



FY 2027 BWS #1

Fiscal Year July 1, 2026 to June 30, 2027

Budget Work Session No. 1

March 5, 2026

Agenda

- Topics of Discussion
 - County Council's Priorities
 - County Manager Remarks
 - Preliminary State Projections
 - Expenses
 - Health Department
 - Board of Education
 - Board of Elections
 - Revenue
 - FY27 Capital Requests
- County Manager Comments
- Council Comments
- Public Comments

County Council's Priorities



EMPLOYEES/SALARIES



DRAINAGE



INFRASTRUCTURE

County Manager Remarks

"PRELIMINARY"

Preliminary State Projections

See Supporting Documents

Expenses

- FY26 SDAT – 90% Funded by the County
 - Budgeted at \$380,050
 - Actual \$520,289
- Teacher Pension Contribution
 - FY26 590,506
 - FY27 794,625 (\$204,119 or 35% increase over FY26)
 - Additional Increases in County Funding Responsibilities
 - K–12 education
 - Community colleges
 - Local libraries
- Community Colleges
 - 3% cap on state share for FY27 though FY29
- 911 Trust Fund
 - Expands allowable uses of 9-1-1 Trust Fund revenues beyond core local emergency communications systems and infrastructure

Health Department

- Assisted Outpatient Treatment (AOT) Program
 - Option 1: County to establish & fund local AOT program through the Health Department by July 1, 2026, or
 - Option 2: Maryland Department of Health establishes the program and the County must reimburse the State (25% in FY 2028, 50% in FY 2029, 75% in FY2030, 100%in FY 2031)
- State increased formula funding but decreased discretionary salary support, resulting in reduced funding to Dorchester County

Health Department – CORE Funding

FISCAL YEAR	LOCAL MATCH REQUESTED	LOCAL FUNDS PROVIDED	DIFFERENCE	PERCENTAGE FUNDED
FY2023	\$ 538,922	\$ 714,414	\$ 175,492	133 %
FY2024	\$ 1,190,285	\$ 714,414	(\$ 475,871)	60 %
FY2025	\$ 1,190,285	\$ 725,054	(\$ 465,231)	61 %
FY2026	\$ 1,189,226	\$ 858,914	(\$ 330,312)	72 %
FY2027				79 %
FY2028				86 %
FY2029				93 %
FY2030				100 %

Based on FY2026 – 79% is \$939,489

Flat

Keeping everyone in their current positions and hiring Deputy Health Officer (DHO)

State Award: \$2,525,237 (CORE and Salary)

County Award: \$1,018,217

Total Award: \$3,543,454 (\$3,880,282 in FY26, **-\$336,828**)

Eliminating DHO Position

Keeping everyone in their current positions and not hiring DHO

State Award: \$2,525,237 (CORE and Salary)

County Award: \$939,444

Total Award: \$3,464,681 (\$3,880,282 in FY26, **-\$415,601**)

Budget Cuts & Maximizing Billing

Moving budgets/cutting expenses/maximizing billing/fully realized indirect funds**

State Award: \$2,525,237 (CORE and Salary)

County Award: \$858,914 (level funded from FY26)

Total Award: \$3,384,151 (\$3,880,282 in FY26, **-\$496,131**)

**assumes program budgets are level funded

Layoffs Required

Layoffs required

State Award: \$2,525,237 (CORE and Salary)

County Award: \$457,417 (minimum match for FY27)

Total Award: \$2,982,654 (\$3,880,282 in FY26, **-\$897,628**)

**Keeping everyone in their current positions and
hiring Deputy Health Officer (DHO)**

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Board of Education

- Minimum Local Appropriation
 - FY26 \$26,316,174
 - FY27 \$27,045,025 (\$728,851 increase from FY26)
- Capital Requests (Total \$602,500)
 - Cambridge South Dorchester HVAC \$127,500
 - Maces Lane Middle Roof & HVAC \$475,000
- School Construction Cost Split
 - FY26 98% State / 2% County
 - \$55 million school – County Share 1.1 million
 - FY27 97% State / 3% County
 - \$55 million school – County Share 1.65 million
- Remaining Prior Year Capital Funding
 - \$116,000 used for carpet

Board of Elections

- New Voting Equipment – \$842,730
 - Ballot Marketing Devices
 - 65 units at \$5,078 each = \$330,070
 - Precinct Scanners
 - 40 units at \$7,029 each = \$281,160
 - Poll Books
 - 100 units at \$2,315 each = \$231,500
- 50/50 Split
 - County Share – \$421,365
 - FY27 25% = \$105,341.25
 - FY28 50% = \$210,682.50
 - FY29 25% = \$105,341.25
 - State Share – \$421,365 *Not Budgeted*

See Supporting Documents

Revenue

- Disparity Grant
 - Full formula generates \$261 million statewide but State freezes funding at \$177 million for three consecutive years (\$84 million reduction statewide)
 - One time revenue increase from 75% to 90% in FY2026
 - Funding
 - FY2026 \$4,991,000
 - FY2027 \$4,159,010 (\$831,990 decrease from FY26)
- Highway User Revenue (HUR)
 - FY26 \$1,668,873
 - FY27 \$1,662,334 (\$6,539 decrease from FY26)

FY27 Capital Requests

See Supporting Documents

THANK YOU



QUESTIONS



CONCERNS



COMMENTS