

Board of Educations's Recommended Operating Budget FY 2027

Dr. J. Scott Smith
Superintendent

January 28, 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



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	\$5,214,462	\$212,658
Mid-Level Administration	21,294,257	21,817,012	522,755
Instructional Salaries & Wages	103,821,728	107,372,879	3,551,151
Textbooks and Instructional Supplies	5,491,364	6,126,325	634,961
Other Instructional Costs	2,702,322	2,354,893	(347,429)
Special Education	25,951,034	27,804,817	1,853,783
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	72,684,983	2,049,045
Capital Outlay	2,467,588	1,184,557	(1,283,031)
Total Current Expense Fund	\$298,071,216	\$307,428,989	\$9,357,773

← 3.1%

Projected State Aid for SMCPS in 2027 – estimates as of 1/23/26

MSDE Preliminary State Aid

	FY 2026 Adopted Budget	FY 2027 Recommended Budget	\$ Change	FY 2027 vs FY 2026 Inc/(Dec)	FY 2027 MSDE 1/23/26 Budget	FY 2027 vs FY 2026 Inc/(Dec)	Change from Superintendent to MSDE
State Funding							
Foundation	\$87,738,628	\$88,806,435	\$1,067,807	\$1,067,807	89,426,105	\$1,687,477	\$619,670
Transition Grant	2,113,268	1,625,591	(487,677)	(487,677)	1,625,591	(487,677)	-
Special Education	10,677,884	12,115,004	1,437,120	1,437,120	12,472,582	1,794,698	357,578
Transportation (Student)	9,365,383	9,660,435	295,052	295,052	9,481,437	116,054	(178,998)
Compensatory Aid	25,349,783	23,977,260	(1,372,523)	(1,372,523)	24,216,667	(1,133,116)	239,407
Special Education Tuition	745,419	800,000	54,581	54,581	800,000	54,581	-
Limited English Proficiency	2,441,051	2,331,444	(109,607)	(109,607)	2,341,158	(99,893)	9,714
Career Ladder	314,138	511,803	197,665	197,665	609,824	295,686	98,021
Environmental Education Program	5,000	5,000	-	-	5,000	-	-
Full Day Pre-K	3,369,218	4,367,175	997,957	997,957	4,609,997	1,240,779	242,822
Post College & Career Ready	631,593	725,967	94,374	94,374	732,254	100,661	6,287
Transitional Supplemental Instruction	481,962	-	(481,962)	(481,962)	-	(481,962)	-
BluePrint Coordinator	85,723	85,095	(628)	(628)	85,689	(34)	594
Comparable Wage Index	3,257,735	3,227,225	(30,510)	(30,510)	3,249,744	(7,991)	22,519
State Total	\$146,576,785	\$148,238,434	\$1,661,649	\$1,661,649	\$149,656,048	\$3,079,263	\$1,417,614



Unrestricted Fund Revenue Budget - SMPCS estimates as of 1/23/26

MSDE Preliminary State Aid

	FY 2026 Adopted Budget	FY 2027 Unrestricted Revenues	\$ Change
Summary of Revenues - Recurring			
Local	\$137,469,907	\$145,893,800	\$8,423,893
State	146,576,785	149,656,048	3,079,263
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	\$300,966,348	\$10,754,564
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	\$307,428,989	\$9,357,773

← 3.7%

← 3.1%



Budget Priorities

Negotiated Agreements (includes Payroll Tax)

- Steps = \$4.7m
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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



Staffing Changes

Unrestricted Fund

- Operations position reductions
 - The print shop will be closed.
 - The oversight of environmental health and safety compliance will be assumed by administrators within the Departments of Operations and Maintenance.

Restricted Fund

- Sunset of the Stronger Connections grant
 - Concentration of Poverty opportunities
 - 1.0 GWCES SEL Coach frozen in FY26
 - 1.0 LPES SEL Coach frozen in FY26
 - 0.8 SRMS SEL Coach FY27
 - 0.2 LPES SEL Coach FY27
 - 2.0 Community School Coordinators, tentative new sites RES, GVKES
- Anticipated reduction in funding for the STOP grant



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"