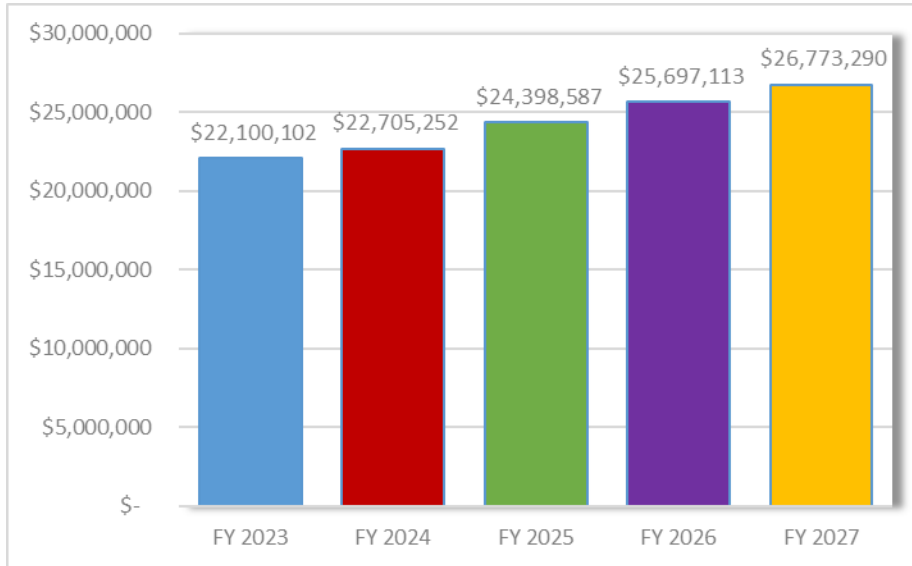
Requested Increase:
\$167,962 (4.7% increase)

Highlights:

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



Student Transportation



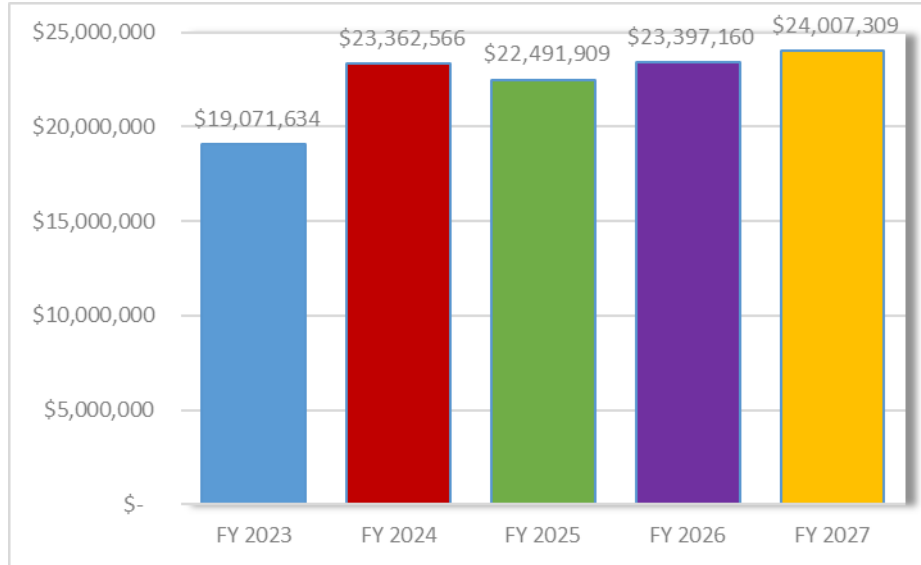
Requested Increase:
\$1,076,177 (4.2% increase)

Highlights:

- Funding for negotiations
- Hourly contracted driver/attendant rate increase
- Maintenance 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:

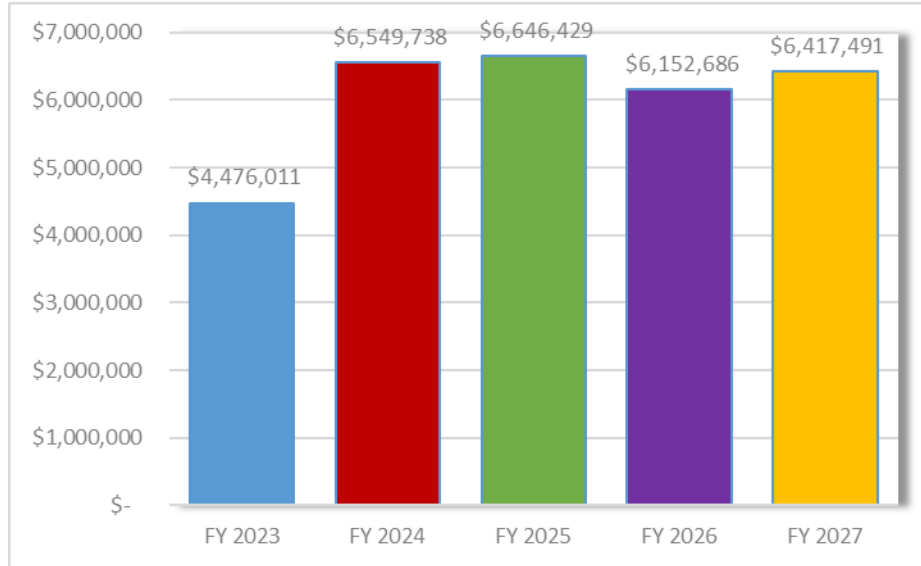
\$610,149 (2.6% increase)

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



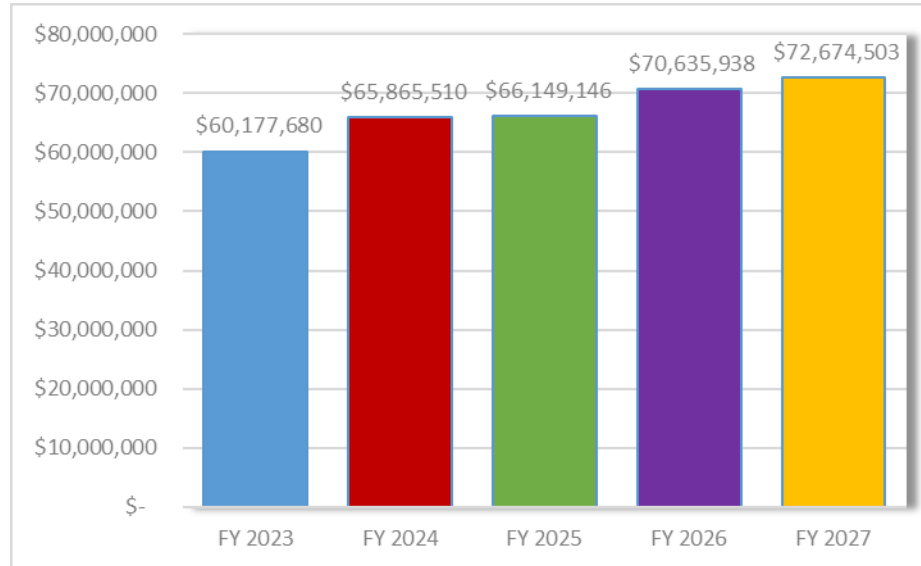
Requested increase:
\$264,805 (4.3% increase)

Highlights:

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



Fixed Charges



Requested Increase:

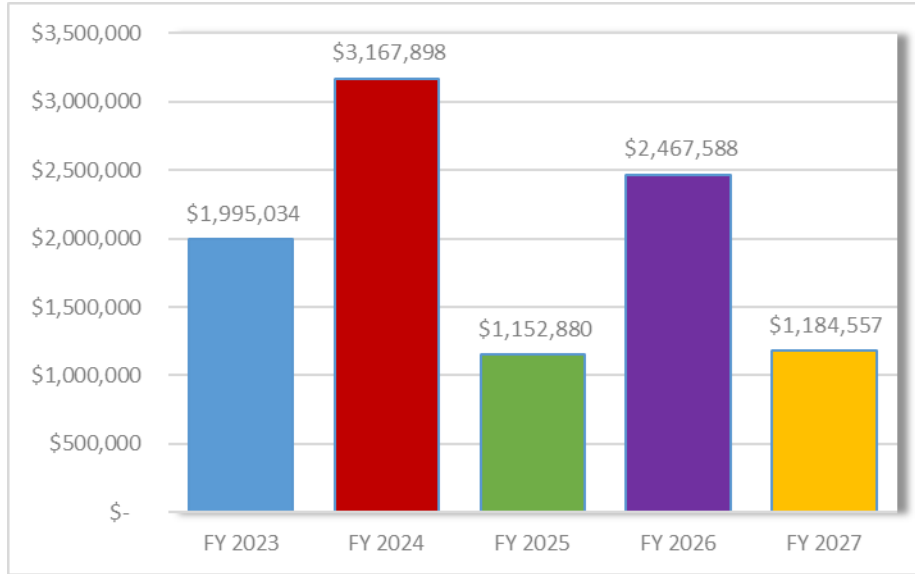
\$2,038,565 (2.9% increase)

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



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 based on Enrollment)

- Projected State Revenue
 - Declining enrollment
 - Fewer families eligible for FARMS
 - 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 ¹	16,699.00	-154.25	16,755.42	
9/30/2024	16,370.00	-329.00	16,640.75	-114.67
9/30/2025	16,050.00	-320.00	16,373.00	-267.75

¹ Includes 1 student for the Seed School



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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Summary of Revenues - Recurring			
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State	146,576,785	148,238,434	1,661,649
Federal	2,706,000	1,671,000	(1,035,000)
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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%

Why is Blueprint State Funding so low for SMCPS?

Projected state revenue decreased due to:

- Declining enrollment
- Fewer families eligible for FARMS
- Decrease in allocation for:
 - Transitional Supplemental Instruction
 - Blueprint Transition grant
- Compounded by Wealth Equalization
 - Increasing county wealth decreases state aid, as it is assumed the county will provide more to the school system, as they have more revenue

BLUEPRINT
FOR MARYLAND'S FUTURE

MARYLAND STATE DEPARTMENT OF EDUCATION | marylandpublicschools.org

About Blueprint ▾ Pillars ▾ Timeline Reports Blueprint in Action English

How is funding allocated?

The Blueprint allocates funding to schools based on a weighted-student formula, which ensures that each school and each student has the resources they need. The funding formula provides resources to local school systems based on the number of students enrolled at each school and the characteristics of those students. The Blueprint also provides additional funding for specific programs that schools offer.

Understanding the Weighted Funding Formula

There are three types of components that go into the final Blueprint funding formula. Each component type is calculated differently to direct funding to address specific needs. The funding formula components can be either a base amount, a weighted amount, or a program amount.

Base Per-Pupil Amount

The foundation base amount is the largest component of the Blueprint funding formula. It provides each school with the necessary financial resources to enable students to succeed. Each school is allocated the Per-Pupil Foundation Amount for each student enrolled in that school. For the 2022-2023 school year, the Per-Pupil Foundation Amount is \$8,310 for each student.

Weighted Amounts

Weighted amounts provide additional resources to LSSs based on the characteristics of the students that are enrolled in each school. Expert analysis has determined that certain student subgroups require additional resources to successfully provide the appropriate educational services.

Program Amounts

Program amounts are allocated to LSSs based on factors other than student enrollment.



Blueprint PPA Funding by Program

	FY 2024	FY 2025	FY 2026	% Change	FY 2027	% Change	\$ Change
Foundation	\$ 8,642	\$ 8,789	\$ 9,226	5%	\$ 9,561	4%	\$ 335
Compensatory Education	\$ 7,519	\$ 7,559	\$ 7,842	4%	\$ 7,786	-1%	\$ (56)
Pre-K	\$ 11,594	\$ 13,003	\$ 14,473	11%	\$ 19,950	38%	\$ 5,477
English Language Learners	\$ 8,642	\$ 8,965	\$ 9,041	1%	\$ 9,148	1%	\$ 107
Special Education	\$ 7,951	\$ 8,701	\$ 9,503	9%	\$ 10,900	15%	\$ 1,397
Transitional Supplemental Instruction	\$ 680	\$ 522	\$ 356	-32%	\$ -	-100%	\$ (356)
College and Career	\$ 567	\$ 569	\$ 582	2%	\$ 596	2%	\$ 14

All Blueprint PPA Funding by Program is wealth equalized for the calculated State vs Local Share of the PPA.



Blueprint State Funding by Student Demographics

Example of the relationship between student demographics and Blueprint funding:

Funding Source	FY26 Per Pupil Allocation				FY27 Per Pupil Allocation				\$ Change FY26 to FY27			
	Student A		Student B		Student A		Student B		Student A		Student B	
	Eligible	Funding Amount	Eligible	Funding Amount	Eligible	Funding Amount	Eligible	Funding Amount	Eligible	Funding Amount	Eligible	Funding Amount
Foundation (Base Amount)	✓	\$ 9,226	✓	\$ 9,226	✓	\$ 9,561	✓	\$ 9,561	✓	\$ 335	✓	\$ 335
Compensatory Education		-	✓	7,842		-	✓	7,786		-	✓	(56)
Transitional Supplemental Instruction		-	✓	356		-	✓	-		-	✓	(356)
		<u>\$ 9,226</u>		<u>\$ 17,424</u>		<u>\$ 9,561</u>		<u>\$ 17,347</u>		<u>\$ 335</u>		<u>\$ (77)</u>

*2,632 students impacted by reduction in Transitional Supplemental Instruction funding



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



What is not included in Blueprint State Funding?



**Safety
& Security**



**Class
Size**



Arts



Athletics



**Extra
Curricular
Programs**



**Small
Schools**



Technology



**Trans-
portation**



Utilities



**Employee
Benefits**

These valued services and programs are not included in the Blueprint.



Transportation Cost vs Statute Per Pupil Allocation

Fiscal Year 2026 Budget - Unrestricted Fund ONLY			
Local Education Agency	Transportation Revenue per MSDE - State Share	LEA Budget Transportation Category 09 *	Amount Funded by LEA in Excess of Formula
Allegany	\$6,250,362	\$7,204,691	\$954,329
Anne Arundel	\$33,673,617	\$89,478,600	\$55,804,983
Baltimore City	\$26,192,008	\$53,533,703	\$27,341,695
Baltimore	\$42,646,712	\$100,613,904	\$57,967,192
Calvert	\$7,796,106	\$22,978,081	\$15,181,975
Caroline	\$3,696,377	\$5,750,609	\$2,054,232
Carroll	\$13,679,394	\$29,645,773	\$15,966,379
Cecil	\$7,088,794	\$13,948,694	\$6,859,900
Charles	\$15,273,582	\$49,764,832	\$34,491,250
Dorchester	\$3,348,279	\$5,018,141	\$1,669,862
Frederick	\$19,555,891	\$34,244,978	\$14,689,087
Garrett	\$4,028,159	\$4,914,566	\$886,407
Harford	\$17,415,928	\$47,912,970	\$30,497,042
Howard	\$25,243,652	\$74,313,904	\$49,070,252
Kent	\$2,113,045	\$2,150,846	\$37,801
Montgomery	\$58,050,549	\$158,781,190	\$100,730,641
Prince George's	\$55,286,995	\$136,660,825	\$81,373,830
Queen Anne's	\$4,622,571	\$9,960,831	\$5,338,260
St. Mary's	\$9,365,383	\$25,697,113	\$16,331,730
Somerset	\$2,556,455	\$4,025,997	\$1,469,562
Talbot	\$2,297,749	\$3,567,784	\$1,270,035
Washington	\$10,036,342	\$15,226,606	\$5,190,264
Wicomico	\$7,849,546	\$12,301,267	\$4,451,721
Worcester	\$4,210,393	\$7,958,809	\$3,748,416
Total	\$382,277,869	\$915,654,714	\$533,376,845

Transportation is not included in Blueprint funding and the state share only covers 36% of the actual cost to bus students.

SMCPS requires additional local funding of **\$16,331,730** to transport students for the current year.



Special Education Cost vs Statute Per Pupil Allocation

Local Education Agency	State Share	Local Share	Total Revenue	LEA Budget Special Education Category 06 *	Amount Funded by LEA in Excess of Formula
Alegany	\$11,350,198	\$2,543,188	\$13,893,386	\$19,121,537	\$5,228,151
Anne Arundel	\$42,048,874	\$63,073,312	\$105,122,186	\$191,288,300	\$86,166,114
Baltimore City	\$79,753,115	\$31,612,542	\$111,365,657	\$215,593,323	\$104,227,666
Baltimore	\$74,255,877	\$77,126,913	\$151,382,790	\$305,442,660	\$154,059,870
Calvert	\$7,906,540	\$8,277,069	\$16,183,609	\$32,260,059	\$16,076,450
Caroline	\$4,654,603	\$885,646	\$5,540,249	\$7,822,216	\$2,281,967
Carroll	\$16,273,089	\$16,227,171	\$32,500,260	\$45,051,570	\$12,551,310
Cecil	\$13,873,241	\$10,882,074	\$24,755,315	\$34,382,483	\$9,627,168
Charles	\$19,202,152	\$13,079,539	\$32,281,691	\$54,139,250	\$21,857,559
Dorchester	\$2,872,768	\$1,593,642	\$4,466,410	\$7,087,544	\$2,621,134
Frederick	\$30,955,259	\$27,896,820	\$58,852,079	\$102,848,933	\$43,996,854
Garrett	\$1,501,474	\$2,252,211	\$3,753,685	\$4,586,119	\$832,434
Harford	\$29,895,402	\$28,567,054	\$58,462,456	\$82,037,777	\$23,575,321
Howard	\$29,618,220	\$40,818,016	\$70,436,236	\$198,657,991	\$128,221,755
Kent	\$889,481	\$1,334,221	\$2,223,702	\$3,622,256	\$1,398,554
Montgomery	\$87,819,124	\$131,728,685	\$219,547,809	\$493,232,742	\$273,684,933
Prince George's	\$82,364,987	\$65,387,657	\$147,752,644	\$328,737,848	\$180,985,204
Queen Anne's	\$3,367,863	\$5,051,795	\$8,419,658	\$12,158,497	\$3,738,839
St. Mary's	\$10,677,884	\$9,249,907	\$19,927,791	\$25,951,034	\$6,023,243
Somerset	\$3,134,283	\$875,983	\$4,010,266	\$4,854,294	\$844,028
Talbot	\$1,969,022	\$2,953,532	\$4,922,554	\$8,447,420	\$3,524,866
Washington	\$18,765,509	\$9,315,856	\$28,081,365	\$35,347,822	\$7,266,457
Wicomico	\$13,670,266	\$2,323,283	\$15,993,549	\$24,945,086	\$8,951,537
Worcester	\$2,972,538	\$4,458,808	\$7,431,346	\$14,289,373	\$6,858,027
Total	\$589,791,769	\$557,514,924	\$1,147,306,693	\$2,251,906,134	\$1,104,599,441

Special Education funding is included in Blueprint funding but does not cover the actual costs.

SMCPS requires additional local funding of **\$6,023,243** to educate special education students above Maintenance of Effort (MOE) for the current year.



Budget Priorities

Negotiated Agreements

- EASMC Negotiated Agreement
 - Step, 2% COLA
- EASMC-ESP Negotiated Agreement
 - Step, 2% COLA
- SMASA Negotiated Agreement
 - Step, 2% COLA
- 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"