

Pocono Mountain School District

***GENERAL FUND
PRELIMINARY BUDGET
2026 – 2027***

January 21, 2026



❖ ***Preliminary Budget Adoption***

❖ *February 18, 2026*

❖ ***Proposed Final Budget Adoption***

❖ *May 31, 2026*

❖ ***Final Budget Adoption***

❖ *June 30, 2026*

Local Revenues

- ❖ *Property Assessment Appeals*
 - ❖ *Common Level Ratio*
 - ❖ *County-Wide Re-Assessment*

- ❖ *Interest Earnings*
 - ❖ *Rate Reductions*

State Revenues

- ❖ *To Be Determined*
 - ❖ *Governor's Budget Proposal*
 - ❖ *State Legislature*

Federal Revenues

❖ Uncertainty

❖ Department of Education

❖ Decrease in Federal Funding

Other Sources

- ❖ *Transfer of Funds*
 - ❖ *One-Time Source*
 - ❖ *Non Recurring Income*

Other Sources

- ❖ *Appropriation of Fund Balance*
 - ❖ *Depletion of Reserves*
 - ❖ *Funds May Be Unavailable*
 - ❖ *State Budget Impasse*
 - ❖ *Federal Budget*
 - ❖ *Reductions/Eliminations*

Updated Capital Improvement Plan

Adopted on January 14, 2026

Financing Plan Initial Review

Presented on January 14, 2026

The 2026 – 2027 Proposed Preliminary Budget is not impacted by the above.

Contractual Obligations

- ❖ *Appropriations to fund existing contracts and agreements*

Health Care Costs

- ❖ *Increases in medical & prescription costs*
- ❖ *Increases in health care claims*

Special Education Costs

- ❖ *Increased Needs of Student Population*

- ❖ *Increased Costs for Providing Services*

 - ❖ *In District*

 - ❖ *Outside District Facilities*

Technology Costs

- ❖ *Increase appropriations for purchasing and upgrading technology software and equipment to ensure the District's students have the current resources they need.*

Safety Costs

- ❖ *Increase appropriations for the safety and security of the District's students, staff and visitors.*

❖ ***District Facilities***

❖ *Appropriations for Repairs & Maintenance*

❖ *Professional Services*

❖ *Departmental Equipment Needs*

Insurance Premiums

- ❖ *Costs of Obtaining Insurance in the Marketplace*
- ❖ *Facility Improvements*

❖ **PSERS Rate Consistency**

❖ *Slight Rate Decrease for Next Fiscal Year*

❖ **Cyber Charter School Tuition**

❖ *Tuition Formula Changes*

❖ **Inflation**

❖ *Goods Received / Services Provided*

Budgetary Reserve

- ❖ *Increase appropriation for*
 - ❖ *Contingencies*
 - ❖ *Unforeseen costs*
 - ❖ *Price Hikes*
 - ❖ *Tariffs*
 - ❖ *Inflation*

Pocono Mountain School District

REVENUES AND OTHER FINANCING SOURCES

GENERAL FUND PRELIMINARY BUDGET 2026 – 2027



Preliminary Millage Rate

**2025 - 2026
Millage
Rate**

23.250

**2026 - 2027
Adjusted
Act I Index**

4.50%

**2026 - 2027
Maximum
Millage Rate
Increase**

1.04625

**2025 - 2026
Millage
Rate**

23.250

**2026 - 2027
Preliminary
Millage Rate
Increase**

1.00

**2026 - 2027
Preliminary
Millage
Rate**

24.250

Tax Increase Based Upon Property Assessed Values

Property Assessed Value	2026 - 2027 Preliminary Millage Rate Increase	2026 - 2027 Preliminary Annual Increase	2026 - 2027 Preliminary Monthly Increase	2026 - 2027 Preliminary Weekly Increase
\$100,000	1.000	\$ 100.00	\$ 8.33	\$ 1.92
\$150,000	1.000	\$ 150.00	\$ 12.50	\$ 2.88
\$175,000	1.000	\$ 175.00	\$ 14.58	\$ 3.37
\$200,000	1.000	\$ 200.00	\$ 16.67	\$ 3.85
\$225,000	1.000	\$ 225.00	\$ 18.75	\$ 4.33
\$250,000	1.000	\$ 250.00	\$ 20.83	\$ 4.81
\$275,000	1.000	\$ 275.00	\$ 22.92	\$ 5.29
\$300,000	1.000	\$ 300.00	\$ 25.00	\$ 5.77
\$325,000	1.000	\$ 325.00	\$ 27.08	\$ 6.25
\$350,000	1.000	\$ 350.00	\$ 29.17	\$ 6.73
\$375,000	1.000	\$ 375.00	\$ 31.25	\$ 7.21
\$400,000	1.000	\$ 400.00	\$ 33.33	\$ 7.69
\$425,000	1.000	\$ 425.00	\$ 35.42	\$ 8.17
\$450,000	1.000	\$ 450.00	\$ 37.50	\$ 8.65
\$475,000	1.000	\$ 475.00	\$ 39.58	\$ 9.13
\$500,000	1.000	\$ 500.00	\$ 41.67	\$ 9.62

Regular Real Estate Tax Revenue

Municipality	Projected Assessed Valuation	Preliminary Millage Rate	Gross Real Estate Taxes	State Property Tax Reduction Allocation	Gross Real Estate Taxes	Collection Rate	Net Real Estate Taxes
Barrett Township	\$ 499,915,096	0.024250	\$ 12,122,941	\$ 778,083	\$ 11,344,858	92.50%	\$ 10,493,994
Coolbaugh Township	1,576,640,716	0.024250	38,233,537	2,453,930	35,779,607	92.50%	33,096,136
Jackson Township	640,137,518	0.024250	15,523,335	996,329	14,527,006	92.50%	13,437,481
Mount Pocono Borough	298,769,972	0.024250	7,245,172	465,014	6,780,158	92.50%	6,271,646
Paradise Township	351,542,231	0.024250	8,524,899	547,151	7,977,748	92.50%	7,379,417
Pocono Township	1,369,697,224	0.024250	33,215,158	2,131,838	31,083,320	92.50%	28,752,071
Tobyhanna Township	1,664,985,292	0.024250	40,375,893	2,591,432	37,784,461	92.50%	34,950,626
Tunkhannock Township	572,450,739	0.024250	13,881,930	890,979	12,990,951	92.50%	12,016,630
Total	\$ 6,974,138,787		\$ 169,122,865	\$ 10,854,756	\$ 158,268,109		\$ 146,398,001

Local Revenue Sources

Revenue Description	2025 – 2026	2026 – 2027	Budget Net Change
	Final Budget	Preliminary Budget	
Regular Real Estate Taxes	140,061,606	146,398,001	6,336,395
Interim Real Estate Taxes	325,000	325,000	-
Public Utility Realty Taxes	125,000	135,000	10,000
Payments in Lieu of Taxes	160,000	200,000	40,000
Earned Income Taxes	7,250,000	7,250,000	-
Real Estate Transfer Taxes	2,500,000	2,500,000	-
Delinquent Real Estate Taxes	8,500,000	8,500,000	-
Interest on Investments	3,150,000	2,900,000	(250,000)
Revenues From District Activities	35,000	30,000	(5,000)
Federal Revenues Other Sources - <i>IDEA</i>	1,600,000	1,560,000	(40,000)
Rental Revenue	5,000	5,000	-
Contributions From Private Sources	125,000	125,000	-
Receipts and Other Services From LEAS	135,000	125,000	(10,000)
Refunds & Other Miscellaneous Revenue	163,723	159,034	(4,689)
Total Local Sources	164,135,329	170,212,035	6,076,706

State Revenue Sources

Revenue Description	2025 – 2026	2026 – 2027	Budget Net Change
	Final Budget	Preliminary Budget	
Basic Education Subsidy	37,148,272	38,385,000	1,236,728
Tuition – Orphans and Children Placed in Private Homes	625,000	900,000	275,000
Vocational Education Subsidy	677,161	720,000	42,839
Special Education	8,411,679	8,515,000	103,321
Transportation	3,170,525	3,170,525	-
Rentals & Sinking Fund Payments	1,079,223	799,500	(279,723)
Health Services	158,000	158,000	-
Property Tax Reduction Allocation	10,793,987	10,793,987	-
Other State Revenue Sources	261,780	275,000	13,220
Safe Schools and Security Grants	250,000	250,000	-
Ready To Learn Grant	6,596,518	6,518,211	(78,307)
Reimbursement – Social Security	3,860,469	3,936,622	76,153
Reimbursement – Retirement	17,138,088	17,264,120	126,032
Total State Sources	90,170,702	91,685,965	1,515,263

Federal Revenue Sources

Revenue Description	2025 – 2026	2026 – 2027	Budget Net Change
	Final Budget	Preliminary Budget	
Title I - Improving Academic Achievement	3,125,200	2,830,000	(295,200)
Title II – Supporting High Quality Teachers	318,340	295,000	(23,340)
Title III – Instruction for Limited English Proficiency	64,922	60,000	(4,922)
Title IV – 21 st Century Schools	254,507	230,000	(24,507)
Access Medicaid Reimbursement Program (SBAP)	875,000	970,000	95,000
Medical Assistance Administrative Claiming Program	50,000	45,000	(5,000)
Total Federal Sources	4,687,969	4,430,000	(257,969)

Other Financing Sources

Revenue Description	2025 – 2026	2026 – 2027	Budget Net Change
	Final Budget	Preliminary Budget	
Sale of Fixed Assets	-	-	-
Transfer from Internal Service Fund	2,500,000	3,500,000	1,000,000
Fund Balance Appropriation	2,000,000	-	(2,000,000)
Total Other Financing Sources	4,500,000	3,500,000	(1,000,000)

Revenues and Other Financing Sources

Revenue Category	2025 – 2026	2026 – 2027	Budget Net Change
	Final Budget	Preliminary Budget	
Local Sources	164,135,329	170,212,035	6,076,706
State Sources	90,170,702	91,685,965	1,515,263
Federal Sources	4,687,969	4,430,000	(257,969)
Other Sources	4,500,000	3,500,000	(1,000,000)
Total Sources	263,494,000	269,828,000	6,334,000

Pocono Mountain School District

EXPENDITURES AND OTHER FINANCING USES

***GENERAL FUND
PRELIMINARY BUDGET
2026 – 2027***



Expenditures and Other Financing Uses

Expenditure Category	2025 – 2026	2026 – 2027	Budget Net Change
	Final Budget	Preliminary Budget	
Salaries & Wages	100,927,283	102,918,213	1,990,930
Employee Benefits	67,317,113	71,221,484	3,904,371
Professional & Technical Services	18,703,840	19,287,373	583,533
Purchased Property Services	2,193,189	2,241,383	48,194
Other Purchased Services	37,528,464	36,678,828	(849,636)
Supplies, Utilities, Books & Software	9,993,300	10,072,042	78,742
Dues, Fees, Competitions, Tournaments and Property Tax Rebates	1,756,651	1,800,092	43,441
Capital Improvements, Vehicles & Equipment	1,177,000	1,249,000	72,000
Debt Service – Principal	13,710,941	14,241,950	531,009
Debt Service – Interest	4,331,219	3,792,635	(538,584)
Transfers To Other Funds	4,000,000	4,000,000	-
Budgetary Reserve	1,855,000	2,325,000	470,000
Total Expenditures & Other Financing Uses	263,494,000	269,828,000	6,334,000

General Fund Budget – Expenditures By Function

Expenditure Functional Area	2025 – 2026	2026 – 2027	Budget Net Change
	Final Budget	Preliminary Budget	
Regular Instruction	93,881,077	96,461,275	2,580,198
Special Education	46,199,423	46,755,447	556,024
Vocational Education	3,371,518	3,506,000	134,482
Other Instruction	4,870,712	3,788,304	(1,082,408)
Non-Public Programs	30,500	30,500	-
Higher Education Programs	70,000	70,000	-
Pupil Personnel	10,363,766	11,002,271	638,505
Instructional Staff	14,046,386	15,562,505	1,516,119
Administration	14,681,867	14,141,973	(539,894)
Pupil Health	2,199,866	2,135,172	(64,694)
Business Services	2,228,301	2,256,379	28,078
Operation & Maintenance	23,098,038	24,065,579	967,541
Student Transportation Services	15,606,321	15,966,499	360,178
Staff Support Services	3,736,668	4,417,351	680,683
Intermediate Unit 20 Contribution	81,950	81,950	-
Student Activities	5,087,947	5,184,710	96,763
Community Services	42,500	42,500	-
Capital Outlay/Building Improvements	-	-	-
Debt Service – Principal	13,710,940	14,241,950	531,010
Debt Service – Interest	4,331,220	3,792,635	(538,585)
Transfers To Other Funds	4,000,000	4,000,000	-
Budgetary Reserve	1,855,000	2,325,000	470,000
Total Expenditures and Other Financing Uses	263,494,000	269,828,000	6,334,000

Total Expenditures and Other Financing Uses

Functional Expenditure Area	2025 – 2026	2026 – 2027	Budget
	Final Budget	Preliminary Budget	Net Change
Instructional Expenditures	148,423,230	150,611,526	2,188,296
Support Services Expenditures	86,043,163	89,629,679	3,586,516
Non-Instructional Expenditures	5,130,447	5,227,210	96,763
Capital Outlay/Building Improvements	-	-	-
Debt Service	18,042,160	18,034,585	(7,575)
Transfers To Other Funds	4,000,000	4,000,000	-
Budgetary Reserve	1,855,000	2,325,000	470,000
Total Expenditures and Other Financing Uses	263,494,000	269,828,000	6,334,000

2026 – 2027 Preliminary Budget

Total Revenues & Other Sources		Total Expenditures & Other Uses	
Local Revenue Sources	170,212,035	Instructional Expenditures	150,611,526
State Revenue Sources	91,685,965	Support Services Expenditures	89,629,679
Federal Revenue Sources	4,430,000	Non-Instructional Expenditures	5,227,210
Transfers From Other Funds	3,500,000	Capital Outlay/Building Improvements	-
Fund Balance Appropriation	-	Debt Service	18,034,585
		Transfers To Other Funds	4,000,000
		Budgetary Reserve	2,325,000
Total Revenues & Other Sources	269,828,000	Total Expenditures & Other Uses	269,828,000

Projection of Fund Balance

	Total Fund Balance	Unassigned Fund Balance	Assigned Fund Balance	Nonspendable & Restricted Fund Balance
Per Audited Financial Statements - June 30, 2025	14,832,451	12,088,246	2,000,000	744,205
Utilization of Fund Balance Appropriation	(2,000,000)	-	(2,000,000)	-
Projected Fund Balance - June 30, 2026	12,832,451	12,088,246	-	744,205
2026 - 2027 Budget Fund Balance Appropriation	-	-	-	-
Projected Fund Balance - June 30, 2027	<u>12,832,451</u>	<u>12,088,246</u>	-	<u>744,205</u>

Pocono Mountain School District

***GENERAL FUND
PRELIMINARY BUDGET
Additional Information
2026 – 2027***

January 21, 2026



Employer Pension Contribution Rates

Fiscal Year	Employer Contribution Rate
2026 - 2027	33.59%
2025 - 2026	34.00%
2024 - 2025	33.90%
2023 - 2024	34.00%
2022 - 2023	35.26%
2021 - 2022	34.94%

Employer Contribution Rates per PSERS presume a 7.00% Rate of Return.

Tuition To Others

Expenditure Category	2025 - 2026 Final Budget	2026 - 2027 Preliminary Budget	Net Change
Tuition to Other LEA's	250,000	275,000	25,000
Tuition to Charter & Cyber Schools	15,160,000	13,390,000	(1,770,000)
Tuition to Non-Public Schools	485,000	520,000	35,000
Tuition to Monroe County Technical Institute (MCTI)	3,371,518	3,506,000	134,482
Tuition to Higher Education	65,000	65,000	-
Tuition to Approved Private Schools	625,000	675,000	50,000
Tuition to PRRI's	50,000	50,000	-
Tuition to Other Special Education Programs	25,000	25,000	-
Total	20,031,518	18,506,000	(1,525,518)

Charter School & Cyber Charter School Tuition

	Enrollment November 2025	Projected Tuition Rate 2026 - 2027	Projected Budget 2026 - 2027
<u>Regular Education</u>			
Brick and Mortar Charter Schools	78	20,280.64	1,581,890
Cyber Charter Schools	375	16,134.00	6,050,250
<u>Special Education</u>			
Brick and Mortar Charter Schools	21	55,989.01	1,175,769
Cyber Charter Schools	166	27,606.16	4,582,623
Rounding Adjustment			(532)
Total			<u>13,390,000</u>

<u>Salaries & Wages</u>		\$ 1,990,930
<u>Employee Benefits</u>		3,904,371
<u>Professional & Technical Services</u>		
Special Education/Student Services	\$ 349,023	
Third Party Administrator Fees	120,750	
Safety & Security Services	88,760	
Technology Services	25,000	583,533
<u>Purchased Property Services</u>		
Disposal Costs	\$ 27,200	
Repairs & Maintenance	20,994	48,194
<u>Other Purchased Services</u>		
Transportation Costs	\$ 358,304	
Insurance Premiums	283,673	
Communications Costs	9,683	
Tuition to Others	(1,525,518)	
Mileage, Conferences & Trainings	24,223	(849,635)
<u>General Supplies</u>		
Supplies	\$ (2,791)	
Utilities	(64,000)	
Books & Periodicals/Software & Licenses	145,532	78,741
<u>Other Expenses</u>		
Dues and Fees	\$ 6,244	
Competitions, Tournaments & Events	37,197	43,441
<u>Capital Outlay & Equipment</u>		72,000
<u>Debt Service</u>		(7,575)
<u>Budgetary Reserve</u>		470,000
Total Net Increase (Decrease)	\$ 6,334,000	
2025 - 2026 Final Budget	\$ 263,494,000	
2026 - 2027 Proposed Preliminary Budget	\$ 269,828,000	

Crosswalk Budgeted Expenditures By Account

Proposed Preliminary Budget

- ❖ *This is just the beginning of the process*
- ❖ *Not the Final Budget*
- ❖ *Final Budget Due By June 30, 2026*

Remember The Past! (2025 – 2026)

- ❖ *State Budget Impasse*
- ❖ *Federal Government Shutdown*

Last Year is Still With Us! (2025 – 2026)

- ❖ *Property Assessed Values / Tax Appeals*
- ❖ *Did Inflation Really Go Away?*

Considerations

OPTION A
Reduce 0.25 Mills

2026 - 2027
Projected
Millage
Reduction

Projected
Fund
Balance

Projected Fund Balance Available - June 30, 2026

\$ 12,088,246

Utilization of Fund Balance To Reduce By 0.25 mills

\$ (1,612,770)

\$ (1,612,770)

Projected Fund Balance Available - June 30, 2027

\$ 10,475,476

OPTION B
Reduce 0.50 Mills

2026 - 2027
Projected
Millage
Reduction

Projected
Fund
Balance

Projected Fund Balance Available - June 30, 2026

\$ 12,088,246

Utilization of Fund Balance To Reduce By 0.50 mills

\$ (3,225,540)

\$ (3,225,540)

Projected Fund Balance Available - June 30, 2027

\$ 8,862,706

Pocono Mountain School District

CAPITAL RESERVE FUND PRELIMINARY BUDGET 2026 – 2027

January 21, 2026



Capital Reserve Fund Preliminary Budget

Projected Fund Balance - July 1, 2026 \$ 9,187,000

Revenues:

Transfers from General Fund 4,000,000
Interest Income 300,000

Expenditures:

Capital Outlay ⁽¹⁾ -

Projected Fund Balance - June 30, 2027 ⁽¹⁾ \$ 13,487,000

(1) Projected Fund Balance may change based upon the approval of future capital improvement projects.