



Downingtown Area School District

2025-26 Revised Budget Proposal

April 8, 2025



A photograph of three young boys sitting on a blue and grey playground structure. The boy on the left is wearing a blue Nike t-shirt and grey pants, holding a blue marker. The boy in the middle is wearing a blue patterned t-shirt. The boy on the right is wearing a white t-shirt with a 'Tale To Go' logo and grey pants. They are all smiling at the camera. The background shows bare trees and a clear sky. The image is partially covered by a dark blue rounded rectangle containing the title 'Agenda' and a light blue rounded rectangle at the bottom.

Agenda

- Revenue
- Expenses
- Staffing Requests
- Budget Adjustments
- Summary

Budgetary Goal

To provide valuable learning experiences to all students,
including establishing full-day kindergarten,
through responsible and transparent financial stewardship.

2025-26 Goals



K-12 Educational Programs

- Implement new K-12 math curriculum (Strategic Plan Goal 2)



Operations

- Completion of BC and WB Construction
- Grant for window replacement
- Siemens property sale



District Initiatives

- Implement district-wide full-day kindergarten (Strategic Plan Goal 2)

Full-Day Kindergarten Preparations

- New classrooms will be ready
- Staffing needs
 - 8 – 14 Teachers
 - 8 – 14 Para-Professionals
- Curriculum is ready
- Furniture and supplies are ordered



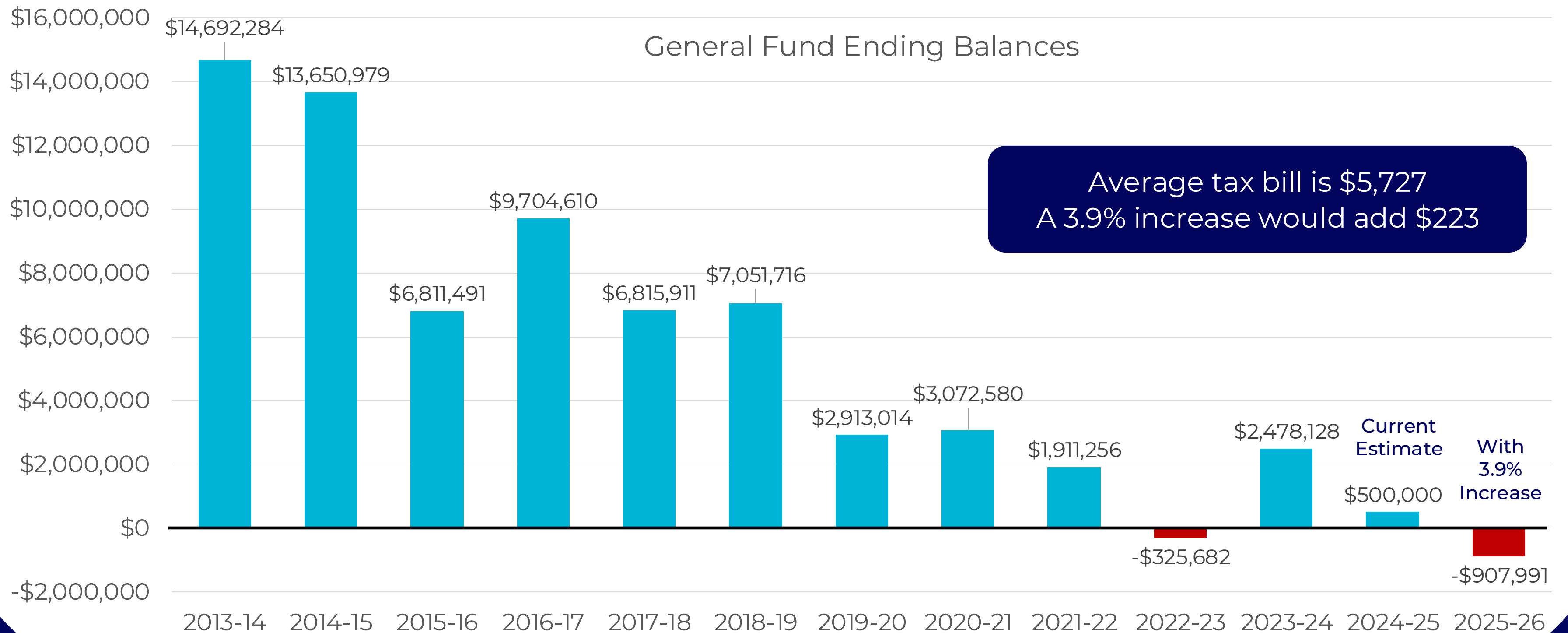
2024-25 Revenue Estimates

	2024-25 Budget	2024-25 Year End Estimate	Variance
Local Revenue	\$219.2 M	\$217.3 M	\$(1.9) M
State Revenue	\$64.1 M	\$65.5 M	\$1.6 M
Federal Revenue	\$1.4 M	\$2.9 M	\$1.5 M
TOTAL REVENUE	\$284.7 M	\$285.9 M	\$1.2 M
Expenses	\$285.1 M	\$285.4 M	\$(0.3) M
Surplus/ (Deficit)	\$(0.4) M	\$0.5 M	\$0.9 M

**Expenses include \$9.7 M
transfer to Capital Fund for
Annual Capital Expenses**

2025-26 Administrative Recommendation

Proposed 3.9% Millage Increase



Offsets Millage Growth

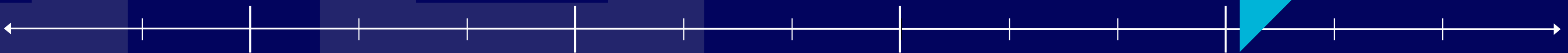
- PSERS Rate Slowing
- Increased State Subsidies
- Positive Earned Income Growth
- Software License Reduction
- Homestead/Farmstead Discount
- New Construction (Weaver & Happy Days)

- Full Day Kindergarten
- Real Estate Assessment Appeals
- Slower Earned Income Growth
- Healthcare Premiums
- Facility Needs
- Employee Costs
- Lower Investment Interest Rates
- Special Education Enrollment Growth
- Transportation Costs
- General Inflation

Increases Millage

IMPACTS ON MILLAGE RATES

Millage rate determines property taxes

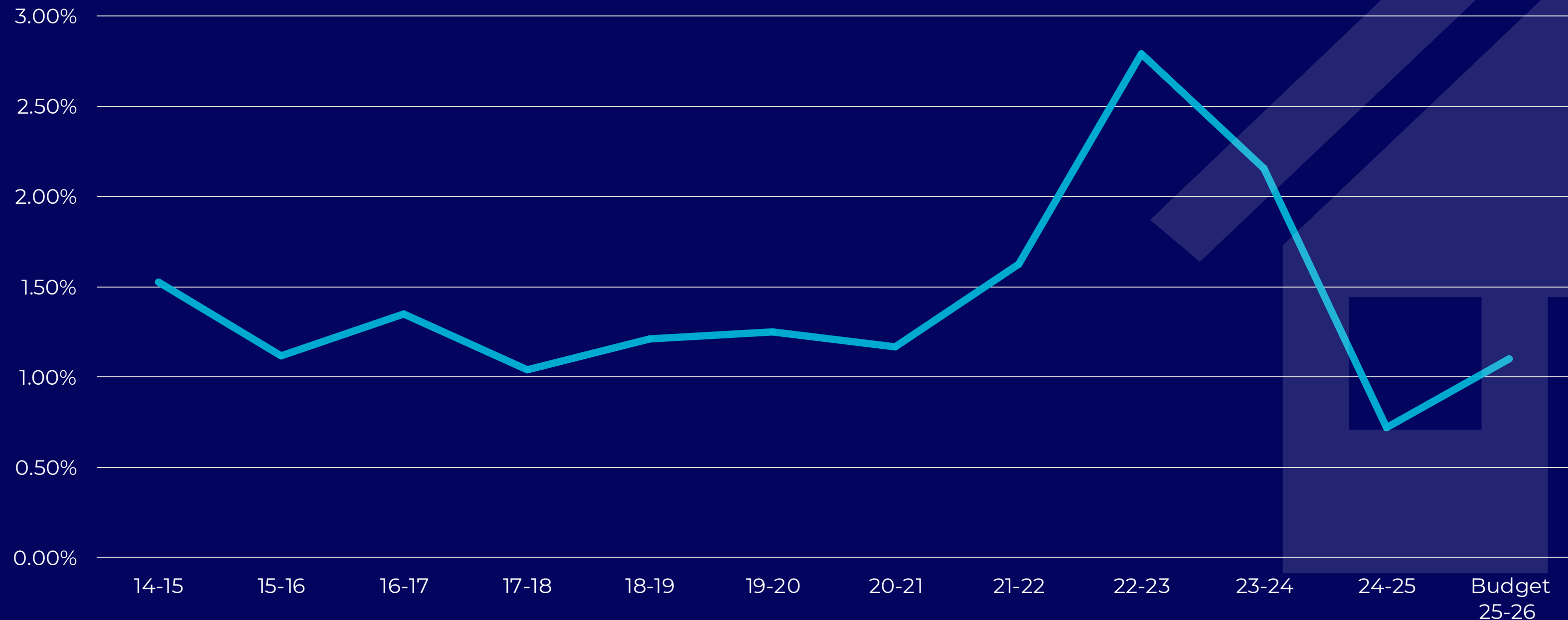


2025-26 Primary Local Revenue Sources

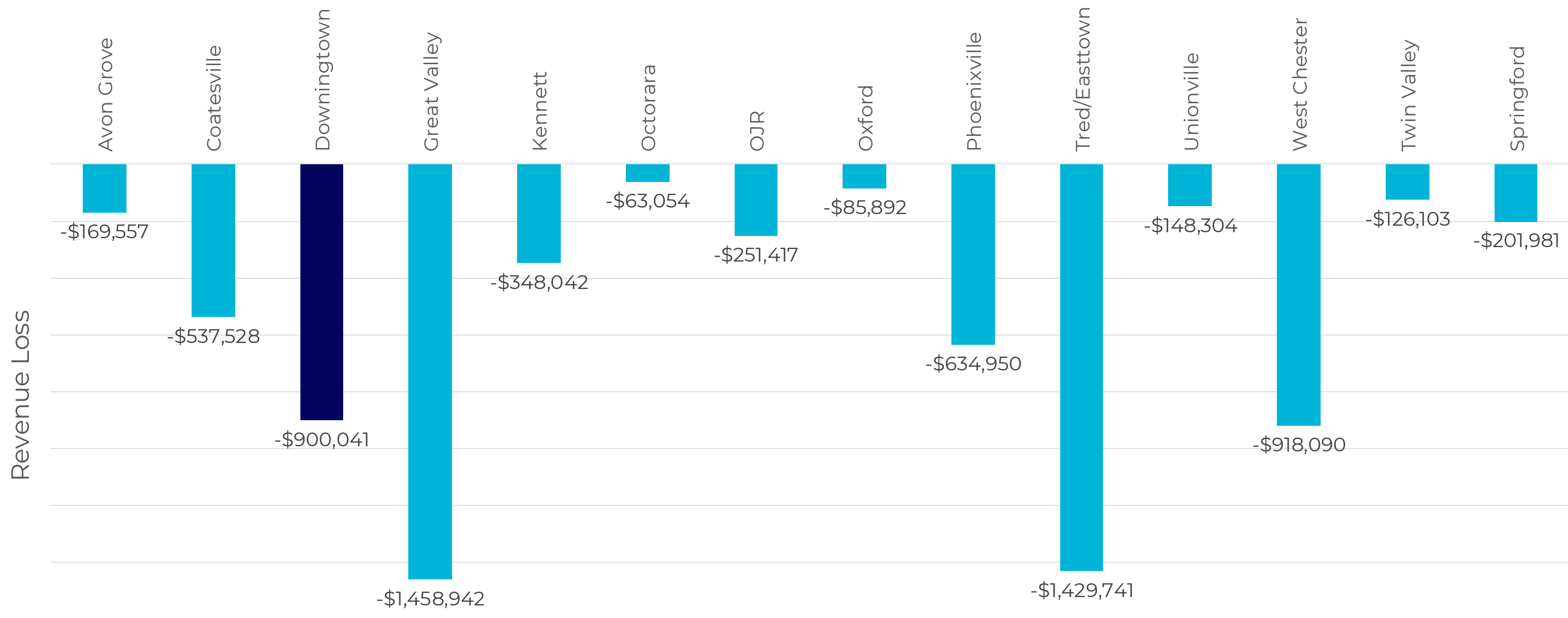
RE Tax	\$186.4 M
REI Transfer	\$4.2 M
EIT	\$25.2 M
Interest	\$4.8 M



Real Estate Assessment Growth % Due to New Construction



Revenue Loss from Assessment Appeals in 2024-25



2025-26 State Revenue Sources

Basic Education Subsidy	\$19.7 M
Special Education Subsidy	\$7.4 M
Ready to Learn Grant	\$1.9 M
Adequacy Supplement	\$1.0 M (uncertain amount)
Homestead Allowance (revenue neutral - offsets RE tax revenue)	\$5.9 M



2025-26 Federal Revenue Sources



Title I	\$415 k (Math teachers)
Title II	\$160 k (Professional development)
Title III	\$55 k (ESL aides)
Title IV	\$30 k (Supplements other title programs)
IDEA	\$2.0 M (ESY, Special Ed. tuition)
Medical Access	\$2.1 M (Contracted PCAs, nurses)
E-Rate	\$400 k (Technology capital)
USDA	\$1.9 M \$(100,000) from local produce

Projected 2025-26 Revenue Considerations

Local Revenue

We are projecting slight growth based on quarterly real estate and monthly EIT reports

State Revenue

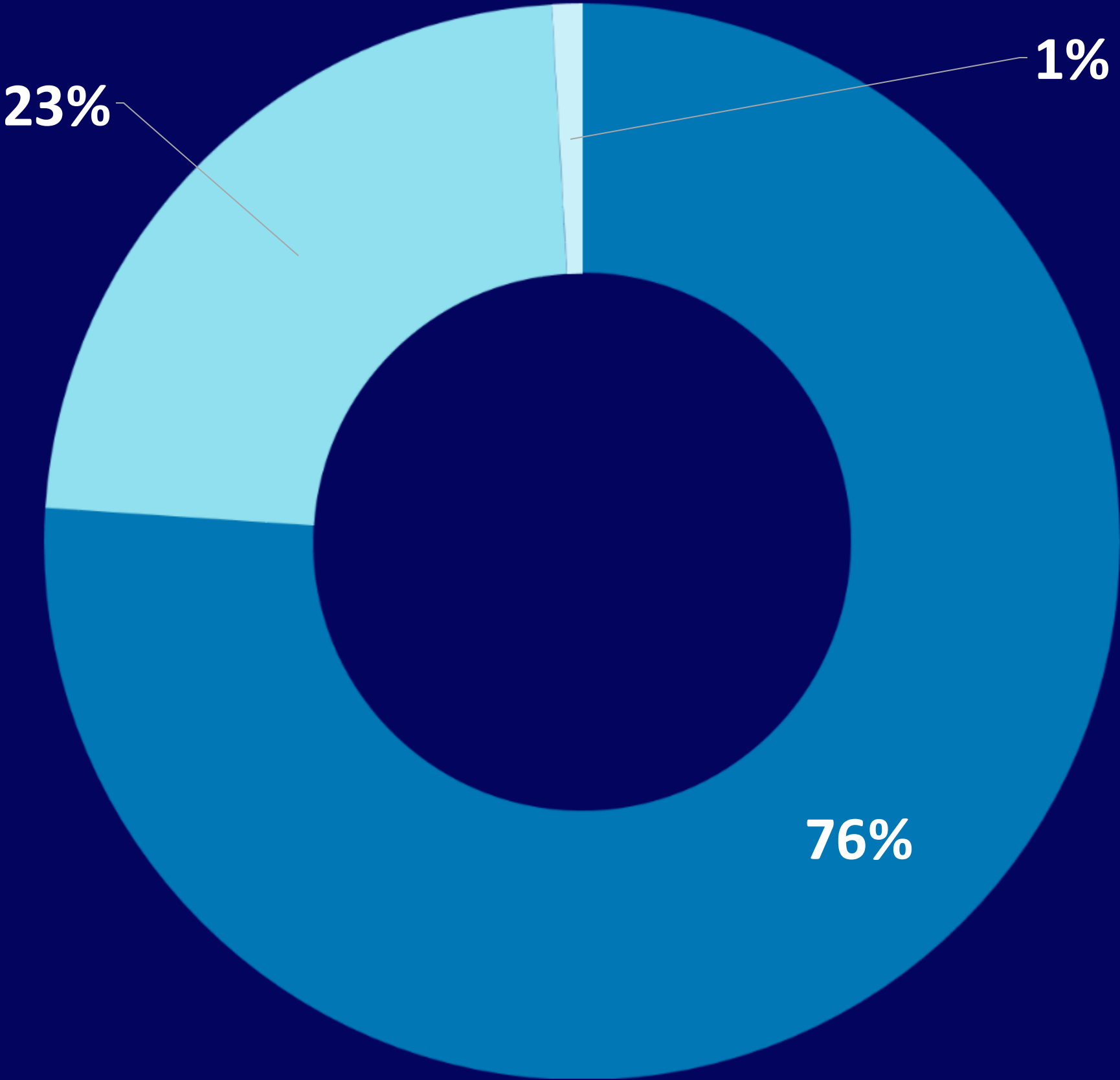
Governor's Adequacy Grant +\$1 M

Federal Sources of Revenue

Food Service Local Produce (Food Service Fund)	\$1.9 M \$(100,000)
Medical Assistance (Medicaid) (Federal)	\$2.1 M Status Quo
E-Rate (Capital Fund)	\$400 k Status Quo
Title Programs (Federal)	\$660 k Status Quo
IDEA Programs (Local)	\$2.0 M Status Quo
COVID Grants	N/A

Budgeted Revenue

- Local Revenues
\$228,723,941
- State Revenues
\$69,325,740
- Federal Revenues
\$2,725,000



Total Revenue \$300,774,681

2025-26 Staffing Proposal

Full-Day Kindergarten Enrollment Dependent

- Up to 14 Teachers
- Up to 14 Paraprofessionals

Special Education Services

- 2 Elementary Autistic Support Teachers
- 1 Middle School Autistic Support Teacher
- 1 High School Life Skills Teacher

ADMINISTRATIVE

- 1 Marsh Creek Assistant Principal via reductions



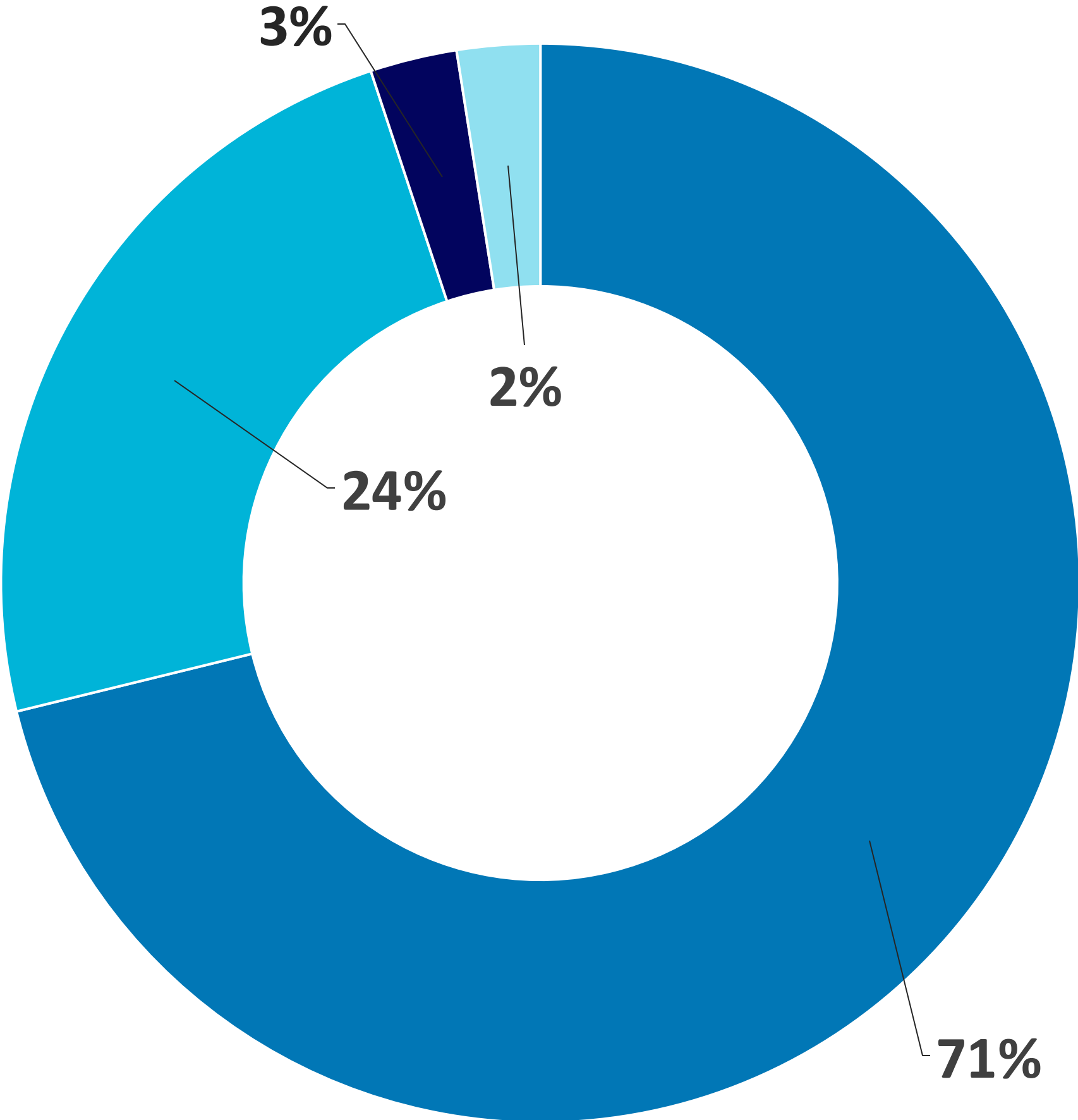


Staffing Summary

- 2025-26 Proposed New Positions – \$2.2M*
*Included in March deficit calculation
- Proposed Staffing Reductions – \$1.2M
 - **Job security will be maintained**
 - Reading coordinator - \$100,000
 - Move 2 kindergarten teachers on assignment back into K classroom - \$200,000
 - Reassignments due to retirements and resignations - \$900,000
- Will continue to investigate other savings opportunities

Budgeted Expenditures

- Salaries and Benefits
\$214,721,731
- General Operating Expenses
\$71,598,437
- Capital Transfers
\$7,858,504
- Debt Service
\$7,504,000



Total Expenditures \$301,682,672

General Operating Expenses

Transportation	\$18,242,695
Special Education	\$17,026,923
Facilities	\$7,054,888
Charter School Tuition Cost	\$5,250,000
Grant Expenses (with revenue offset)	\$4,227,885
Vo tech Costs	\$3,808,043
Curriculum and Pupil Support	\$3,614,891
Substitute Teacher Costs	\$3,253,120
School Buildings	\$2,675,226
Technology	\$2,046,065
Athletics	\$1,542,480
Insurance	\$682,407
Administrative Support	\$663,114
Tax Collection Costs	\$574,600
Legal, Audit, Merchant Fees	\$531,000
Print Shop Costs	\$240,100
CCIU Fee	\$95,000
Transfer to Food Service	\$70,000
Total General Operating Expenses	\$71,598,437

Budget Refinements

Preliminary Deficit (March 12, 2025) **-\$2,107,991**

Expenditures

Reduced staffing costs **\$1,200,000**

Revenues

No adjustments **\$0**

Revised Deficit **-\$907,991**



2025-26 Estimated Budget Summary

Local Revenue	\$228,723,941
State Revenue	\$69,325,740
Federal Revenue	\$2,725,000
TOTAL REVENUE	\$300,774,681

Salaries and Benefits	\$214,721,731
General Operating Expenses	\$71,598,437
Capital Transfer	\$7,858,504
Debt Service	\$7,504,000
TOTAL EXPENSES	\$301,682,672

NET DEFICIT	\$(907,991)
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Timeline and Next Steps

Oct - Feb
Building & Dept
Budget
Development

Jan - March
**Reduction in
proposed
expenditures**

Now - May
**Further Reduce
Expenditures**

April 2
Staffing
Proposal

April 9
Proposed
Budget Approval

May 14
Final Budget
Approval

Administrative Recommendation - 3.9% Tax Increase



QUESTIONS