

MEMORANDUM

TO: Worcester County Commissioners
 FROM: Kim Reynolds, Budget Officer *Kim Reynolds*
 DATE: May 22, 2025
 SUBJECT: Budget Work Session Summary as of May 20, 2025

The adjustments at the May 20th Budget Work Session for FY2026 are summarized in the table below. Revenues total \$286,812,695 and the FY2026 expenditures total \$279,027,455. After the FY2026 Budget Work Session Adjustments the budget at a surplus of \$7,785,240.

Following our May 20th budget work session, a review of the FY25 revenues and expenditures was completed. Based on the latest analysis, the estimated fiscal year 2025 surplus is approximately \$14,000,000.

May 20th work session adjustments

	FY26 Department Requested Totals	FY26 Committee Review Totals	FY26 Budget Adjustments as of 5/13/25	FY26 Proposed Budget Revenue & Expenditure Totals 5/20/25
Revenues:	\$284,574,909	\$288,730,807	\$288,730,807	\$288,730,807
Income Tax				(\$ 1,918,112)
Expenditures:	\$286,835,734	\$287,562,251	\$287,562,251	\$282,421,126
Personnel Salaries & Benefits			(\$ 1,616,490)	(\$ 997,967)
Board of Education			(\$ 3,633,301)	
Non-Profit Grants			(\$ 321,572)	
Grants to Towns				(\$ 2,074,878)
Change in Reserve			(\$ 835,657)	(\$ 320,826)
Water Wastewater Grant & Loan			\$ 1,265,895	
Surplus/(Deficit)	(\$ 2,260,825)	\$ 1,168,556	\$ 6,309,681	\$ 7,785,240

Please do not hesitate to call with any questions or concerns.

Attachments: FY2026 Proposed Budget Revenue Report 5/20/25 – Page 2
 FY2026 Proposed Budget Expenditure Report 5/20/25 – Pages 3-4
 Grants to Towns Updated 5/20/25 - Page 5

Worcester County

Revenue Annual Budget by Account Classification Report

	2026 Proposed Budget as of 5/20/25	2026 Budget 5/13/25	Variance 5/20/25 vs 5/13/25 Budget Work Sessions	2026 Department Requested	2025 Adopted Budget	Variance FY26 Proposed Budget 5/20/25 vs FY25 Adopted
Fund: 100 General Fund						
PROP TAX - Property Taxes	193,153,535	193,153,535	-	192,047,762	174,036,523	19,117,012
INC TAX - Income Tax	51,081,888	53,000,000	(1,918,112)	53,000,000	47,000,000	4,081,888
OTHER TAX - Other Taxes	18,310,000	18,310,000	-	18,310,000	16,910,000	1,400,000
ST SHRD - State Shared	3,525,791	3,525,791	-	3,525,791	3,571,155	(45,364)
FRNCH - Franchise Fees	23,000	23,000	-	23,000	22,690	310
LOSS DSP ASTS - Gain/Loss on Disposal of Assets	125,000	125,000	-	125,000	125,000	-
LIC/PRMT - Licenses and Permits	2,864,115	2,864,115	-	2,864,115	2,768,190	95,925
CHG SVC - Charges for Services	2,673,454	2,673,454	-	2,673,454	1,927,478	745,976
INT/PEN - Interest & Penalties	5,000,000	5,000,000	-	5,000,000	6,000,000	(1,000,000)
FINES - Fines & Forfeitures	31,000	31,000	-	31,000	31,000	-
MISC - Miscellaneous	610,557	610,557	-	610,557	456,533	154,024
INTGOV FED - Intergovernmental - Federal Revenues	374,013	374,013	-	374,013	1,333,099	(959,086)
INTGOV ST - Intergovernmental - State Revenues	4,747,382	4,747,382	-	4,786,747	5,470,574	(723,192)
TRNS IN - Transfers In	4,292,960	4,292,960	-	1,203,470	2,265,375	2,027,585
General Fund Total Revenues:	286,812,695	288,730,807	(1,918,112)	284,574,909	261,917,617	24,895,078

Worcester County

Expense Annual Budget by Organization Report

	2026 Proposed Budget as of 5/20/25	FY26 Budget 5/13/25	Variance 5/20/25 vs 5/13/25 Budget Work Sessions	FY26 Department Requested	FY25 Adopted Budget	Variance FY26 Proposed Budget 5/20/25 vs FY25 Adopted
Fund: 100 General Fund						
100.1001 - General Fund,County Commissioners	\$2,045,666	2,045,666	-	2,050,614	1,860,304	185,362
100.1002 - General Fund,Circuit Court	\$2,297,669	2,297,669	-	2,313,737	2,269,479	28,190
100.1003 - General Fund,Orphan's Court	\$82,260	82,260	-	80,199	80,400	1,860
100.1004 - General Fund,State's Attorney	\$4,562,761	4,560,734	2,027	4,609,821	4,755,174	(192,413)
100.1005 - General Fund,Treasurer's Office	\$1,918,115	1,918,115	-	1,946,020	1,881,992	36,123
100.1006 - General Fund,Elections Office	\$1,607,369	1,607,369	-	1,607,132	1,498,980	108,389
100.1007 - General Fund,Human Resources	\$918,486	918,486	-	838,243	785,175	133,311
100.1008 - General Fund,Development, Review & Permits	\$3,259,279	3,259,279	-	3,300,568	3,142,138	117,141
100.1010 - General Fund,Environmental Programs	\$2,910,400	2,910,400	-	2,933,319	2,779,364	131,036
100.1011 - General Fund,Information Technology	\$1,705,810	1,705,810	-	1,708,149	1,625,808	80,002
100.1090 - General Fund,Other General Government	\$6,338,740	6,338,740	-	6,292,540	4,543,099	1,795,641
100.1101 - General Fund,Sheriff's Office	\$19,255,997	20,255,991	(999,994)	20,385,451	17,280,865	1,975,132
100.1102 - General Fund,Emergency Services	\$6,023,079	6,023,079	-	5,865,456	4,540,821	1,482,258
100.1103 - General Fund,Jail	\$15,772,776	15,772,776	-	15,798,670	14,240,569	1,532,207
100.1104 - General Fund,Fire Marshal	\$1,460,567	1,460,567	-	1,469,304	1,471,659	(11,092)
100.1105 - General Fund,Volunteer Fire Departments	\$13,731,465	13,731,465	-	13,720,627	12,189,916	1,541,549
100.1201 - General Fund,Maintenance	\$3,004,706	3,004,706	-	3,051,085	2,415,454	589,252
100.1202 - General Fund,Roads	\$7,590,198	7,590,198	-	7,557,795	5,836,195	1,754,003
100.1203 - General Fund,Public Works	\$1,499,110	1,499,110	-	1,496,863	1,310,022	189,088
100.1204 - General Fund,Boat Landings	\$406,513	406,513	-	406,513	54,438	352,075
100.1205 - General Fund,Homeowner Convenience Centers	\$972,036	972,036	-	968,561	983,063	(11,027)
100.1206 - General Fund,Recycling	\$1,237,370	1,237,370	-	1,250,950	1,225,532	11,838
100.1301 - General Fund,Health Department	\$11,995,585	11,995,585	-	12,581,419	11,716,307	279,278
100.1302 - General Fund,Mosquito Control	\$294,692	294,692	-	296,482	227,581	67,111
100.1401 - General Fund,Commission on Aging	\$1,984,939	1,984,939	-	2,067,837	1,776,305	208,634
100.1402 - General Fund,Other Social Services	\$646,368	646,368	-	967,940	636,627	9,741
100.1502 - General Fund,WOR-WIC Community College	\$2,707,168	2,707,168	-	2,707,168	2,618,000	89,168
100.1505 - General Fund,Board of Education	\$122,349,697	122,349,697	-	126,182,686	115,054,401	7,295,296
100.1601 - General Fund,Recreation Department	\$3,315,779	3,315,779	-	3,334,288	2,833,908	481,871
100.1602 - General Fund,Parks Department	\$1,739,169	1,739,169	-	1,757,866	2,524,327	(785,158)
100.1603 - General Fund,Libraries	\$4,794,069	4,794,069	-	4,805,729	4,286,416	507,653
100.1604 - General Fund,Other Recreation & Culture	\$95,000	95,000	-	95,001	80,000	15,000
100.1701 - General Fund,Extension Service	\$282,741	282,741	-	282,741	267,494	15,247
100.1702 - General Fund,Other Natural Resources	\$615,800	615,800	-	615,800	625,935	(10,135)

Worcester County

Expense Annual Budget by Organization Report

	2026 Proposed Budget as of 5/20/25	FY26 Budget 5/13/25	Variance 5/20/25 vs 5/13/25 Budget Work Sessions	FY26 Department Requested	FY25 Adopted Budget	Variance FY26 Proposed Budget 5/20/25 vs FY25 Adopted
100.1801 - General Fund,Economic Development	\$631,550	631,550	-	633,606	592,450	39,100
100.1803 - General Fund,Tourism	\$1,711,229	1,711,229	-	1,723,039	1,643,062	68,167
100.1901 - General Fund,Taxes Shared with Towns	\$4,068,096	4,068,096	-	4,068,096	3,630,114	437,982
100.1902 - General Fund,Grants to Towns	\$6,552,170	8,627,048	(2,074,878)	8,627,048	6,617,628	(65,458)
100.1975 - General Fund,Debt Service	\$10,080,635	10,080,635	-	10,080,635	10,077,454	3,181
100.1985 - General Fund,Interfund	\$6,562,396	6,883,222	(320,826)	6,356,736	9,939,161	(3,376,765)
Fund Total: General Fund	279,027,455	282,421,126	(3,393,671)	286,835,734	261,917,617	17,109,838

FY2026 Grants to Towns Budget Work Session Adjustments 5/20/25

		Grant	In lieu taxes	Unrestricted Increase	Flower St Community Center	Bank St Project	Byrd Park Stormwater & Basketball	Sidewalks to Schools	Increase Police & Vehicles	Park N Ride	DownTown Redevelop.	Table Games 10%	Roads & bridges	Street/Road Grant OP Agreement	Police Grant	Restricted Fire Grant	Convention Bureau	Recreation	Tourism	Total
Account #		7100.193	7100.193	7100.193								7100.193		1202.6600.010	7100.065	7100.153	7100.192	7100.028	7100.029	
Pocomoke	100.1902.100	\$ 500,000										\$ 49,338				\$ 72,000				\$ 621,338
Berlin	100.1902.110	\$ 500,000														\$ 221,000				\$ 721,000
Snow Hill	100.1902.120	\$ 500,000	\$ 250,000									\$ 49,338				\$ 83,000				\$ 882,338
Ocean City	100.1902.130	\$ 2,748,494								\$ 80,000	\$ 125,000					\$ 208,000	\$ 50,000	\$ 100,000	\$ 400,000	\$ 3,711,494
Ocean Pines Assoc.	100.1902.190												\$ -	\$ 223,071	\$ 550,000	\$ 46,000		\$ 20,000		\$ 839,071
TOTAL	TOTALS	\$ 4,248,494	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ 125,000	\$ 98,676	\$ -	\$ 223,071	\$ 550,000	\$ 630,000	\$ 50,000	\$ 120,000	\$ 400,000	\$ 6,775,241

FY2026 Grants to Towns Requested

		Grant	In lieu taxes	Unrestricted Increase	Flower St Community Center	Bank St Project	Byrd Park Stormwater & Basketball	Sidewalks to Schools	Increase Police & Vehicles	Park N Ride	DownTown Redevelop.	Table Games 10%	Roads & bridges	Street/Road Grant OP Agreement	Police Grant	Restricted Fire Grant	Convention Bureau	Recreation	Tourism	Total
Account #		7100.193	7100.193	7100.193								7100.193		1202.6600.010	7100.065	7100.153	7100.192	7100.028	7100.029	
Pocomoke	100.1902.100	\$ 500,000		\$ 67,787								\$ 49,338				\$ 72,000				\$ 689,125
Berlin	100.1902.110	\$ 500,000		\$ 37,500	\$ 150,000											\$ 221,000				\$ 908,500
Snow Hill	100.1902.120	\$ 500,000	\$ 250,000			\$ 72,000	\$ 171,185	\$ 12,600				\$ 49,338				\$ 83,000				\$ 1,138,123
Ocean City	100.1902.130	\$ 2,748,494		\$79,706					\$ 1,139,100	\$ 80,000	\$ 125,000					\$ 208,000	\$ 50,000	\$ 100,000	\$ 400,000	\$ 4,930,300
Ocean Pines Assoc.	100.1902.190												\$ 150,000	\$ 223,071	\$ 725,000	\$ 46,000		\$ 40,000		\$ 1,184,071
TOTAL	TOTALS	\$ 4,248,494	\$ 250,000	\$ 184,993	\$ 150,000	\$ 72,000	\$ 171,185	\$ 12,600	\$ 1,139,100	\$ 80,000	\$ 125,000	\$ 98,676	\$ 150,000	\$ 223,071	\$ 725,000	\$ 630,000	\$ 50,000	\$ 140,000	\$ 400,000	\$ 8,850,119

FY2025 Grants to Towns Approved

		Grant	In lieu taxes	Unrestricted Increase	Public Safety OC Bomb Squad X-Ray	Park N Ride	DownTown Redevelop.	Table Games 10%	Street/Road Grant OP Agreement	Police Grant	Restricted Fire Grant	Convention Bureau	Recreation	Tourism	Total
Account #		7100.193	7100.193	7100.193				7100.193	1202.6600.010	7100.065	7100.153	7100.192	7100.028	7100.029	
Pocomoke	100.1902.100	\$ 465,000		\$ 35,000				\$ 48,317			\$ 91,000				\$ 639,317
Berlin	100.1902.110	\$ 465,000		\$ 35,000							\$ 221,000				\$ 721,000
Snow Hill	100.1902.120	\$ 500,000	\$ 250,000					\$ 48,317			\$ 75,000				\$ 873,317
Ocean City	100.1902.130	\$ 2,681,457		\$67,037	\$32,500	\$ 80,000	\$ 125,000				\$ 227,000	\$ 50,000	\$ 100,000	\$ 400,000	\$ 3,762,994
Ocean Pines Assoc.	100.1902.190								\$ 195,866	\$ 550,000	\$ 51,000		\$ 20,000		\$ 816,866
TOTAL	TOTALS	\$ 4,111,457	\$ 250,000	\$ 137,037	\$ 32,500	\$ 80,000	\$ 125,000	\$ 96,634	\$ 195,866	\$ 550,000	\$ 665,000	\$ 50,000	\$ 120,000	\$ 400,000	\$ 6,813,494