

# **FY26 BUDGET WORK SESSION**



March 20, 2025 - 5:00 PM



## **AGENDA**

- County Manager Remarks
- State Proposed Mandates
- Preliminary Projections – Revenue -vs- Expenditures
- Preliminary Projections – Impact -vs- Expenditures
- FY26 Capital Budget Requests
- FY26 Operations Budget Requests
- Education Expenses & Projections
- Dorchester County Community Partner Requests
- Proposed Deficit Reduction Strategies
- Questions, Comments or Requests



# County Manager Remarks

- **Uncertainty. . .**
- **Latest information on unfunded mandates from the State**
- **Capital Budget recommendations –**
- **Operating Budget recommendations –**
- **Proposals for deficit reduction**
- **More uncertainty . . .**



# State Proposed Mandates

## Revenue Decreases

Supplemental Grants	(\$154,000)
Disparity Grant	(\$283,973)
Income Tax Deductions**	(\$1,300,000)
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<b>Total Decrease</b>	<b>(\$1,737,973)</b>

## Expenditure Increases

Teacher Retirement	\$1,101,886
Community College Retirement	\$39,563
SDAT - Property Assessments	\$192,472
Education Maintenance of Effort	\$2,575,000
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<b>Total Increase</b>	<b>\$3,908,921</b>

**Total Impact**  
**(\$5,646,894)**

Source – Department of Legislative Services



# Preliminary Projections Revenue -vs- Expenditures

FY26 Budget Projection  
As of 3/20/25

Revenues  
\$84,419,204

Expenditures  
\$92,160,244

Difference  
(\$7,741,040)



# Preliminary Projections Impact-vs- Expenditures

## FY26 Budget Projection

As of 3/20/25

(\$7,741,040)

(\$5,646,894)

\$2,094,146

Prior Year Surplus Balanced FY25 Budget

\$2,449,125

\$2,449,125

\$2,094,146

**\$ 354,979**



# **FY 26 Capital Budget Requests**

**See presented spreadsheet from the County Manager.**



# **FY 26 Operating Budget Requests**

**See presented spreadsheet from the County Manager.**





# Education Expenses & Projections

Percentage of Overall Budget - 37%

(\$ Millions)

<b>COUNTY SHARE PROJECTION INCREASES – 2022 -VS- 2025</b>														
	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	26-34
2022		21.7	22.4	23.2	23.9	24.5	25.1	25.8	26.8	27.7	28.7	29.0	29.4	
2025				Actual	26.3	27.9	29.1	30.5	32.8	33.6	34.4	35.9	36.3	+10.0
Inc (+)				0.5	2.4	3.4	4.0	4.7	6.0	5.9	5.7	6.9	6.9	
Actual	20.8	20.9	24.0	23.7										

<b>FISCAL YEAR INCREASES</b>										
	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
2025	23.7	26.3	27.9	29.1	30.5	32.8	33.6	34.4	35.9	36.3
Inc (+)		2.6	1.6	1.2	1.4	2.3	.8	.8	1.5	.4

Source – Department of Legislative Services



# Dorchester County Community Partners Requests

ORGANIZATIONAL NAME	REQUEST
Delmarva Community Services**	219,369
Cambridge Waterfront Dev Inc	72,000
Chesapeake Housing Mission	10,000
Maryland Rural Development Corporation	15,000
Mid-Shore Regional Council - mandated	20,000
Pleasant Day Adult Daycare	20,000
New Beginnings Youth & Family Services	5,000
Cambridge Empowerment Center	15,000
<b>GRAND TOTAL</b>	<b>376,369</b>

# QUESTIONS COMMENTS REQUESTS



Thank you