

# SSD BUDGET PRESENTATION #2

MARCH 2024



*“HIGH QUALITY LEARNING FOR ALL”*

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# Mission Statement

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**2021-2024: WE WILL:** --Promote excellence of character --  
Inspire a life-long love of learning and the pursuit of truth --  
Highlight the multiple pathways for student success --  
Cultivate compassion and empathy in an inclusive  
environment --Empower social, emotional and physical  
well-being --Prepare future leaders and contributors in our  
community and beyond --Leverage our community  
resources to enhance student learning and provide  
authentic, 21st century learning experiences --Do all of  
these things TOGETHER

**2024-2027 Proposed:** “In Southmoreland School District,  
we provide a **safe, supportive, and adaptable** learning  
environment dedicated to nurturing individual growth and  
fostering active citizenship. Our mission is to **inspire** each  
student to achieve personal excellence, encouraging their  
journey as lifelong learners, responsible community  
members, and engaged citizens in southwestern  
Pennsylvania and beyond.”

# Vision Statement

*“HIGH QUALITY LEARNING FOR ALL”*



**2021-2024:** “High Quality Learning For All”

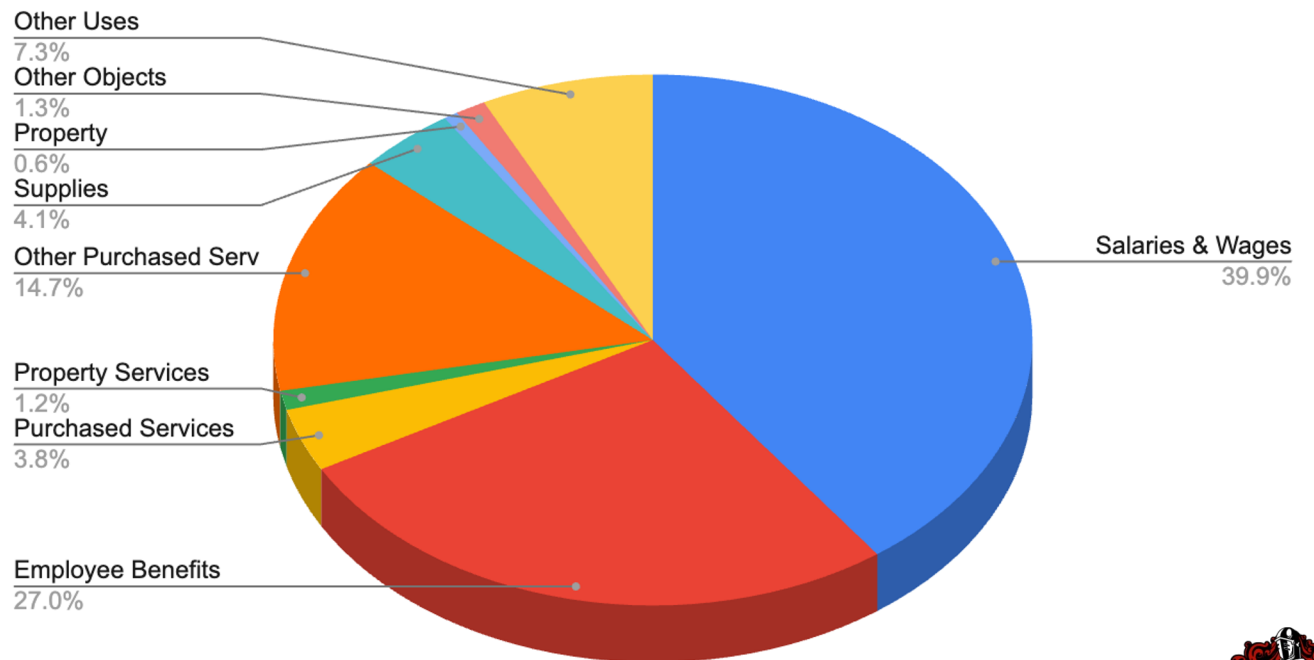
**2024-2027 Proposed:** “Our vision at Southmoreland School District is to **cultivate lifelong learners ready for an ever-changing world,** fostering innovation and opportunities to maximize each student's potential.”

# Preliminary Expenditures from February Presentation

## Total Preliminary Expenditures:

\$35,552,250 (Down 1% from 2023/2024 School Year)

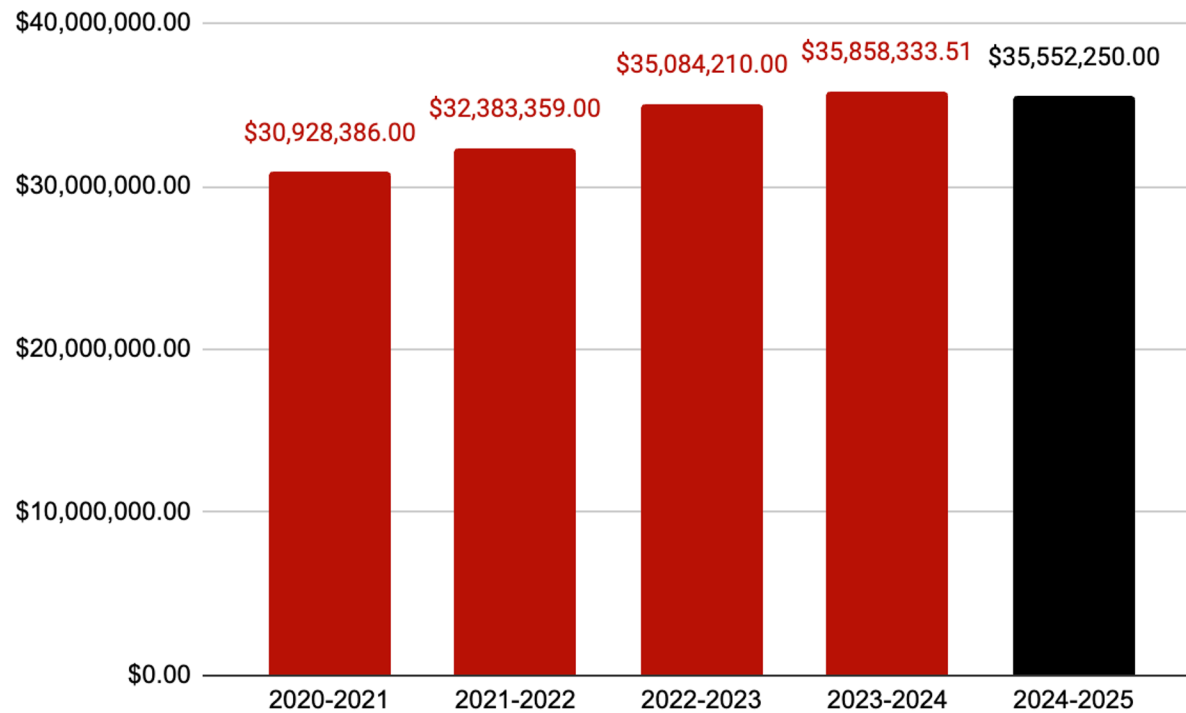
- 67% of Expenditures - Salaries & Wages/Employee Benefits
- 7.31% of Expenditures - Debt Services
- 1% of Expenditures - Curriculum Resources & Technology



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# 5 Year Expenditures Analysis



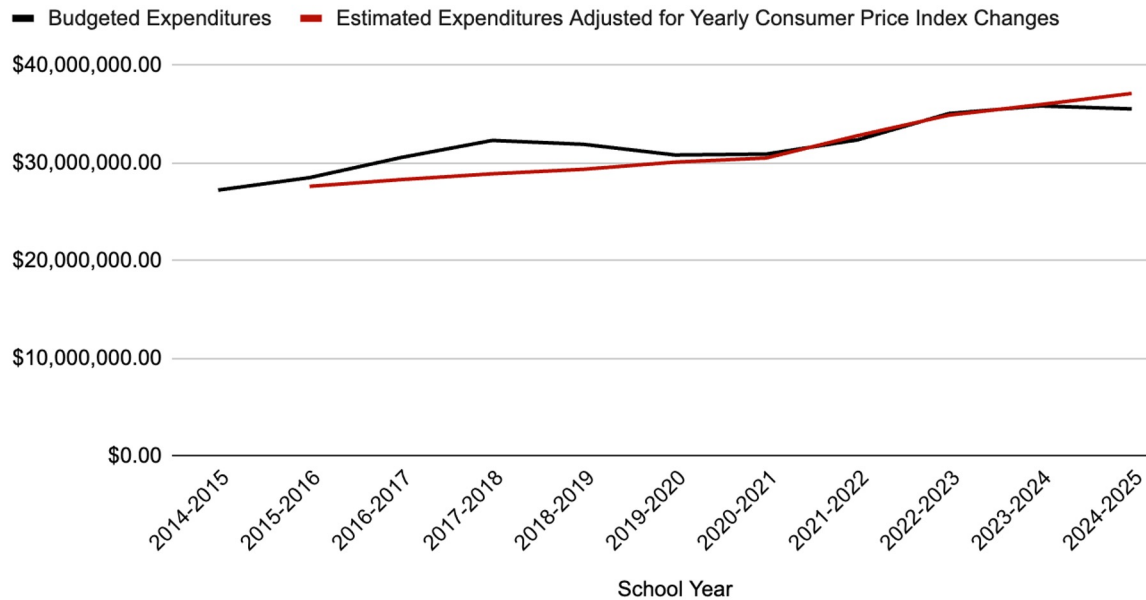
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# Expenditures Analysis

Budgeted Expenditures and Increases Adjusted for Yearly Consumer Price Index Percentage Yearly Increases



School Year	Budgeted Expenditures	Estimated Expenditures Adjusted for Yearly Consumer Price Index Changes	CPI Yearly Index (Jan to Jan)
2014-2015	\$27,240,475.00		
2015-2016	\$28,515,720.00	\$27,621,841.65	1.40%
2016-2017	\$30,571,279.00	\$28,312,387.69	2.50%
2017-2018	\$32,325,067.00	\$28,906,947.83	2.10%
2018-2019	\$31,926,627.00	\$29,369,459.00	1.60%
2019-2020	\$30,836,614.00	\$30,103,695.47	2.50%
2020-2021	\$30,928,386.00	\$30,525,147.21	1.40%
2021-2022	\$32,383,359.00	\$32,814,533.25	7.50%
2022-2023	\$35,084,210.00	\$34,914,663.38	6.40%
2023-2024	\$35,858,333.51	\$35,997,017.94	3.10%
2024-2025	\$35,552,250.00	\$37,136,923.51	3.17%

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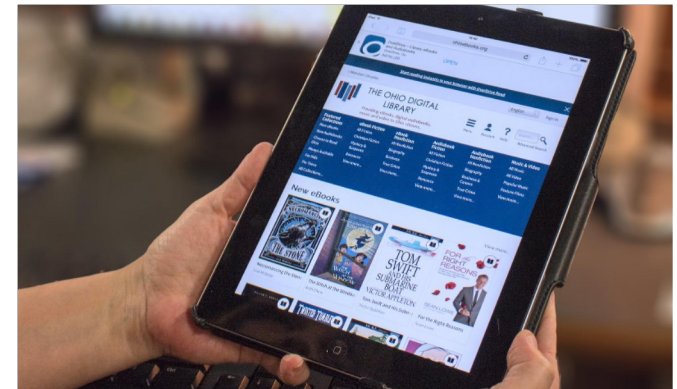
# Remember When?

<u>Cost of:</u>	2014-2015 SY	2024-2025 SY	% Change
Loaf of Bread	\$1.37	\$2.03	48.18%
Gallon of Milk	\$3.55	\$3.96	11.55%
Dozen of Eggs	\$2.01	\$2.52	25.37%
Consumer Price Index (Jan)	233.707	308.417	31.97%
Average Tuition/Board at PA State System University	\$16,992.00	\$27,126.00	59.64%
<b>SSD Budgeted Expenditures</b>	<b>\$27,240,475.00</b>	<b>\$35,552,250.00</b>	<b>30.51%</b>



# Items Currently In Budget

- 1) Same staffing as 23/24 School Year (without ESSER Funded Intervention Positions)
- 2) \$200,000 for Curriculum Resources
- 3) \$109,000 for Technology Refresh of 1-to-1 Devices
- 4) 15% Increase for Medical Benefits
- 5) 5% Increase in CWCTC expenses
- 6) Reduced Transportation by \$10,221.00
- 7) Reduced Purchased Services by \$103,400 due to trend
- 8) Building Budgets held flat for **3rd year in a row**
- 9) **Nothing has been budgeted for Capital Expenses**

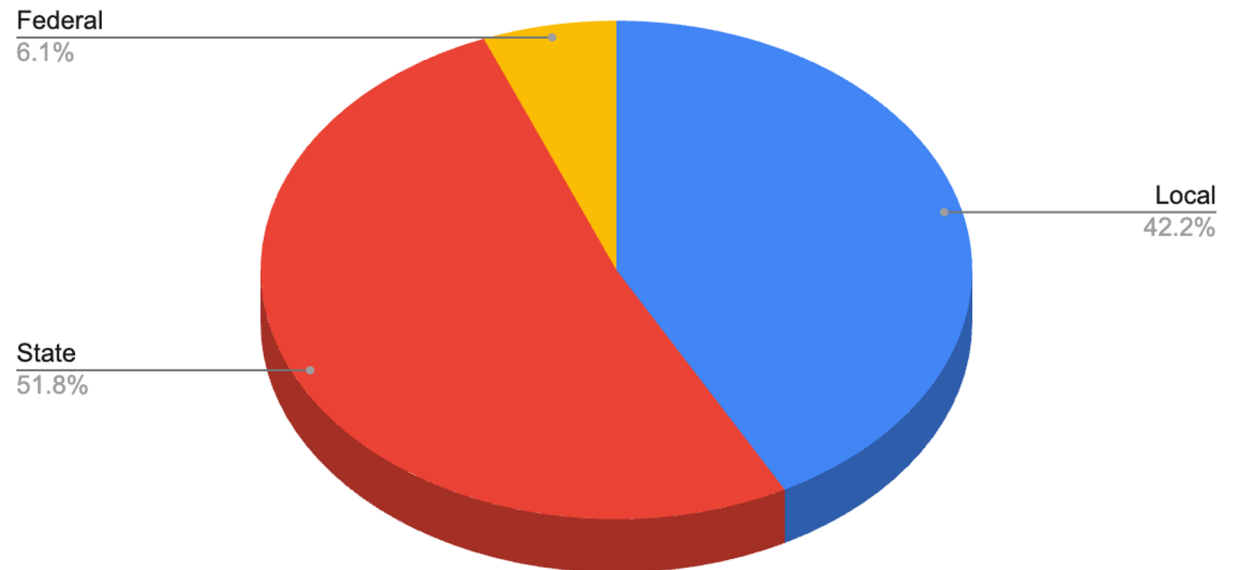


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# Review of Revenues From 23/24 School Year

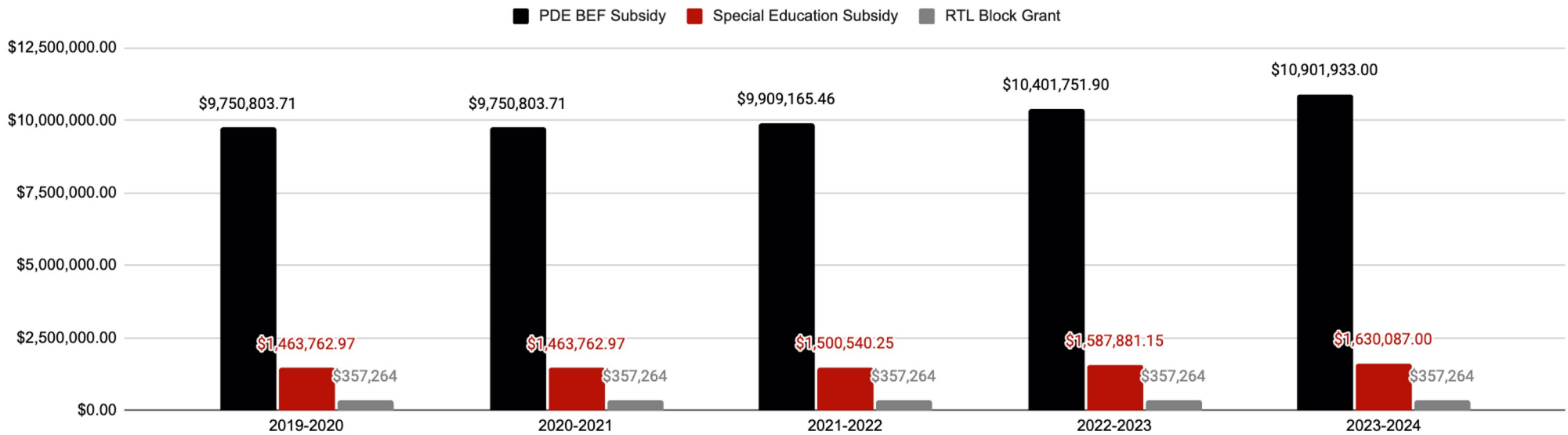
Local: \$15,113,060.00  
State: \$18,555,708.00  
Federal: \$2,179,929.00  
**TOTAL: \$35,848,697.00**



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# 5 Year State Revenues Analysis



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# Revenues – What We Know for 24/25 School Year

Proposed Basic Education Funding (State):

\$11,060,826 (+1.46%)

Proposed Special Education Funding (State):

\$1,674,542 (+2.73%)

Proposed Ready to Learn Block Grant (State):

\$357,264 (No Change)

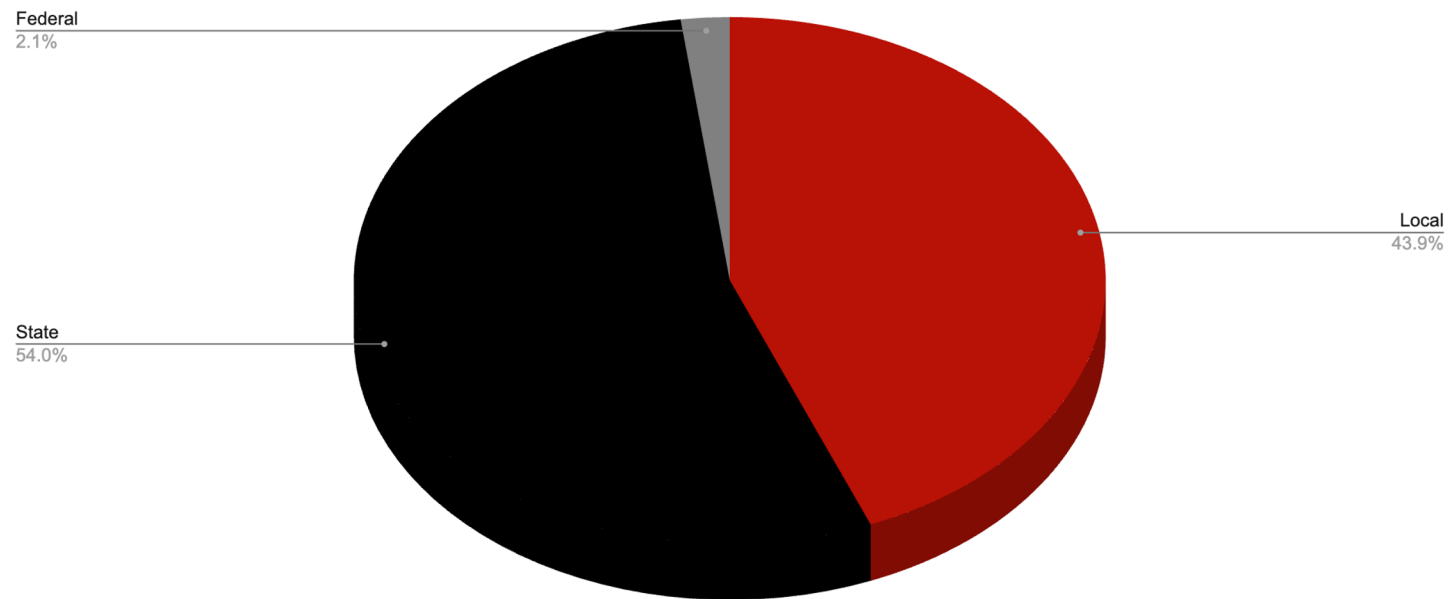
**Total Proposed State Funding:**

**\$13,092,632 (+1.58%)**

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# Proposed Revenues



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# Bottom Line Using 23/24 Local and Federal Revenues and Proposed 24/25 State Revenues

**Expenditures:** \$35,552,250.00

**Revenues:** \$35,328,301.05

Local: \$15,504,985.00

State: \$19,084,016.05

Federal: \$739,300.00

<b>Expenditures</b>	\$35,552,250.00
<b>Revenues</b>	\$35,328,301.05
<b><i>Proposed Beginning Deficit</i></b>	<b>\$223,948.93</b>

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# Unknowns

- 2 Contracts Being Negotiated Currently
- Cyber Charter Funding Reform (This could save the district approximately \$300,000)
- Adequacy Funding Related to the Funding Commission's Work Due to the Recent Court Ruling Stating the State is Underfunding Schools (This could add up to \$829,829.00 to our State Revenues)
- Medical Insurance Rates - Will not be released until end of March (Currently Budgeted at a 15% Increase)

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**Keep In Mind:  
The 2024/2025  
Preliminary Budget Does  
Not Include Any  
Expenditures for Capital  
Improvements!!!!**



# Reminder – Multi-County Rebalancing

There are 500 Public Schools in Pennsylvania, 89 of those School Districts educate students in more than one county

- 78 are in 2 counties
- 10 are in 3 counties
- 1 is in 4 counties



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# Reminder – Multi-County Rebalancing

## PA School Code Section 672.1

- School Districts lying in more than one county or in more than one municipality; limitation on total tax revenues
- Calculates different tax rates based on share of **STEB** market value in each county.

**State Tax Equalization Board (STEB)** was established by the General Assembly in Act 447 PL 1046, 1947, to compensate for the lack of assessment uniformity statewide in distributing school subsidies.

- The primary function of the **STEB** will determine annually the aggregate market value of taxable real estate property in each political subdivision and school district throughout the Commonwealth of Pennsylvania.
- The **STEB** is to establish a common level ratio of assessed value to market value for each county for the prior calendar year.

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# Reminder – Multi-County Rebalancing

## Look Back to Last Year:

	2022-2023 Ending Rates	2023-2024 Starting Rates
Fayette County	16.5418	16.6087 (+0.4%)
Westmoreland County	90.9311	90.9311

**\*\*These millage rates were totally based upon Assessed Values and were 100% independent of any budget decision made by the Southmoreland School District Board of Directors.\*\***

**The 2023-2024 STEB rebalanced millage will be the new base millage rate for the 2024-2025 budget discussions and decisions**

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# Next Steps

- 1) **Advocate for the Proposed Governor's Budget**
  - a) **Cyber Charter Funding Reform**
  - b) **Adequacy Investment Amount**
- 2) Determine Medical Benefits Rate and Contributions (*March - April*)
- 3) Determine Multi-County Rebalancing Millage Rates For Our Starting Point (*End of April*)
- 4) Determine Increases Due to Ongoing Collective Bargaining (*Beginning of May*)
- 5) Determine Homestead/Farmstead Exemption (*Beginning of May*)
- 6) Determine Federal Funding Amounts (Title I-IV) (*Mid April*)
- 7) Determine Capital Improvements/Possible Cuts (*April - May*)



- 1) Committee Meetings and Monthly Board Presentations
- 2) Final Proposed Budget - May 21, 2024
- 3) Final Budget Adoption - June 24, 2024

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