

SSD BUDGET PRESENTATION #2

Initial
Expenditures
Analysis for
25/26

February 2025



“CULTIVATING LIFELONG LEARNERS READY FOR AN EVER-CHANGING WORLD”

Agenda

01

Inflation Analysis

02

25/26 Cost Drivers

03

Updated GESA Implications

04

Object Definitions and Initial
Budgeted Amounts

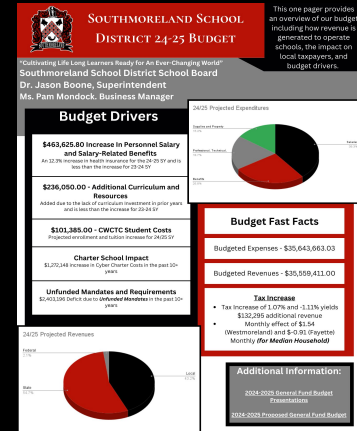
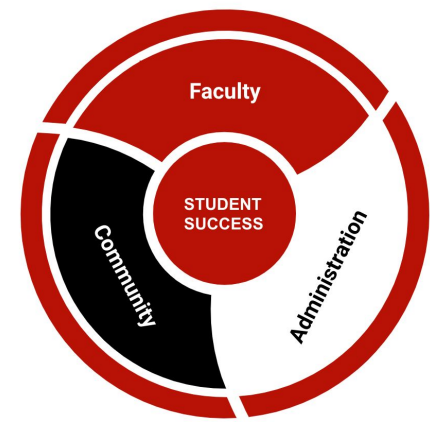
05

Next Steps And Possibilities

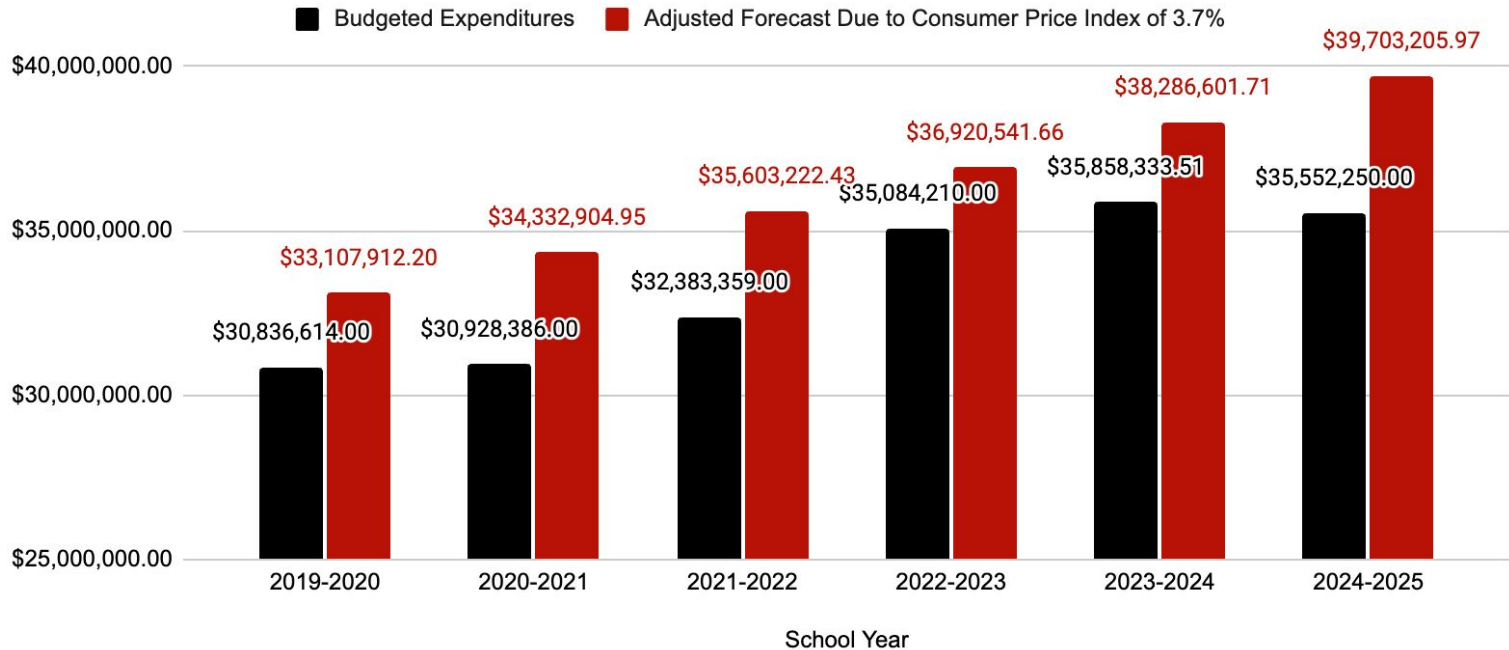




In Southmoreland School District, we provide a **safe, supportive, and adaptable learning environment** dedicated to nurturing individual growth and fostering active citizenship. Our mission is to **inspire** each student to achieve personal excellence, encouraging their journey as **lifelong learners,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



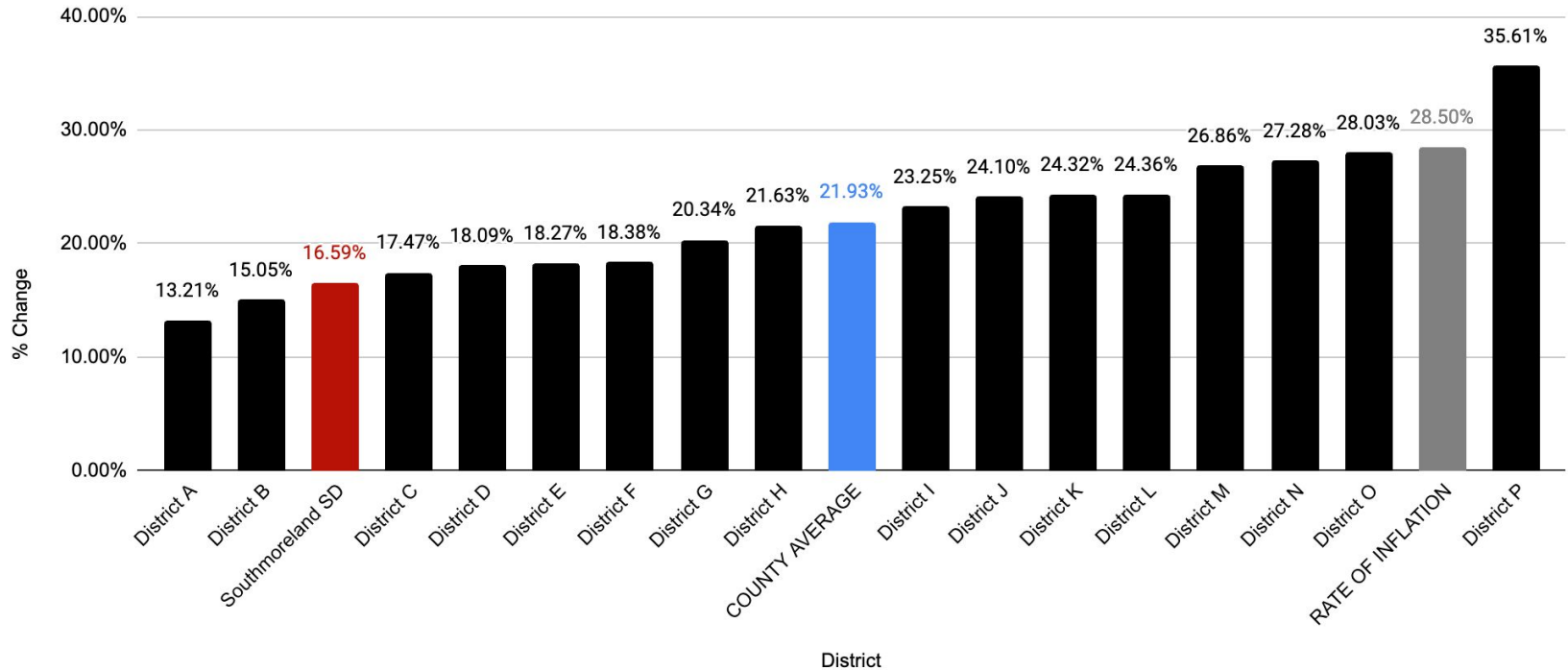
How Have We Stacked Up vs Inflation?



How Have We Stacked Up vs Inflation and Our Peers in Westmoreland County?



% Change in School District Expenditures Since 2016-2017 - Westmoreland County School Districts



- Overall Salary Increases:
\$500,468.00 which includes one additional teacher for the High School ***(Family and Consumer Sciences with Special Education Certification - Paid For Out Adequacy Funding)***
- Currently we have SEIU contract negotiations which will beginning soon.
- These other current agreements will expire June, 2025:
 - Act 93, Educational Support Team and Paraprofessionals.
 - Salary increases of the unknown groups are equal to the county averages as a conservative estimate.

Salary Assumptions



- Medical – health budgeted at a 10% increase or \$284,458.50.
- Dental budgeted at a 3% increase, vision budgeted at a 5% increase. Typically these numbers aren't firm until May.
- PSERS: - increased from 33.9% to 34% this fiscal year the increase in salaries and rate reflect the amount of \$237,114.67.

Benefits Assumptions

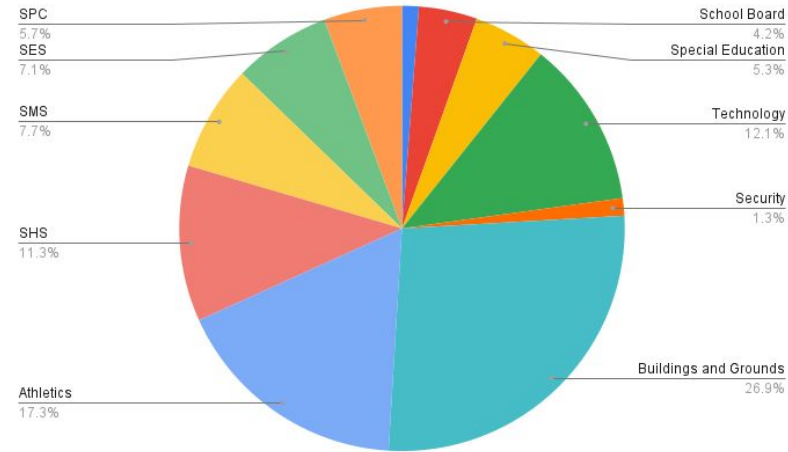


- CWCTC – increased by 5% or \$40,572. – We meet with CWCTC in March to review their budget & will have a better idea of our student engagement for 2025-2026.
- Building Budgets were held flat from last year with the exception of the High School & Athletics.
 - The High School budget was increased by \$9,959.63 due to an increase of 13 classes because of revised graduation requirements.
 - Athletics budget was increased by \$5,000 due to addition of girls wrestling.



Other Expenses

SSD Discretionary Spending Analysis 25-26.
(Overall < 5% of Overall General Fund Budget)

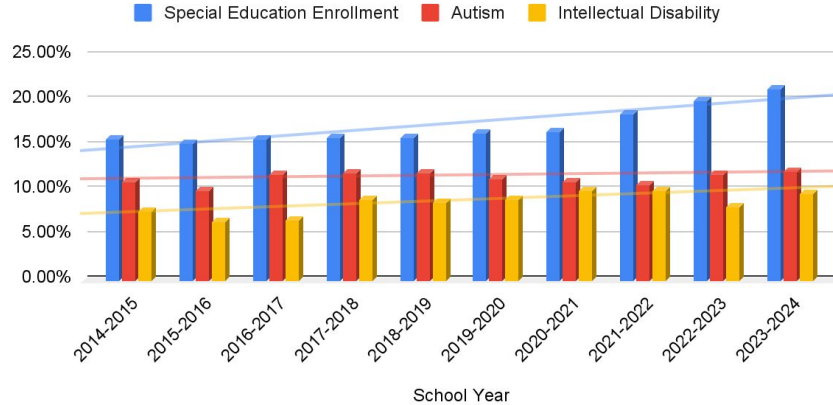


- Curriculum budgeted at \$200,000.
- Technology refresh budgeted at \$100,919.
- Increased Cyber/Charter costs by \$110,000 due to increases incurred this year with no state reimbursement.
- Contingency fund budgeted at \$75,000.
- Contracted Carrier cost increased by \$214,743.37. A total of 7 vans were added.
 - Outplacement of students in Special Education.
 - Students experiencing homelessness transportation costs more than doubled from 22/23 to 23/24.

Other Expenses



Special Education Enrollment, Autism Enrollment, Intellectual Disability Enrollment



- Our Special Education Enrollment has increased by 36% over the past decade!!!
 - Autistic Support enrollment has increased 11%
 - Intellectual Disabilities enrollment has increased 25%

Special Education

- How does this affect our costs?
- Funding for each special education student from the state and federal levels amounts to 22% of the actual costs per student!
- Let's look at the 23/24 School Year
 - Total Special Education Costs: \$4,626,263.22
 - Unfunded Cost Covered by the district: \$3,423,434.78 (approximately **20.75 mills** or **\$22.51/month**)
- Extrapolated for the past decade:
 - Total Unfunded Costs: \$28,395,931.92



- Debt Service – increased by \$635,000. Currently nothing has been budgeted toward savings due to 2025-2026 being the construction year.
- Yields have increased ~30-40 bps. since last debt projection which is now increased by \$16,000 from last months presentation.

GESA Costs



NEW MONEY FINANCING IMPLICATIONS

AMOUNT BORROWED: \$13,350,000

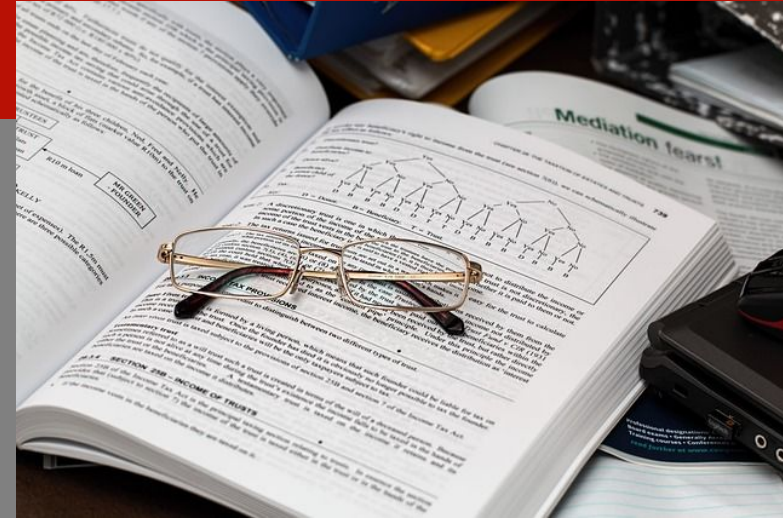
STARTING DEBT SERVICE PAYMENT AFTER PLANCON REIMBURSEMENT IS DEDUCTED:	\$2,190,109.00
PROPOSED DEBT SERVICE:	\$578,146.00
PROJECTED TOTAL DEBT SERVICE:	\$2,768,305.00
STARTING PROJECTED DEBT SERVICE:	\$2,768,305.00
LESS GESA SAVINGS:	\$(374,155.00)
PROJECTED NET DEBT SERVICE:	\$2,394,150.00
PROJECTED NET DEBT SERVICE:	\$2,394,150.00
STARTING DEBT SERVICE PAYMENT:	\$2,190,109.00
NET PROJECTED INCREASE TO BUDGET (in Dollars):	\$204,041.00
NET PROJECTED INCREASE TO BUDGET (in Mills):	1.24
NET PROJECTED EFFECT ON MEDIAN HOUSEHOLD (in Dollars Per Month):	\$1.33

Updated GESA Implications



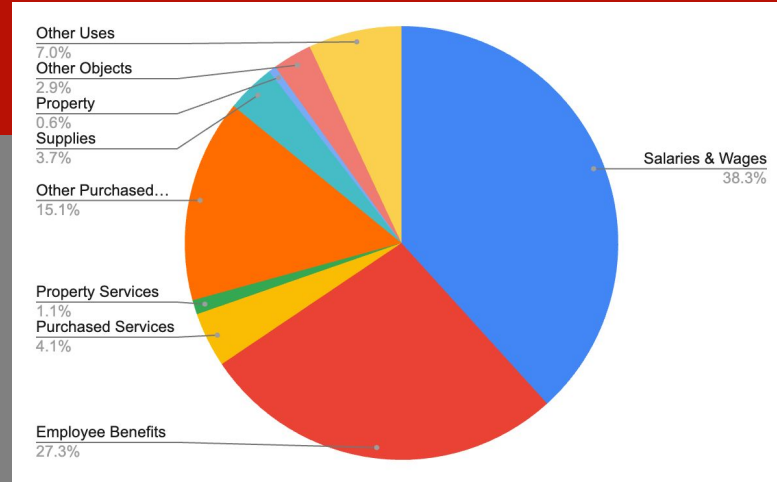
- 100 Object Codes – Gross salaries paid to employees of the LEA.
- 200 Object Codes – Fringe benefit payments such as insurance, social security and pension payments.
- 300 Object Codes – Purchased professional & technical services: architects, engineers, auditors, lawyers, consultants, tax collectors.
- 400 Object Codes – Purchased property services to operate, repair, maintain property owned and or used by the LEA.
- 500 Object Codes – Other purchased services not provided by the LEA personnel but rendered by organizations or personnel.
- 600 Object Codes – Supplies – material items of an expendable nature.
- 700 Object Codes – Property.
- 800 Object Codes – Other objects – dues and fees, claims, judgments, interest and contingency.
- 900 Object Codes – Other uses of funds – principal on long term debt.

Reminder - Object Code Definitions



Object	Description	Proposed Budget Amt	%
100	Salaries & Wages	\$14,333,757.00	38.27%
200	Employee Benefits	\$10,224,267.00	27.30%
300	Purchased Services	\$1,536,212.00	4.10%
400	Property Services	\$401,485.00	1.07%
500	Other Purchased Serv	\$5,671,809.00	15.14%
600	Supplies	\$1,370,128.00	3.66%
700	Property	\$206,919.00	0.55%
800	Other Objects	\$1,101,621.00	2.94%
900	Other Uses	\$2,608,000.00	6.96%

Object Code Analysis



100 Object Code - Salaries and Wages (38%)

Proposed Budget vs 24/25 Final Budget

OBJECT	DESCRIPTION	2024/2025 FINAL BUDGET	2025/2026 Proposed Budget	INC/ DECR \$	INC/ DECR %
100-192	Salaries/Ins Buyout/Overtime	\$13, 574,974	\$14,176,655	\$601,681	4.4%
115	ERIP	\$430,095	\$157,102	(\$272,993)	(63.5%)



200 Object Code - Employee Benefits (27%) Proposed Budget vs 24/25 Final Budget

OBJECT	DESCRIPTION	2024/25 FINAL BUDGET	2025/26 Proposed Budget	INC/ DECR \$	INC/ DECR %
211-213, 271-281	Medical & Other Fringe Benefits	\$3,890,154	\$4,273,853	\$383,699	9.9%
230	Retirement	\$4,527,688	\$4,764,803	\$237,115	5.2%
220-260	Payroll Taxes	\$1,118,322	\$1,157,111	\$38,789	3.5%



300 Object Code – Purchased Services (4%)

Proposed Budget vs 24/25 Final Budget

OBJECT	DESCRIPTION	2024/25 Final Budget	2025/26 Proposed Budget	INC/ DECR \$	INC/ DECR %
310-390	Contracted Services	\$1,059,650	\$1,095,195	\$35,545	3.4%
329	Contracted Sub Teachers/Aides	\$307,550	\$441,017	\$133,467	44%



400 Object Code - Property Services (1%)

Proposed Budget vs 24/25 Final Budget

OBJECT	DESCRIPTION	2024/25 FINAL BUDGET	2025-26 Proposed Budget	INC/ DECR \$	INC/ DECR %
411-424	Utilities	\$67,660	\$67,610	(\$50)	(0.07%)
430-438	Repairs & Maintenance	\$258,822	\$239,935	(\$15,887)	(7.8%)
442-490	Rentals & Other	\$201,670	\$93,940	(\$107,730)	(53.4%)



500 Object Code - Other Purchased Services (15%) Proposed Budget vs 24/25 Final Budget

OBJECT	DESCRIPTION	2024/25 FINAL BUDGET	2025/26 Proposed Budget	INC/ DECR \$	INC/ DECR %
513	Transportation	\$2,264,666	\$2,479,410	\$214,744	9.5%
521-529	Insurance	\$232,022	\$236,964	\$4,942	2.1%
561-569	Tuition	\$2,647,958	\$2,812,320	\$164,362	6.2%
530-599	Other Purchased Services	\$108,980	\$107,760	(\$1,220)	(11.9%)



600 Object Code - Supplies (4%)

Proposed Budget vs 24/25 Final Budget

OBJECT	DESCRIPTION	2024/25 FINAL BUDGET	2025/26 Proposed Budget	INC/ DECR \$	INC/ DECR %
621-626	Utilities; Heat-electricity	\$579,750	\$446,800	(\$132,950)	(22.9%)
640-648	Books & Educational Software	\$259,560	\$275,346	\$15,786	6.08%
650-658	Supplies & Tech Lic Fees	\$108,035	\$116,519	\$8,484	7.9%
610-611, 634-635	Supplies	\$545,150	\$531,464	(\$13,686)	(25%)



700 Object Code – Property (1%)

Proposed Budget vs 24/25 Final Budget

OBJECT	DESCRIPTION	2024/25 FINAL BUDGET	2025/26 Proposed Budget	INC/ DECR \$	INC/ DECR %
752-768	Equipment (New/ Replace)	\$273,696	\$206,919	(\$66,777)	(24.4%)



800 Object Code - Other Objects (3%) & 900 Object Code - Other Uses (1%) Proposed Budget vs 24/25 Final Budget

OBJECT	DESCRIPTION	2024/25 FINAL BUDGET	2025/26 Proposed Budget	INC/ DECR \$	INC/ DECR %
832-910	Debt Service	\$2,906,320	\$3,538,811	\$632,491	21.8%
830-894	Miscellaneous Services	\$218,918	\$170,810	\$48,108	22%



- Remove SHS FCS Teacher (Paid for by Adequacy Funding Grant)
- Split SPC Life Skills/Autistic Support Classroom into Two Classrooms (one Life Skills Support, one Autistic Support)
- Open our own Emotional Support Classroom at SES or SMS
- Reduced Transportation costs for additional busing for Special Education outplacements
- GESA Savings

Possibilities for Reductions



02

February

Initial Expenditures
Draft

03

March

Initial Revenues
Draft
***COMMITTEE
MEETING DATE
WILL NEED
CHANGED TO 3/24!!**

04

April

Refined Budget
With A More
Accurate List of
Expenditures and
Revenues

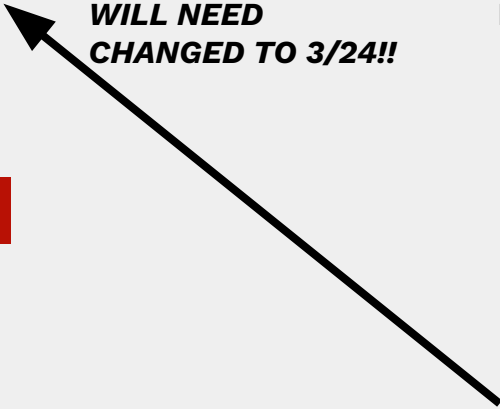
05

May

Preliminary Budget
Prepared and
Approved
***COMMITTEE
MEETING DATE
WILL NEED
CHANGED TO 5/15!!**

06

June

Final Budget
Adopted

We Are Here!!!!!!

