

Please remember to sign the Visitor's Register – Thank you.

Budget Workshop I Agenda

Monday, March 9, 2026

7:30 P.M. – CHS

- 1. Welcome – Sue Tiede, School Board President**
- 2. 2026-27 Budget Development Summary.....2**
- 3. 2026-27 Revenue Budget Development**
 - a. Summary.....6**
 - b. Analysis.....8**
 - i. Local Revenue and Economic Impact.....10**
 - ii. State and Federal Revenue 21**
 - iii. Governor's Proposed Budget 32**
- 4. Charter School Analysis 34**
- 5. Fund Balance and Capital Funding 38**
- 6. Projection Model.....45**
- 7. Act 1 Index and Analysis.....47**
- 8. Current Year Projection 55**
- 9. Property Tax Rent Rebate Program 56**
- 10. Key Dates 57**
- 11. Public Comment**
- 12. Adjournment**
- 13. Future Meeting**

**The next Budget Workshop meeting will be held on Monday,
April 13, 2026 at 7:30 pm at CHS**

Tredyffrin/Easttown School District

FY 2026-27 Budget Development

Budget Workshop I
March 9, 2026

Budget Scenarios FY 2026-27

Draft

	A	B	C	D
		FY 26-27 Budget	FY 26-27 Budget	FY 26-27 Budget
		No New Tax Revenue	Act 1 Index - 3.5%	Act 1 Index and exceptions**
1	Budgeted Anticipated Revenue	\$187,852,803	\$187,852,803	\$187,852,803
2	*Budgeted Anticipated Expenditures	\$201,145,484	\$201,145,484	\$201,145,484
3	Property Tax Revenue from Tax Increase	\$0	\$5,169,754	\$7,377,530
4	Budget Reductions/Fund Balance Contributions	\$0	\$0	\$0
5	Projected Operational Deficit	(\$13,292,681)	(\$8,122,927)	(\$5,915,151)

*Does not include Contingency

** Projections indicate the District will be eligible for Special Education Referendum Exception but ineligible for the PSERS Referendum Exception

FY 2026-27 Budget Development Summary Draft

1		Budgeted Revenue	\$187,852,803	
2		Budgeted Tax Rate Increase (Act 1 Index)	\$5,169,754	3.5%
3		Budgeted Tax Rate Increase (Special Education Exception)	\$2,207,776	1.415%
4		Total Budgeted Revenue	<u>\$195,230,333</u>	
5		Total Budgeted "Anticipated" Spending	\$201,145,484	
6		Balance	<u>(\$5,915,151)</u>	Satisfied with General Fund Balance Contribution
7		*Budgetary Reserve/Contingency	\$4,500,000	General Fund Balance Commitment
8		Total Budgeted "Authorized" Spending	<u>\$205,645,484</u>	Preliminary Budget
		<u>*Budgetary Reserve/Contingency</u>		
9		Operating (1.0%)	\$2,100,000	
10		Revenue Projection	\$1,200,000	
11		Special Education	\$1,200,000	
12		Total Budgetary Reserve/Contingency	<u>\$4,500,000</u>	

❑ Development of the FY26-27 Operating Budget

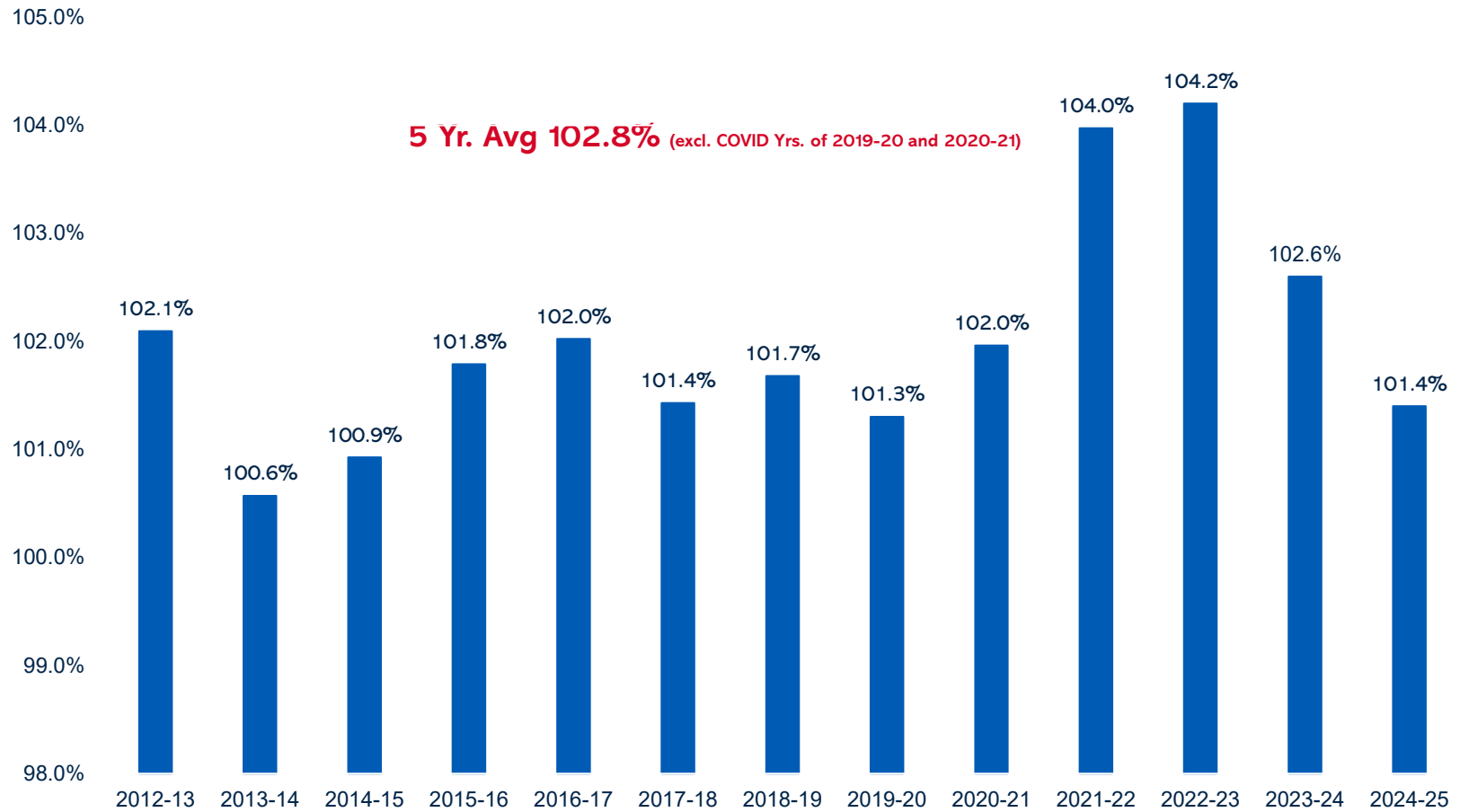
1. Property Tax Revenue (includes assessment growth, assessment appeals gains/losses and historic collection rates) - \$2M Decrease
2. Capital Funds Transfer - \$6M Flat
3. Special Education Department - \$4.1M Increase
4. Debt Service for Bond Issue - \$950K Increase
5. Projected Professional Staffing Additions - \$323K Increase
6. First Look for Healthcare Projection - Medical 10% Increase, Rx Flat, Dental Flat
7. Departmental Reductions District-wide - \$1.5M

Final Budgeted GF Operational Deficits

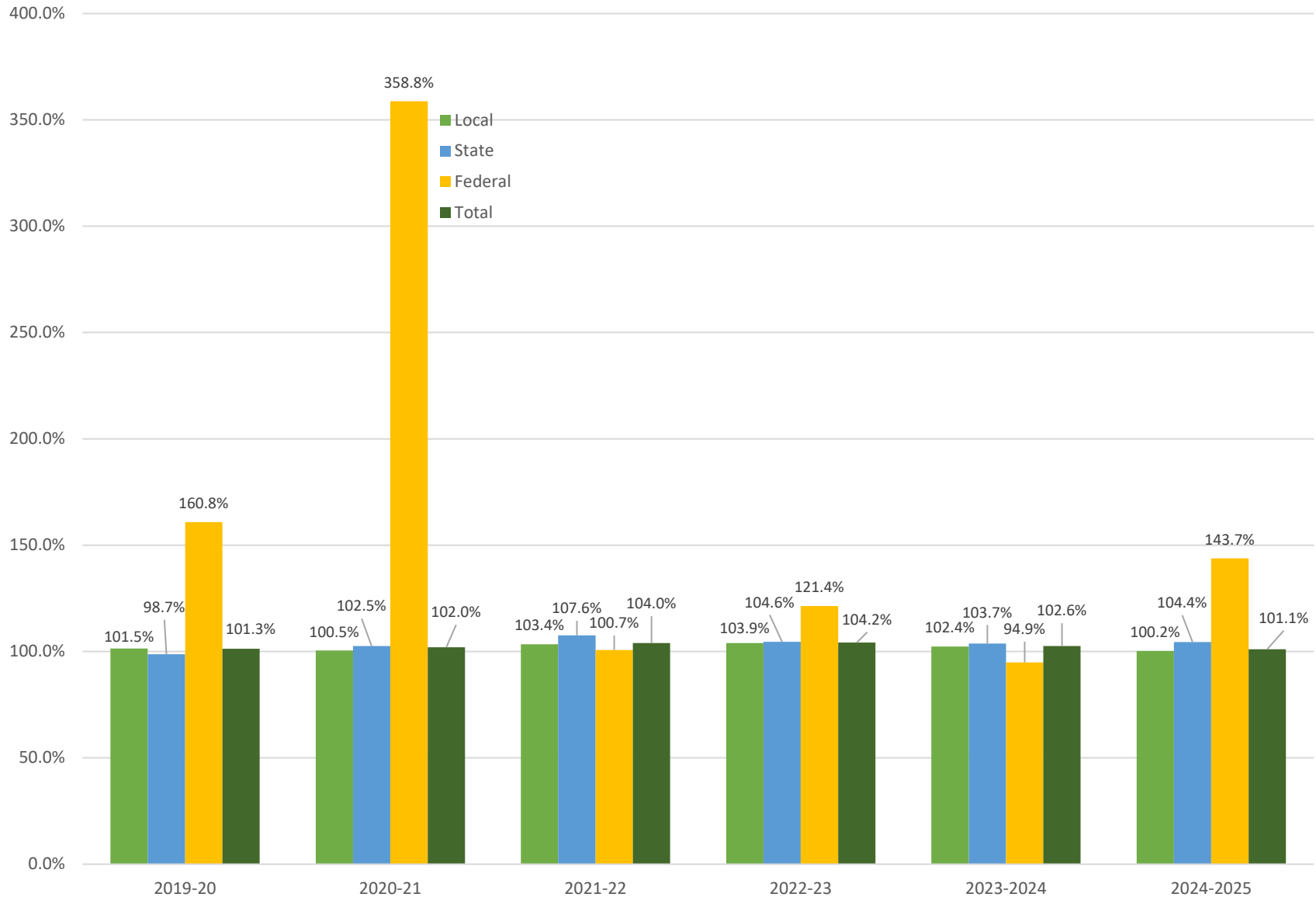
Draft

<u>Fiscal Year</u>	<u>Amount</u>	
□ FY 2007-08	□ (\$1,064,909)	
□ FY 2008-09	□ (\$2,622,244)	
□ FY 2009-10	□ (\$0)	
□ FY 2010-11	□ (\$1,252,306)	
□ FY 2011-12	□ (\$2,103,448)	
□ FY 2012-13	□ (\$1,157,588)	
□ FY 2013-14	□ (\$1,744,095)	
□ FY 2014-15	□ (\$1,171,891)	
□ FY 2015-16	□ (\$1,654,836)	
□ FY 2016-17	□ (\$766,651)	
□ FY 2017-18	□ (\$1,571,315)	
□ FY 2018-19	□ (\$1,495,509)	
□ FY 2019-20	□ (\$2,206,630)	
□ FY 2020-21	□ (\$2,223,426)	
□ FY 2021-22	□ (\$3,870,680)	
□ FY 2022-23	□ (\$1,606,382)	
□ FY 2023-24	□ (\$2,355,471)	 5 Year Avg Budgeted Operational Deficit = (\$2,511,594)
□ FY 2024-25	□ (\$1,608,831)	
□ FY 2025-26	□ (\$3,116,607)	

Budgeted Revenue Collection

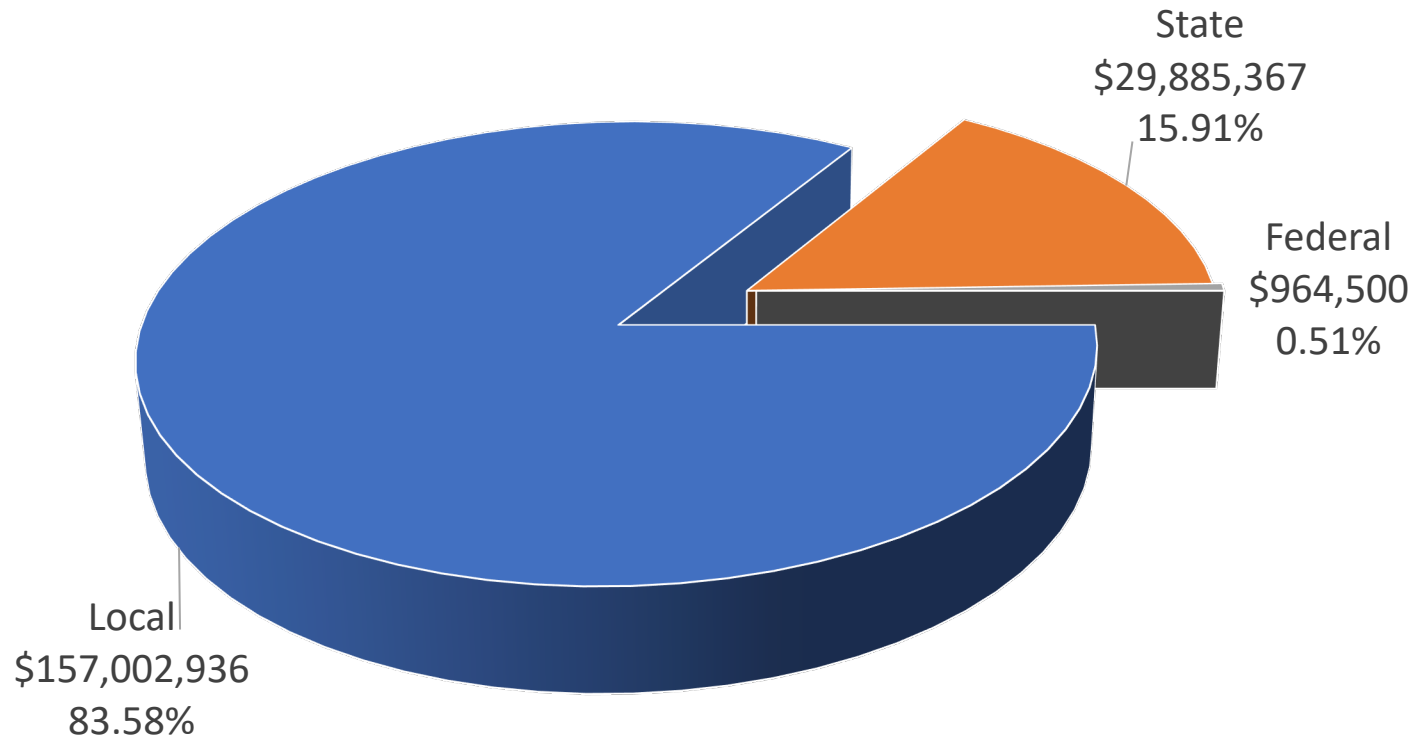


Budgeted Revenue Collection Detail



2026-27 Budgeted Total Revenue

\$187,852,803

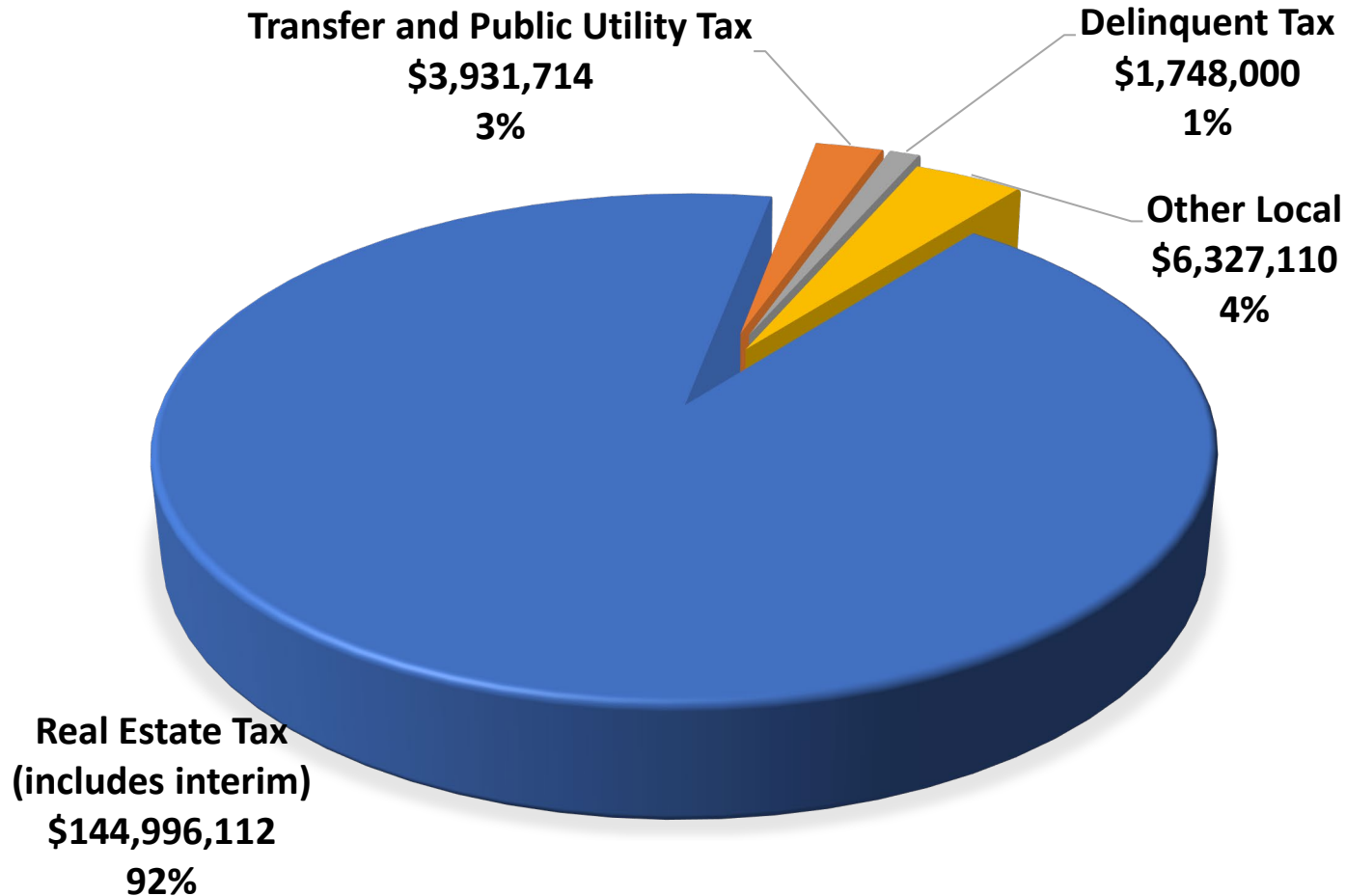


Revenue and Variances Summary

		A	B	C	D	E
		Budget	Projection	Proposed	Variance - \$	Variance - %
	<u>Revenue Source</u>	<u>2025-2026</u>	<u>2025-2026</u>	<u>2026-2027</u>	<u>(C - B)</u>	<u>(D / B)</u>
1	Local	\$160,055,821	\$158,598,397	\$157,002,936	(\$1,595,461)	-1.0%
2	State	\$16,577,163	\$17,007,737	\$16,836,140	(\$171,597)	-1.0%
3	PSERS State Subsidy	\$12,661,696	\$13,049,227	\$13,049,227	\$0	0.0%
4	Federal	\$1,005,292	\$1,005,292	\$964,500	(\$40,792)	-4.1%
5	Total Revenues	\$190,299,972	\$189,660,653	\$187,852,803	(\$1,807,850)	-1.0%

2026-27 Budgeted Local Revenue

\$157,002,936



Local Revenue Assumptions

	<u>Local Revenue</u>	
6111	Current Real Estate Revenue	Latest County assessment values including interims & appeals
6111	Current Real Estate Revenue	No tax increase included, No Referendum Exceptions, 0.50% Growth
6112	Interim Tax	Average of the previous three years actual
6113	Public Utility Tax	Average of the previous seven years actual
6153	Transfer Tax	Average of the previous seven years actual
6400	Delinquent Tax	Average of the previous three years actual
6500	Earnings on Investments	Available reserves and float for projected cash flow at 4.0% ROR
6700	Parking Revenue	Sale of all available passes
6700	Student Activities Revenue	Average of the previous seven years actual, removed 20/21
6800	Revenue from IU - IDEA Federal Funds	Same as 24/25 projected less add'l ARP
6910	Rentals	Average of the previous seven years actual, removed 20/21
6990	Miscellaneous Revenue	Average of the previous seven years actual

Local Revenue and Variances

		A	B	C	D	E
		Budget	Projection	Proposed	Variance - \$	Variance - %
	<u>Local Revenue</u>	2025-2026	2025-2026	2026-2027	(C - B)	(D / B)
6111	Current Real Estate Revenue	\$147,005,618	\$144,000,000	\$144,196,112	\$196,112	0.1%
6112	Interim Tax	\$966,664	\$966,664	\$800,000	(\$166,664)	-17.2%
6113	Public Utility Tax	\$112,564	\$128,655	\$115,714	(\$12,941)	-10.1%
6153	Transfer Tax	\$3,802,999	\$4,000,000	\$3,816,000	(\$184,000)	-4.6%
6400	Delinquent Tax	\$1,809,961	\$2,500,000	\$1,748,000	(\$752,000)	-30.1%
6500	Earnings on Investments	\$4,000,000	\$4,500,000	\$4,000,000	(\$500,000)	-11.1%
6700	Parking Revenue	\$54,000	\$54,000	\$54,000	\$0	0.0%
6700	Student Activities Revenue	\$350,000	\$400,000	\$264,571	(\$135,429)	-33.9%
6800	IU - IDEA Federal Funds	\$1,083,540	\$1,083,540	\$1,083,539	(\$1)	0.0%
6910	Rentals	\$554,937	\$650,000	\$625,000	(\$25,000)	-3.8%
6990	Miscellaneous Revenue	\$315,538	\$315,538	\$300,000	(\$15,538)	-4.9%
	Total	\$160,055,821	\$158,598,397	\$157,002,936	(\$1,595,461)	-1.0%

Local Revenue History

		A	B	C	D	E
		Actual	Actual	Actual	Projection	Proposed
	<u>Local Revenue</u>	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
6111	Current Real Estate Revenue	\$127,950,660	\$132,891,191	\$138,400,076	\$144,000,000	\$144,196,112
6112	Interim Tax	\$573,482	\$592,632	\$1,424,587	\$966,664	\$800,000
6113	Public Utility Tax	\$119,711	\$116,430	\$126,978	\$128,655	\$115,714
6153	Transfer Tax	\$3,582,048	\$2,736,296	\$3,987,158	\$4,000,000	\$3,816,000
6154	Amusement Tax	\$0	\$0	\$0	\$0	\$0
6400	Delinquent Tax	\$1,230,699	\$1,883,143	\$1,582,213	\$2,500,000	\$1,748,000
6500	Earnings on Investments	\$3,867,542	\$5,898,896	\$5,010,540	\$4,500,000	\$4,000,000
6700	Parking Revenue	\$63,000	\$54,000	\$54,000	\$54,000	\$54,000
6700	Student Activities Revenue	\$326,821	\$370,205	\$410,745	\$400,000	\$264,571
6800	IU - IDEA Federal Funds	\$1,028,187	\$1,099,196	\$1,178,539	\$1,083,540	\$1,083,539
6910	Rentals	\$646,223	\$794,372	\$511,804	\$650,000	\$625,000
6920	Contribution & Donations	\$0	\$5,000	\$400	\$0	\$0
6990	Miscellaneous Revenue	\$196,013	\$917,134	\$360,815	\$315,538	\$300,000
6991	Refund of Prior Years	\$0	\$0	\$0	\$0	\$0
	Total	\$139,584,386	\$147,358,495	\$153,047,855	\$158,598,397	\$157,002,936

EOY Actual Variance Drivers - Revenue

Draft

- **FY 24-25**

• Interest Income	\$1,011,000
• Delinquent Tax	\$433,000
• Interim Taxes	\$327,000
• Transfer Tax	\$247,000
• Property Taxes	\$1,568,000 UNDER
• State/SS/PSERS	\$1,217,000
• Federal	\$364,000

- **FY 23-24**

• Interest Income	\$2,900,000
• Property Taxes	\$570,000
• Delinquent Tax	\$332,000
• Interim Taxes	\$392,000 UNDER
• Transfer Tax	\$1,075,000 UNDER
• State/SS/PSERS	\$956,000
• Federal	\$78,000 UNDER

- **FY 22-23**

• Interest Income	\$3,808,000
• Property Taxes	\$1,025,000
• Transfer Tax	\$76,000
• Delinquent Tax	\$51,000
• Interim Taxes	\$143,000 UNDER
• State/SS/PSERS	\$1,119,000
• Federal	\$287,000

- **FY 21-22**

• Delinquent Tax	\$1,260,000
• Transfer Tax	\$1,087,000
• Interim Taxes	\$1,012,000
• Interest Income	\$155,000
• Property Taxes	\$1,100
• State/SS/PSERS	\$1,690,000
• Federal	\$9,300

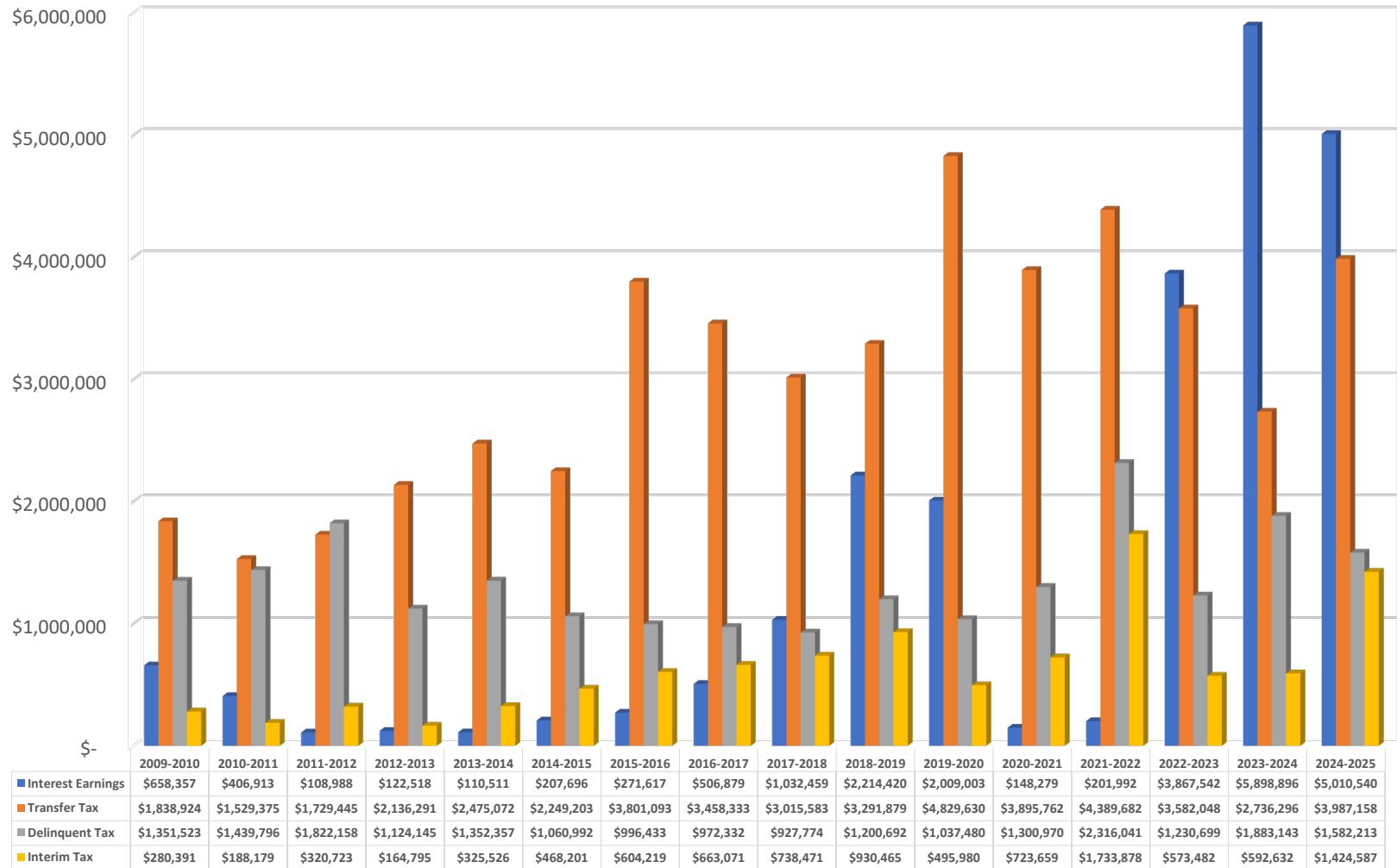
- **FY 20-21**

• Property Taxes	\$753,000
• Transfer Tax	\$640,000
• Delinquent Tax	\$267,000
• Interest Income	\$833,000 UNDER
• Interim Taxes	\$54,000 UNDER
• State/SS/PSERS	\$583,000
• Federal	\$1,787,000

- **FY 19-20**

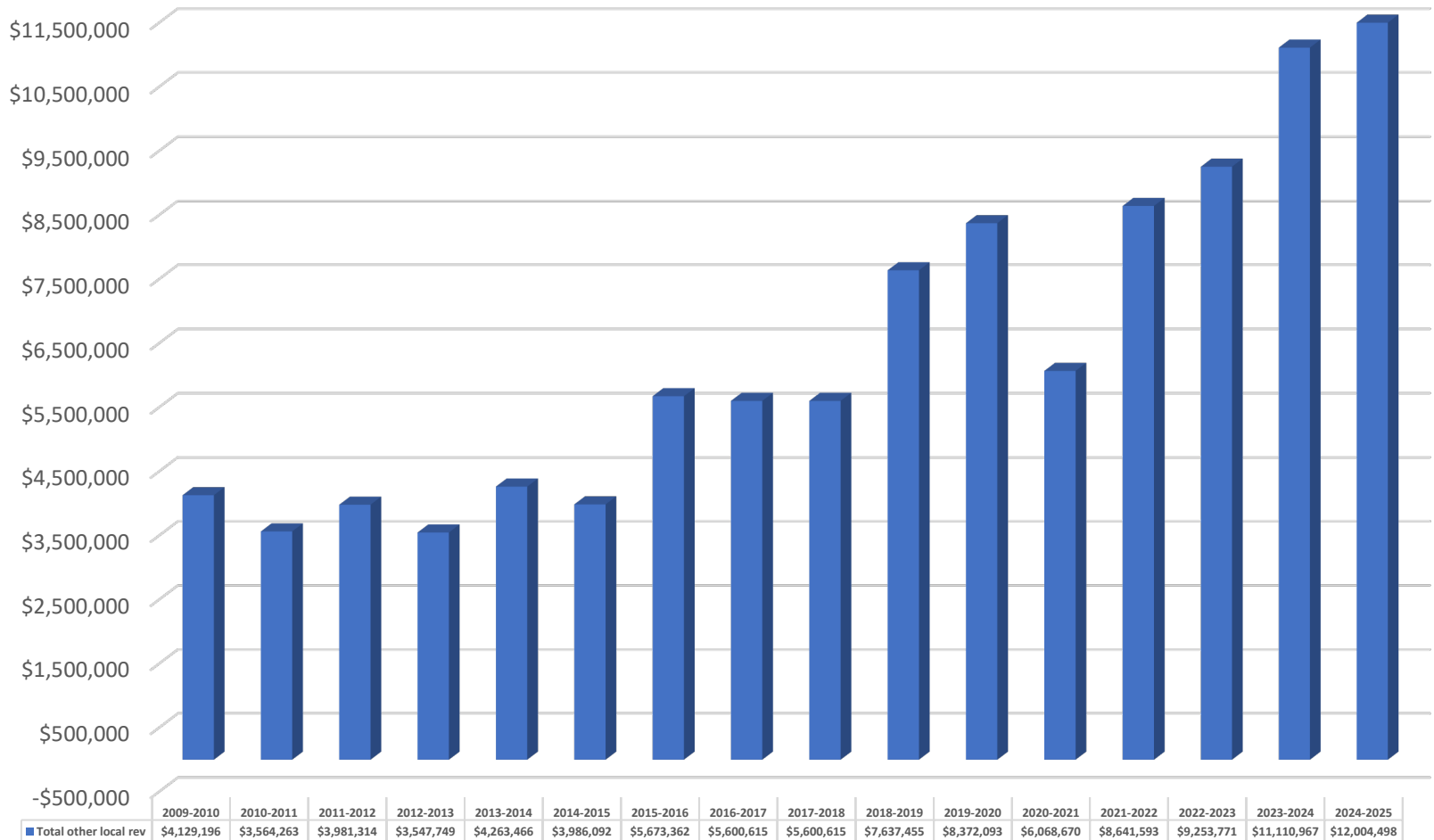
• Transfer Tax	\$1,405,000
• Interest Income	\$645,000
• Delinquent Tax	\$72,000
• Interim Taxes	\$173,000 UNDER
• Property Taxes	\$129,000 UNDER
• State/SS/PSERS	\$297,000 UNDER
• Federal	\$420,000

Economic Impact on Variable Local Revenues Draft

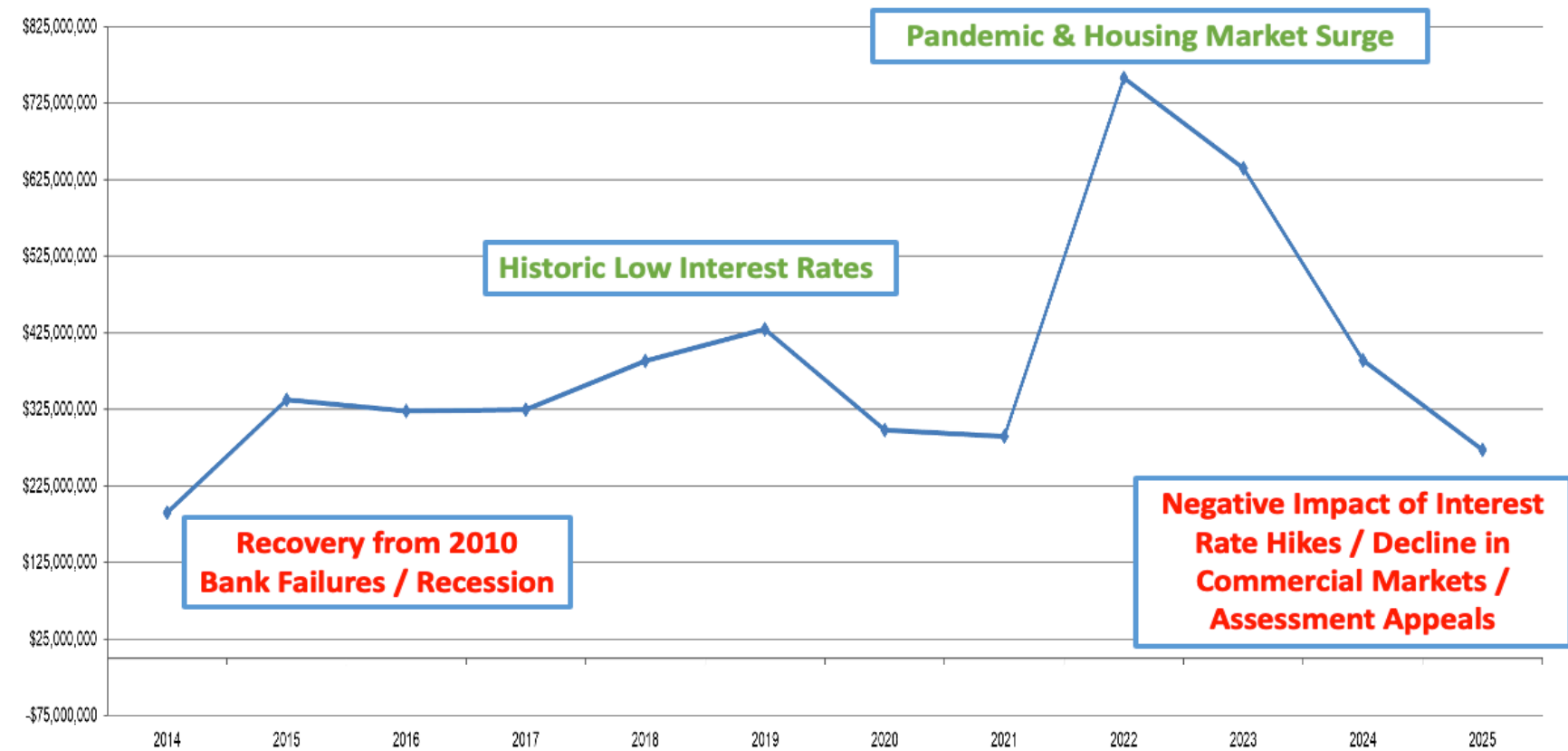


Economic Impact on Variable Local Revenues - Summary

Draft



Annual Property Assessment Growth in Chester County



Property Assessment Growth since 2007

	<u>2007 Assessment</u>	<u>2026 Assessment</u>	<u>Percentage Change</u>	<u>Assessment Growth</u>
Great Valley	3,346,634,677	4,261,143,968	27.3%	914,509,291
Downingtown	4,835,004,847	6,141,376,077	27.0%	1,306,371,230
Phoenixville	1,919,191,624	2,390,191,932	24.5%	471,000,308
Coatesville	2,711,310,056	3,233,522,848	19.3%	522,212,792
Owen J. Roberts	2,218,009,018	2,565,006,494	15.6%	346,997,476
Avon Grove	1,732,036,108	1,993,422,746	15.1%	261,386,638
Oxford	1,093,224,724	1,250,158,893	14.4%	156,934,169
Octorara	636,320,890	725,270,271	14.0%	88,949,381
West Chester	7,530,971,464	8,513,925,977	13.1%	982,954,513
Unionville-Chadds Ford	1,860,335,210	2,001,516,325	7.6%	141,181,115
Kennett	2,030,291,064	2,183,275,492	7.5%	152,984,428
Tredyffrin/Easttown *	4,791,973,415	5,126,104,498	7.0%	334,131,083
Total	34,705,303,097	40,384,915,521	16.4%	5,679,612,424

Property Tax Revenue Lost from Assessment Appeals



	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 Actual	2025-26 Estimated
Residential Loss	\$288,395	\$525,775	\$468,526	\$0	\$354,036	\$115,252	\$42,348	\$53,713	\$141,564	\$146,681	\$255,279	\$380,131	\$298,136	\$126,929	\$110,943	\$222,973	\$244,393	\$307,066
Commercial Loss	\$128,646	\$450,219	\$358,397	\$595,072	\$57,015	\$28,656	\$29,714	\$96,990	\$87,807	\$116,768	\$124,125	\$147,218	(\$5,635)	\$10,173	\$282,211	\$879,208	\$963,671	\$758,609
Cumulative Loss	\$661,278	\$1,637,272	\$2,464,195	\$3,059,267	\$3,470,318	\$3,614,226	\$3,686,288	\$3,836,991	\$4,066,362	\$4,329,811	\$4,709,215	\$5,236,564	\$5,529,065	\$5,666,167	\$6,059,321	\$7,161,502	\$8,369,566	\$9,435,241

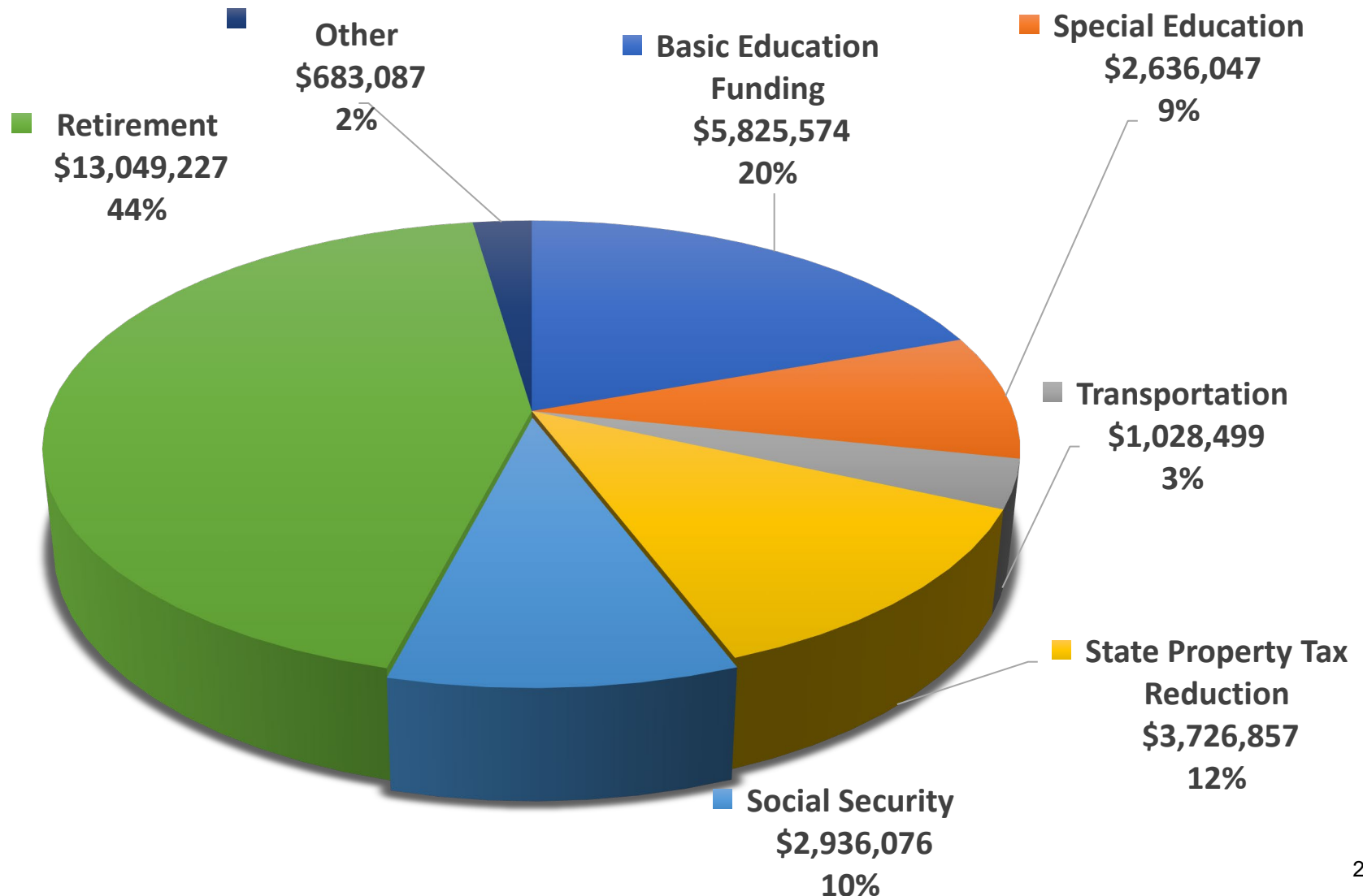
Property Tax Revenue from District-Initiated Assessment Appeals



2026-27 Budgeted State Revenue

Draft

\$29,885,367



State and Federal Revenue Assumptions

Draft

	<u>Revenue from State Sources</u>	
7110	Basic Instructional Subsidy	Current year actual
7271	Special Education for School Aged Pupils	Current year actual (w/o contingency)
7310	Transportation (Regular & Additional)	Current year projection
7320	Rentals and Sinking Fund Payments	Bond Schedule
7330	Medical and Dental Svcs	Based on last actual year
7340	State Property Tax Reduction	Current year actual
7505	Ready to Learn Block Grant	Current year actual
	<u>Revenue from Federal Sources</u>	
8514	Title I	Based on Federal Award
8515	Title II	Based on Federal Award
8515	Title III/IV	Based on Federal Award
8700	Cares Act	Based on Federal Award
8810	Access Medical Assistance	Based on prior year claim trends
8820	Medical Assistance Transportation	Estimate on eligible reimbursable expenditures

State Revenue and Variances

Draft

		A	B	C	D	E
		Budget	Projection	Proposed	Variance - \$	Variance - %
	<u>State Revenue</u>	2024-2025	2025-2026	2026-2027	(C - B)	(D / B)
7110	Basic Instructional Subsidy	\$5,722,240	\$5,825,574	\$5,825,574	\$0	0.0%
7271	Special Education Subsidy	\$2,597,730	\$2,636,047	\$2,636,047	\$0	0.0%
7310	Transportation Subsidy	\$1,028,499	\$1,184,662	\$1,028,499	(\$156,163)	-13.2%
7330	Medical and Dental Svcs	\$156,163	\$171,597	\$156,163	(\$15,434)	-9.0%
7340	State Property Tax Reduction	\$3,726,857	\$3,726,857	\$3,726,857	\$0	0.0%
7361	Safety Grant	\$277,310	\$277,310	\$277,310	\$0	0.0%
7505	Ready to Learn Block Grant	\$199,614	\$249,614	\$249,614	\$0	0.0%
7810	Social Security	\$2,868,750	\$2,936,076	\$2,936,076	\$0	0.0%
7820	Retirement Subsidy	\$12,661,696	\$13,049,227	\$13,049,227	\$0	0.0%
	Total	\$29,238,859	\$30,056,964	\$29,885,367	(\$171,597)	-0.6%

State Revenue

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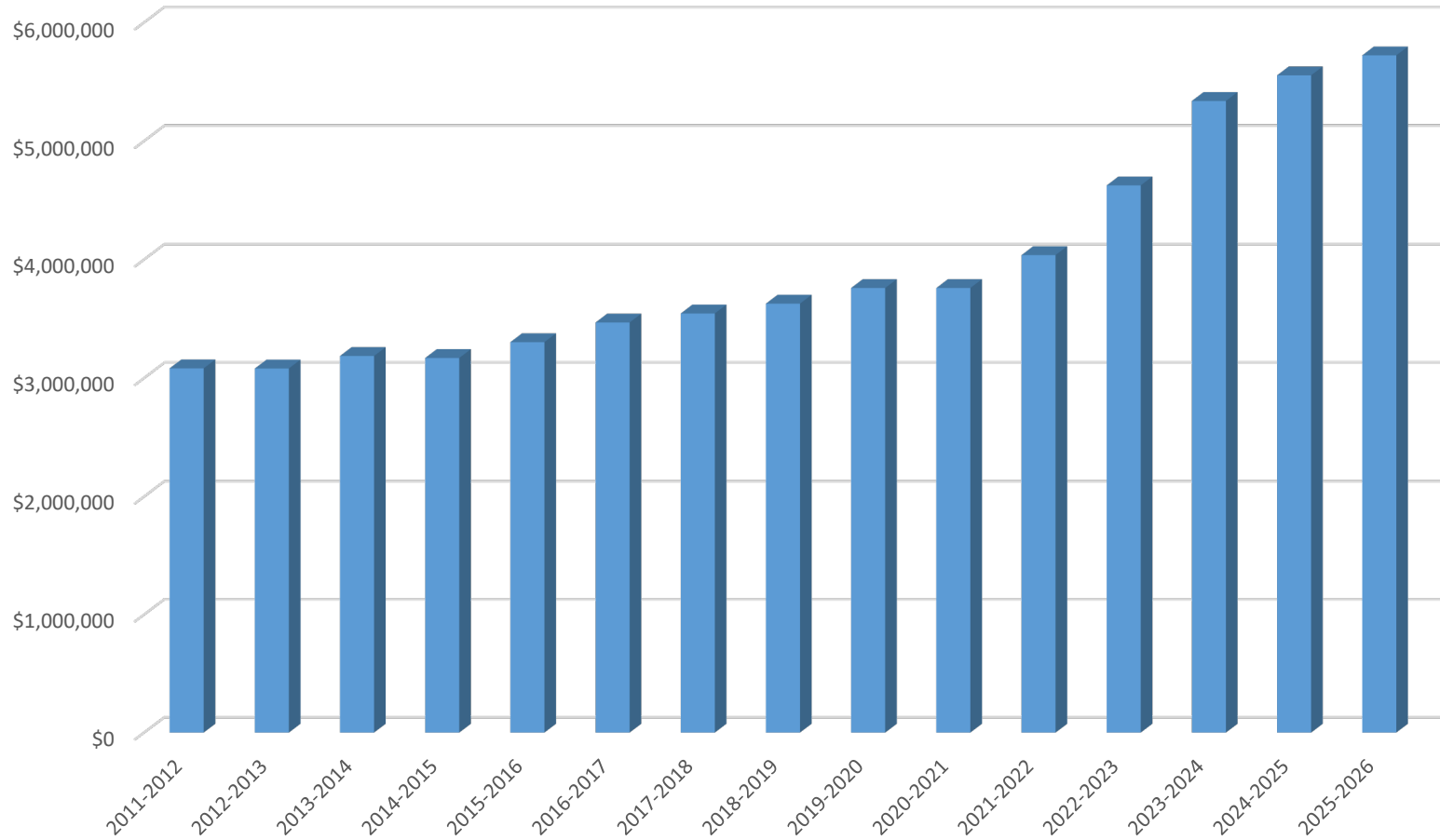
		A	B	C	D	E
		Actual	Actual	Actual	Projection	Proposed
	<u>State Revenue</u>	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
7110	Basic Instructional Subsidy	\$4,625,337	\$5,337,476	\$5,722,153	\$5,825,574	\$5,825,574
7160	State Section 1305 & 1306	\$8,539	\$0	\$55,095	\$0	\$0
7271	Special Education Subsidy	\$2,600,284	\$2,656,710	\$2,755,694	\$2,636,047	\$2,636,047
7310	Transportation Subsidy	\$1,073,549	\$1,054,528	\$1,071,039	\$1,184,662	\$1,028,499
7320	Rentals Subsidy	\$0	\$0	\$0	\$0	\$0
7330	Medical and Dental Svcs	\$155,236	\$157,278	\$171,598	\$171,597	\$156,163
7340	State Property Tax Reduction	\$2,646,885	\$2,646,885	\$3,294,868	\$3,726,857	\$3,726,857
7361	Safety/Smart Grant	\$113,491	\$312,526	\$252,430	\$277,310	\$277,310
7505	Ready to Learn Block Grant	\$199,614	\$199,614	\$199,614	\$249,614	\$249,614
7810	Social Security	\$2,475,411	\$2,606,645	\$2,730,303	\$2,936,076	\$2,936,076
7820	Retirement Subsidy	\$11,815,587	\$11,785,471	\$12,521,082	\$13,049,227	\$13,049,227
	Total	\$25,713,933	\$26,757,133	\$28,773,877	\$30,056,964	\$29,885,367

Federal Revenue and Variances

		A	B	C	D	E
		Budget	Projection	Proposed	Variance - \$	Variance - %
	<u>Federal Revenue</u>	2025-2026	2025-2026	2026-2027	(C - B)	(D / B)
8514	Title I	\$226,627	\$226,627	\$199,500	(\$27,127)	-12.0%
8515	Title II, Professional Development	\$88,871	\$88,871	\$89,000	\$129	0.1%
8516	Title III/IV	\$59,375	\$59,375	\$50,000	(\$9,375)	-15.8%
8700	CARES Act	\$18,419	\$18,419	\$14,000	(\$4,419)	-24.0%
8810	Access Medical Assistance	\$600,000	\$600,000	\$600,000	\$0	0.0%
8820	Medical Assistance Transportation	\$12,000	\$12,000	\$12,000	\$0	0.0%
	Total	\$1,005,292	\$1,005,292	\$964,500	(\$40,792)	-4.1%
		A	B	C	D	E
		Actual	Actual	Actual	Projection	Proposed
	<u>Federal Revenue</u>	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
8514	Title I	\$162,993	\$238,523	\$232,428	\$226,627	\$199,500
8515	Title II	\$99,091	\$92,115	\$107,202	\$88,871	\$89,000
8516	Title III/IV	\$57,918	\$57,927	\$77,876	\$59,375	\$50,000
8700	CARES Act	\$595,084	\$586,166	\$201,938	\$18,419	\$14,000
8810	Access Medical Assistance	\$694,013	\$494,567	\$609,814	\$600,000	\$600,000
8820	Medical Assistance Transportation	\$21,628	\$0	\$14,996	\$12,000	\$12,000
	Total	\$1,630,727	\$1,469,298	\$1,244,253	\$1,005,292	\$964,500

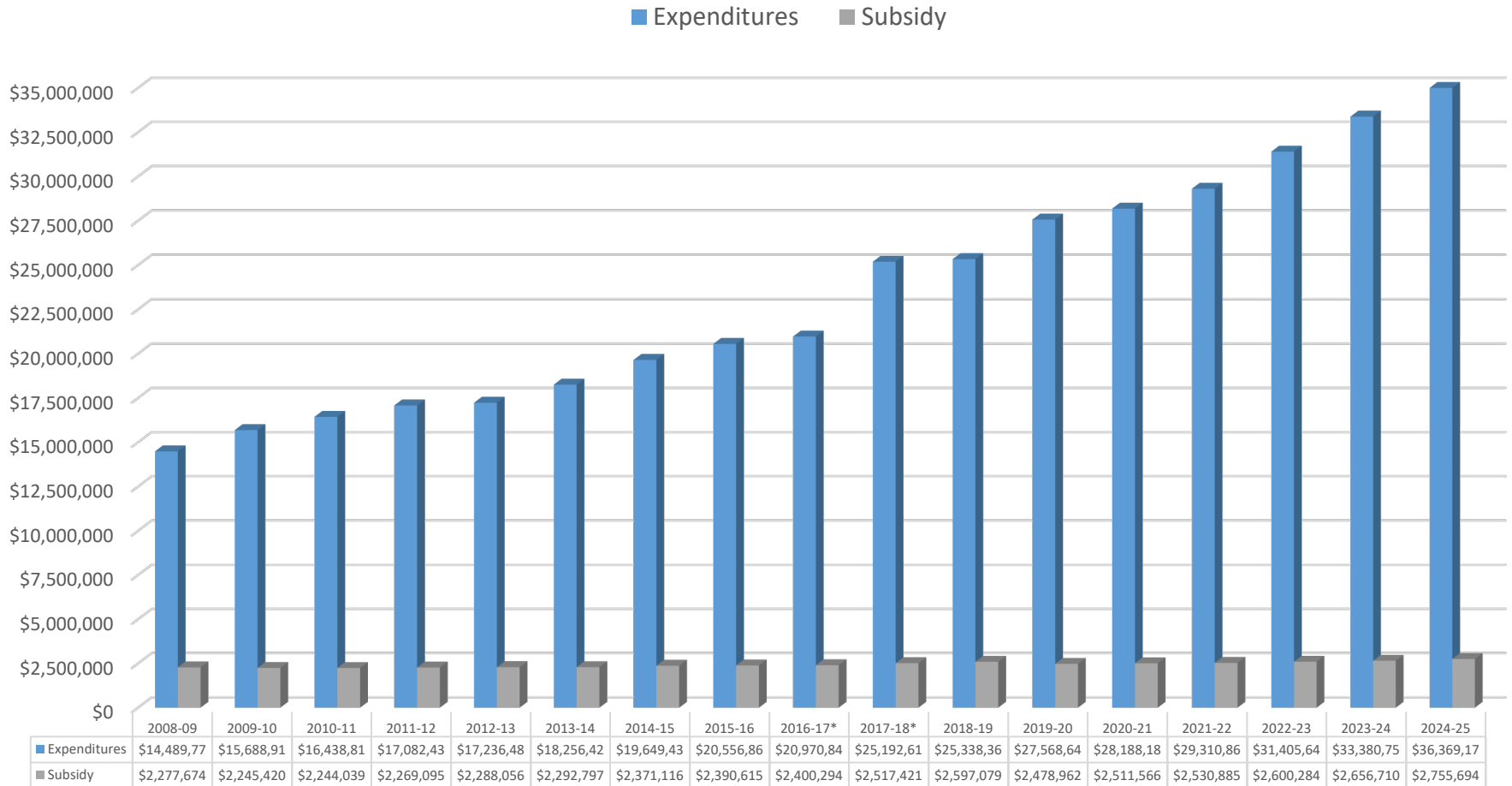
State Revenue - Basic Ed Subsidy

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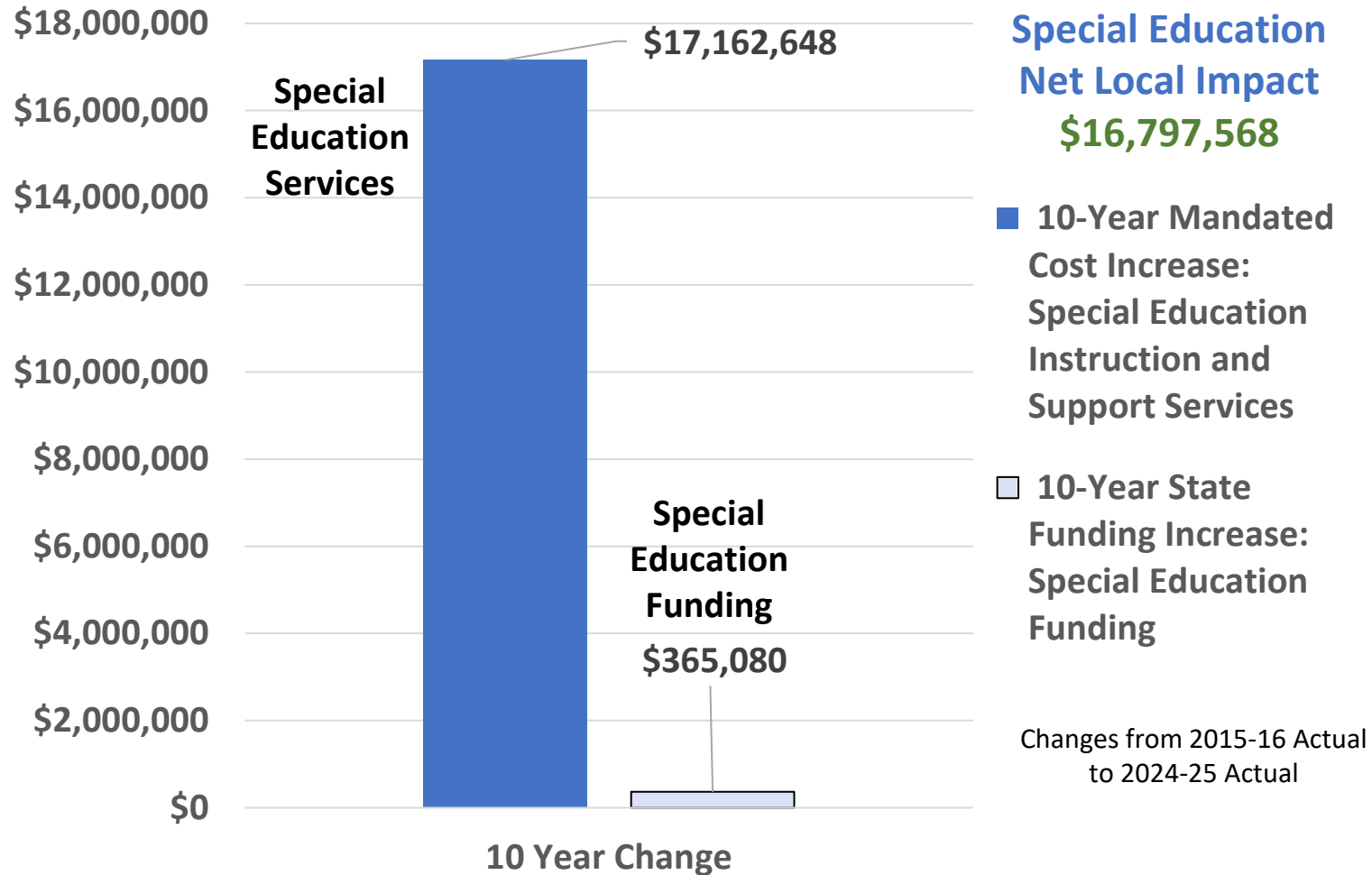


Special Education Expenditures and Subsidy

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Special Education Expenditures vs State Subsidy



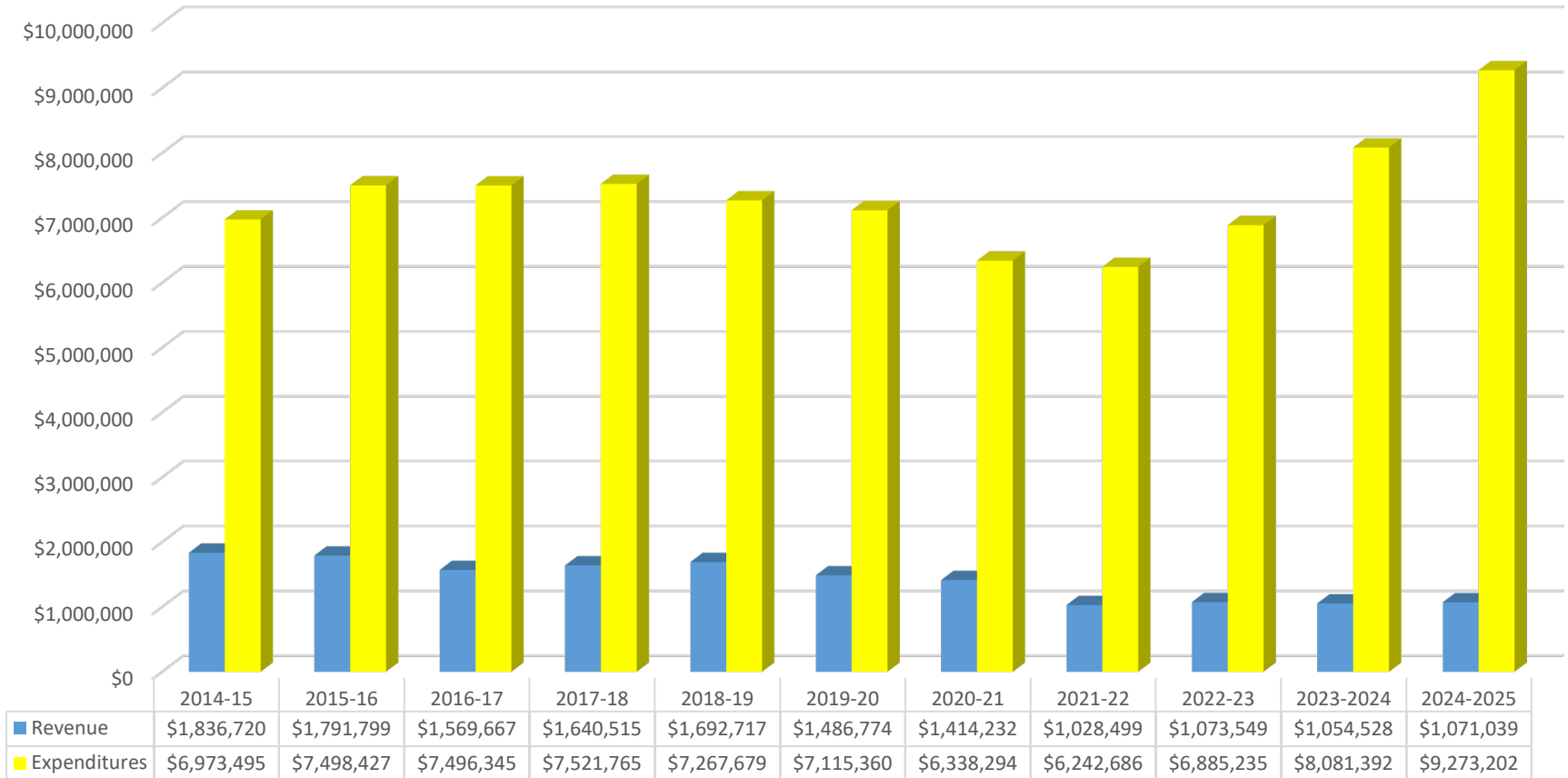
Special Education Referendum Exception Calculation

Draft

Special Education Expenditures

	<u>Year 1 (FY22)</u>	<u>Year 2 (FY23)</u>
Special Education Instruction	xxxxx	xxxxx
Less: Gifted Support	<u>(xxxx)</u>	<u>(xxxx)</u>
Special Ed Instruction for Students w/ Disabilities	A1	A2
Add:		
Guidance		
Psychological Services		
Speech Pathology		
Social Work Services		
Instruction and Curriculum Svcs		
Legal Services		
Medical Services		
Nursing Services		
Student Transportation Svcs	<u>xxx</u>	<u>xxx</u>
Special Ed Svcs for Students w/ Disabilities	B1	B2
Total Special Education Expenditures	A1 + B1 = C1	A2+ B2 = C2
Revenue for Special Education:		
PA State Special Ed Funding Subsidy	D1	D2
Special Ed Expenditures minus Revenues	C1 – D1 = E1	C2 – D2 = E2
Act 1 Index multiplied by Year 1 Special Ed Expenditures		(Act 1 Index X E1) = F
Year 2 Expenditures minus Year 1 Expenditures		E2 – E1 = G
Allowable Special Education Exception Amount		G – F

Historical Transportation Revenue vs Expense



PSERS Impact on TESD Budget

Draft

	*PSERS Employer Contribution Rate (ECR)	TESD Net Rate (50% of ECR)	TESD Net Projected Budget Impact
<u>Fiscal Year</u>			
2026-2027	33.59%	16.795%	\$14.28 million
2027-2028	34.12%	17.06%	\$14.48 million
2028-2029	34.63%	17.315%	\$15.06 million
2029-2030	35.17%	17.585%	\$15.60 million
2030-2031	35.69%	17.845%	\$16.23 million

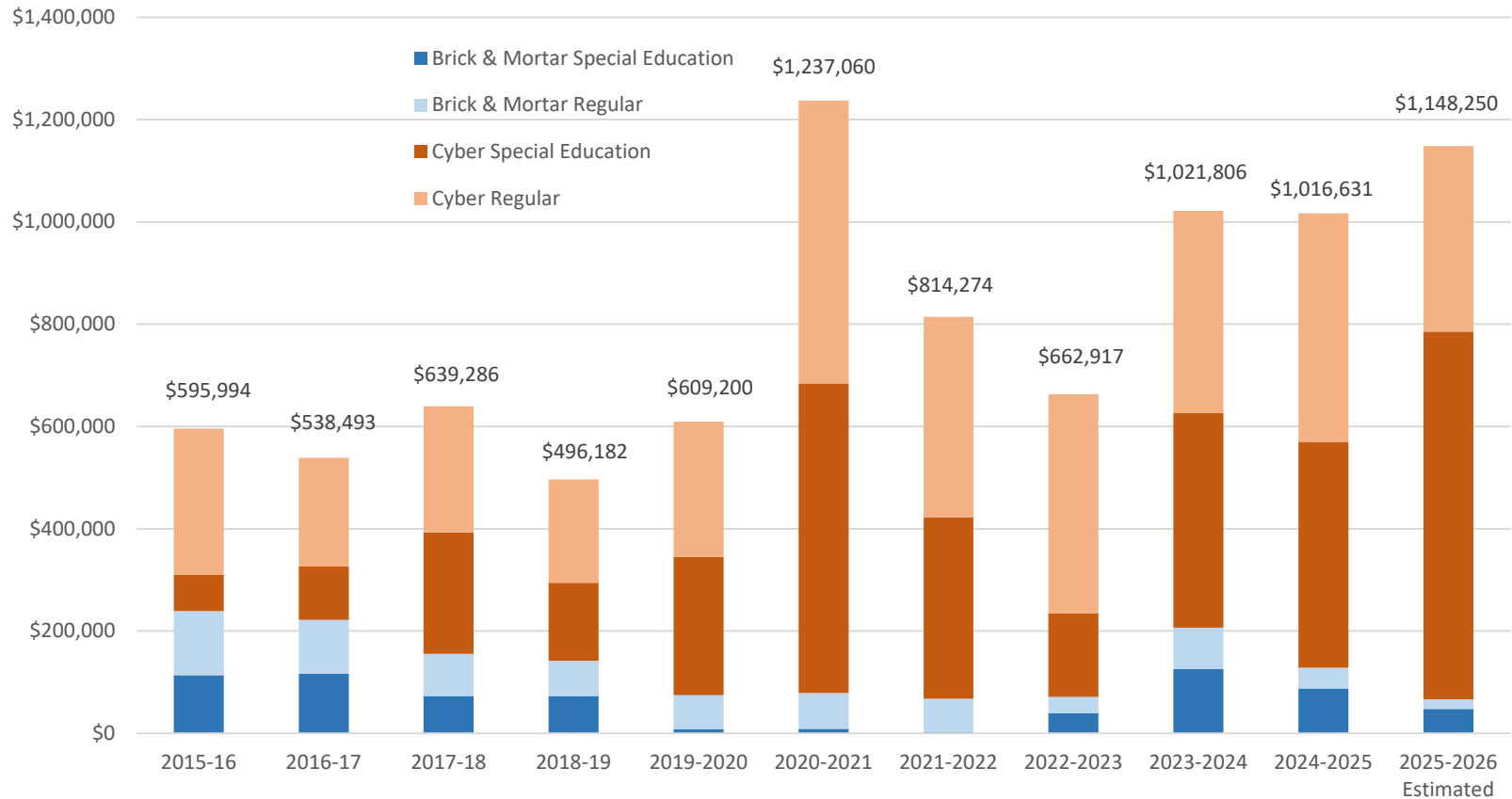
·Source: PSERS (Dec 2025)

- Released February 3, 2026
- **Basic Education Funding –**
 - \$50M Proposed Increase to Districts (Student Weighted Formula Driven)
 - » For TESD, current year could increase by **\$156,134** or 2.7%
 - » Smallest Proposed Increase in 10+ Years
 - \$565M Increase in Adequacy/Tax Equity/Minimum Allocation Supplement
 - » For TESD, **\$0**
- **Special Education –**
 - Base is still at FY13-14 Distribution Level
 - \$50M Proposed Increase to Districts (Student Weighted Formula Driven)
 - » For TESD, current year could increase by **\$41,780** or 1.6%
 - Proposed Student-Based Allocation of \$514.25M
 - » For TESD, potential increase of **\$464,517**
- **Transportation** – \$15.5M Increase, anticipated to be driven by same formula
- **Ready-to-Learn Block Grant**
 - Proposed Adequacy Supplement
 - Minimum Increase of \$50,000
 - Total - **\$299,614**

- \$125M for School Facility Improvement & Solar4Schools Grants
- \$100M Proposed Funding for School Safety/Security/Mental Health Grants
- \$51M Proposed Increase for Early Intervention
- \$14M Proposed Increase for School Food Service
- \$5M Proposed Increase for Student Teacher Stipends
- \$84M Proposed Increase in PSERS Reimbursement
- \$27M Proposed Increase in Social Security Reimbursement
- What's NOT in the Governor's Budget Proposal?
 - PlanCon Funding for New Construction Projects

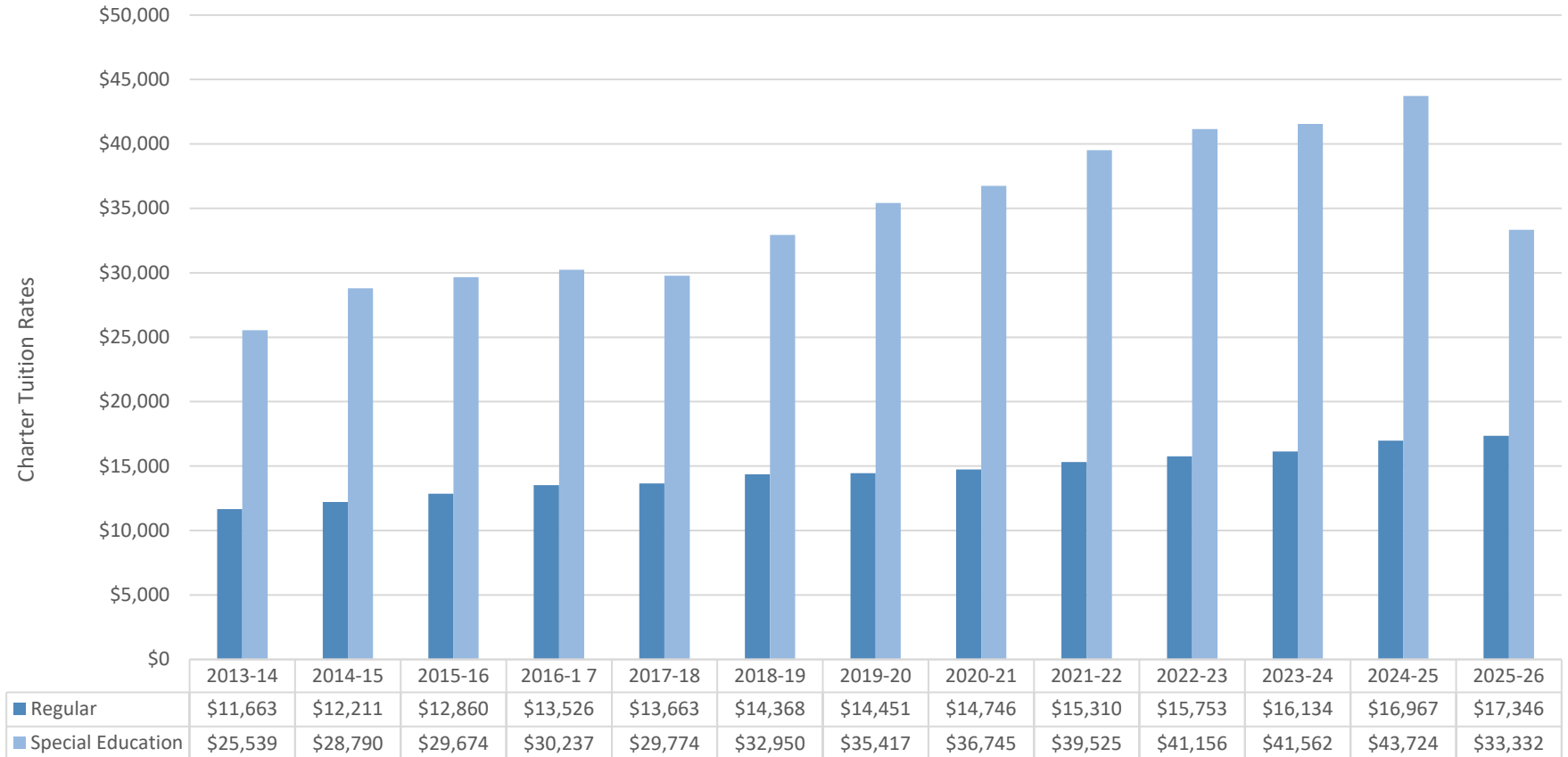
Charter School Costs

Draft



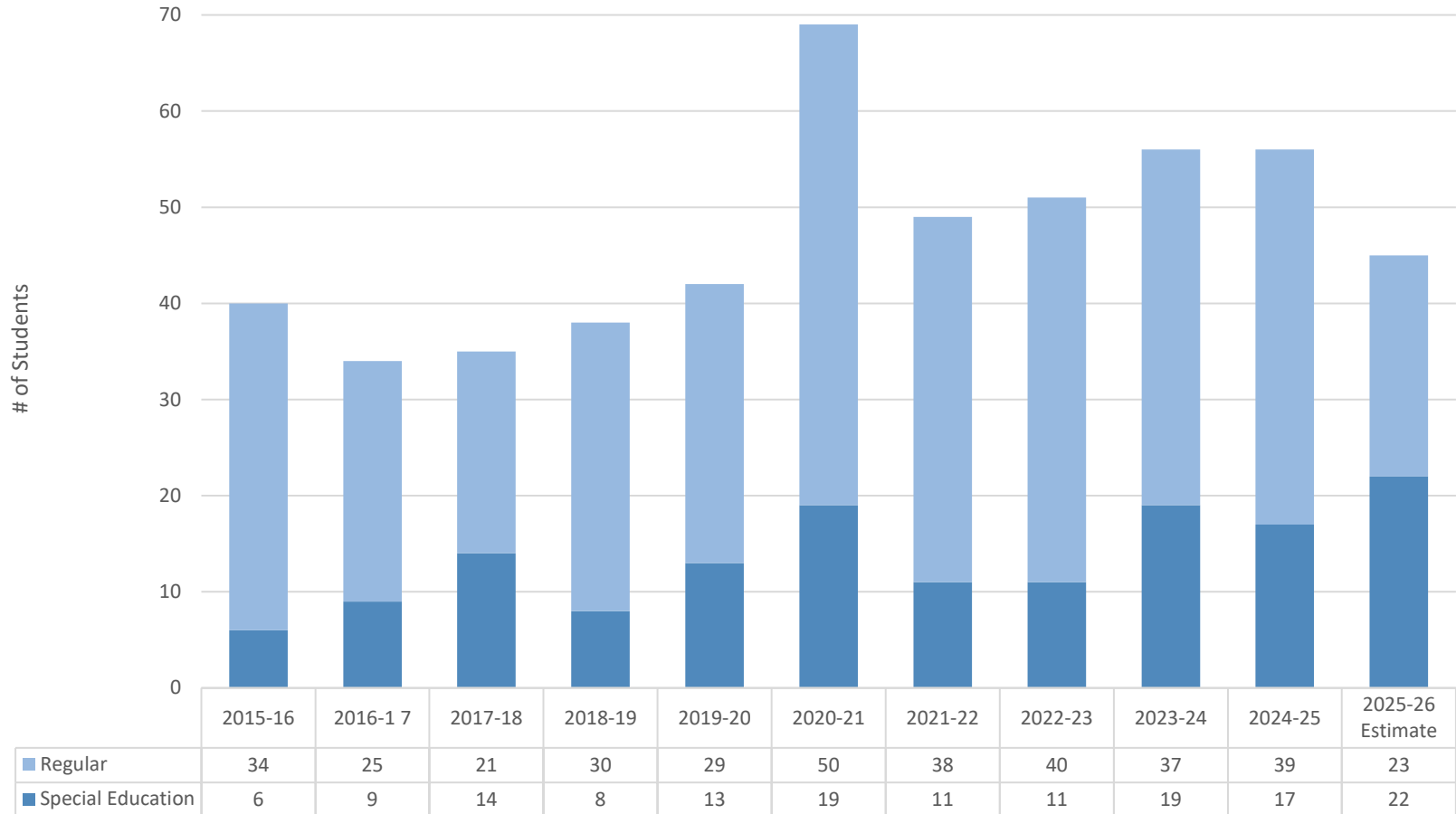
Charter School Tuition Rates

Draft



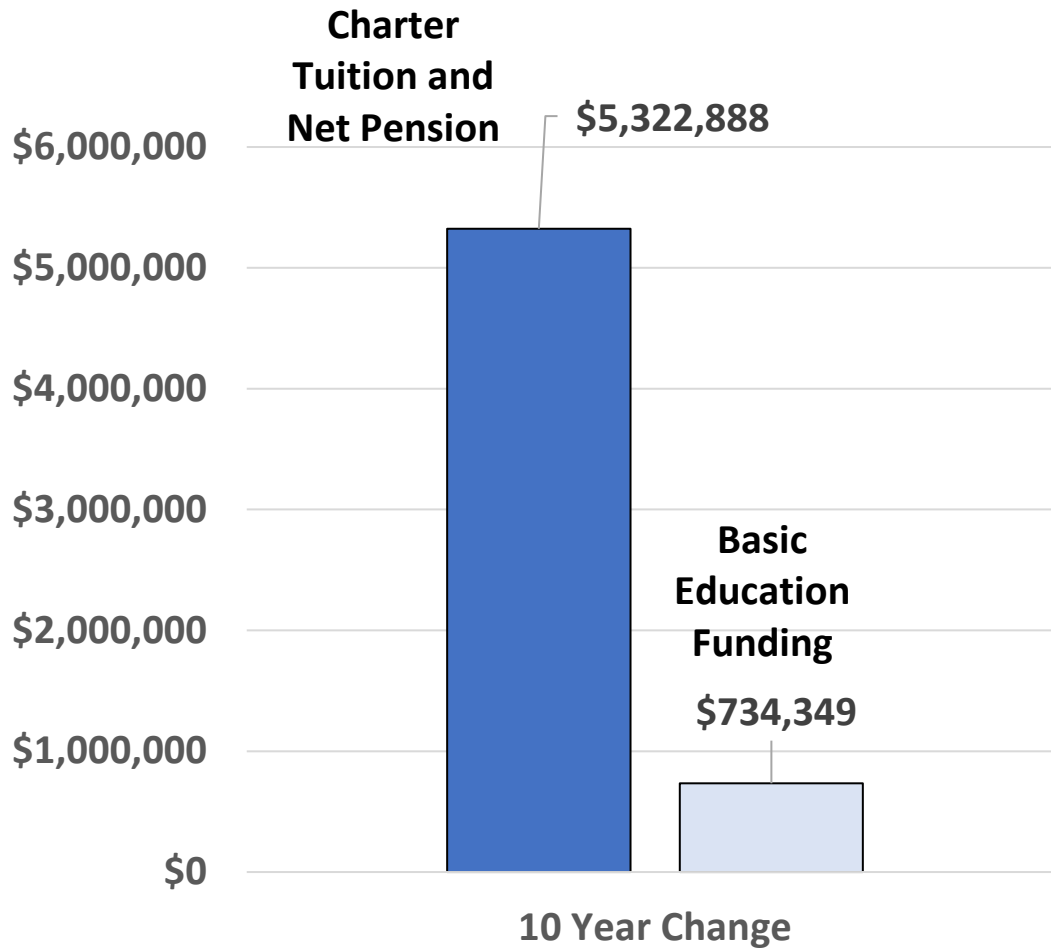
Charter School Enrollment

Draft



Charter Tuition & Net Pension vs Basic Ed Subsidy

Draft



**Charter Tuition &
Net Pension
Local Impact
\$4,588,539**

- 10-Year Mandated Cost Increase: Charter Tuition & Net Pension
- 10-Year State Funding Increase: Basic Education Funding

Changes from 2015-16 Actual
to 2024-25 Actual

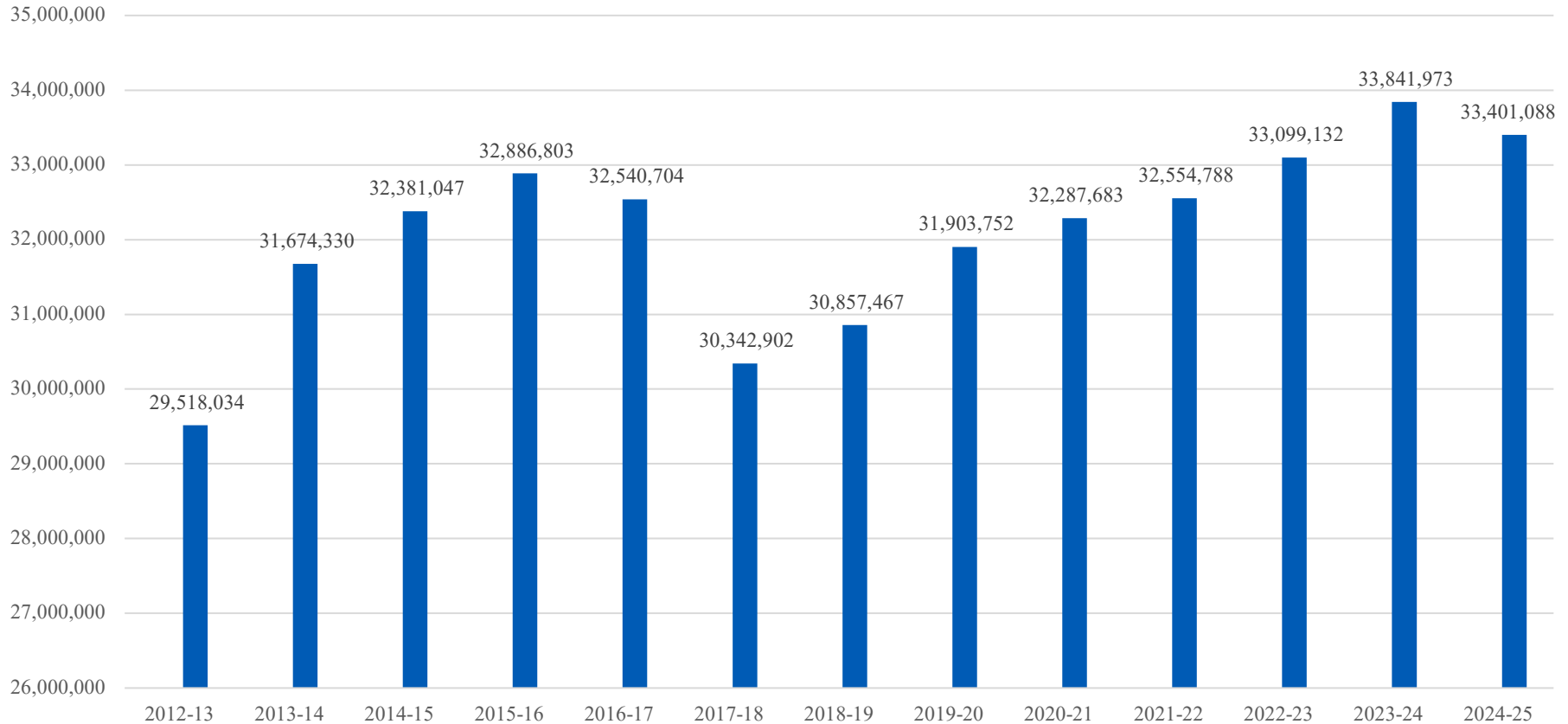
FY 2025-26 General Fund Fund Balance Commitments

DRAFT

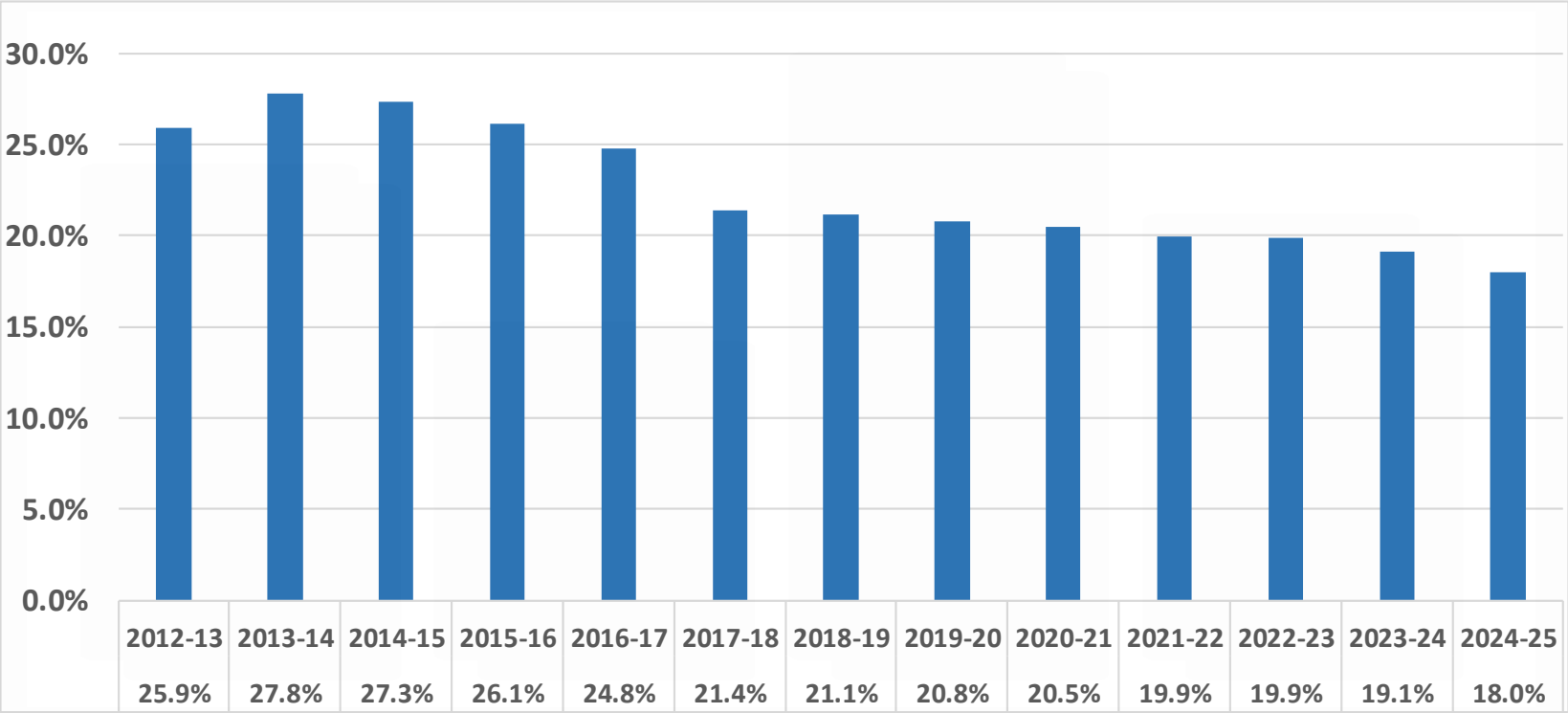
		A	B
1		Prepaid Expenses - Nonspendable	\$197,304
2		Subsequent Year's Budget	\$6,116,607
3		Capital Projects	\$6,000,000
4		Vested Employee Services	\$10,347,822
5		PSERS Contingency	\$5,145,235
6		Healthcare Contingency	\$5,300,000
7		Assigned to Athletic Fund	\$294,120
8		TOTAL FUND BALANCE	\$33,401,088

Fund Balance (in Dollars)

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Fund Balance (% of Budget)



Contributions from GF to the Capital Fund

<u>Fiscal Year</u>	<u>Amount</u>	
□ FY 2007-08	□ \$0	
□ FY 2008-09	□ \$0	
□ FY 2009-10	□ \$0	
□ FY 2010-11	□ \$0	
□ FY 2011-12	□ \$0	
□ FY 2012-13	□ \$10,387,537	
□ FY 2013-14	□ \$0	
□ FY 2014-15	□ \$0	
□ FY 2015-16	□ \$0	
□ FY 2016-17	□ \$650,000	
□ FY 2017-18	□ \$1,700,000	
□ FY 2018-19	□ \$4,000,000	
□ FY 2019-20 (COVID-19 Impact)	□ \$5,200,000	
□ FY 2020-21 (COVID-19 Impact)	□ \$3,000,000	
□ FY 2021-22	□ \$7,000,000	
□ FY 2022-23	□ \$5,000,000	 5 Year Avg Contribution to Capital Fund = \$5,100,000
□ FY 2023-24	□ \$5,000,000	
□ FY 2024-25	□ \$5,500,000	

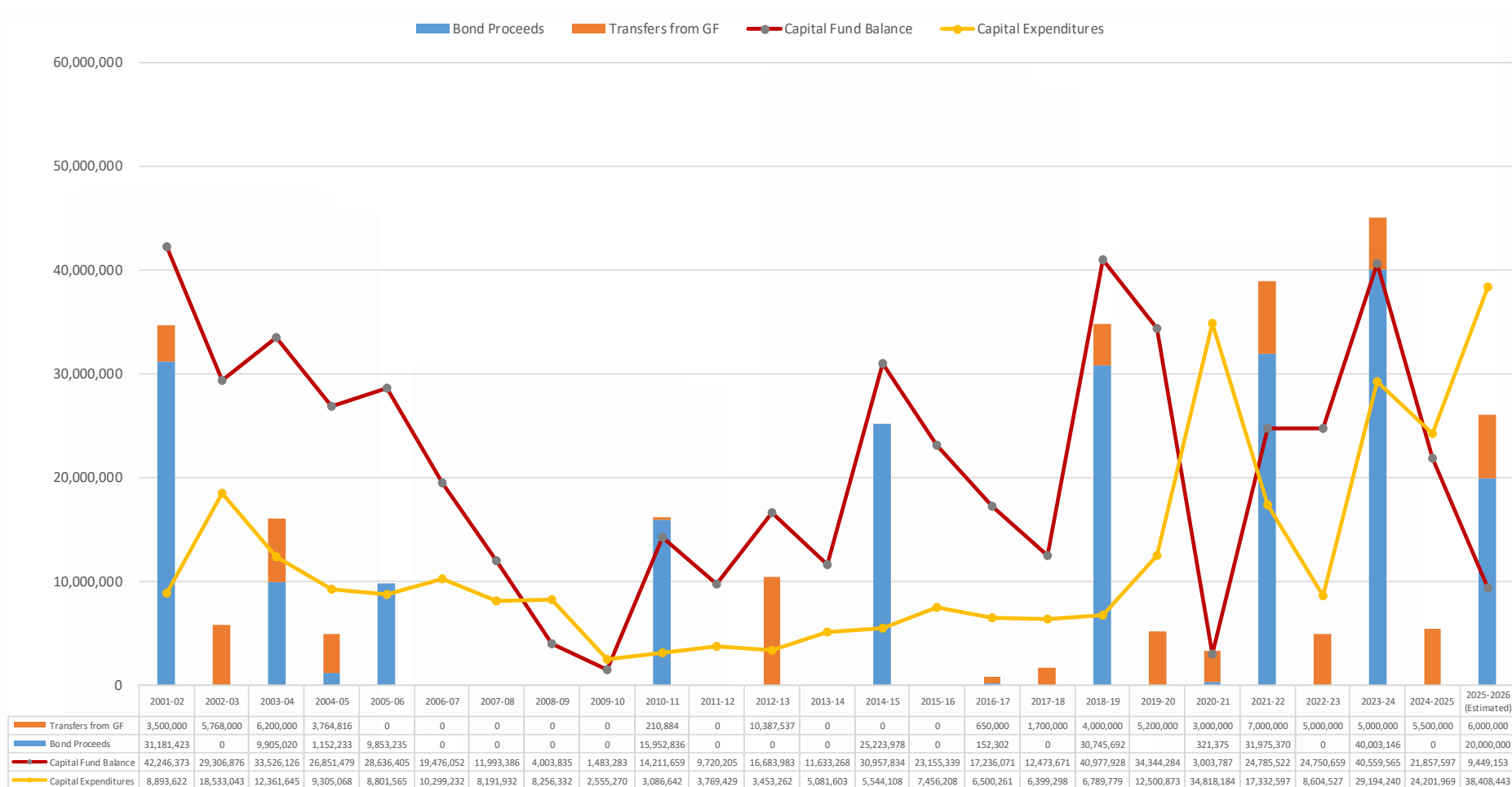
Actual EOY Change in GF Fund Balance (after Capital Fund Transfer)

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<u>Fiscal Year</u>	<u>Amount</u>	
□ FY 2007-08	□ \$2,993,481	
□ FY 2008-09	□ \$477,571	
□ FY 2009-10	□ (\$4,782,986)	
□ FY 2010-11	□ \$1,158,289	
□ FY 2011-12	□ \$3,993,295	
□ FY 2012-13	□ \$4,945,821	
□ FY 2013-14	□ \$2,156,296	
□ FY 2014-15	□ \$706,717	
□ FY 2015-16	□ \$505,756	
□ FY 2016-17	□ (\$346,098)	
□ FY 2017-18	□ (\$2,197,802)	
□ FY 2018-19	□ \$514,566	
□ FY 2019-20	□ \$1,046,284	
□ FY 2020-21	□ \$383,931	
□ FY 2021-22	□ \$267,105	
□ FY 2022-23	□ \$544,343	
□ FY 2023-24	□ \$742,841	
□ FY 2024-25	□ (\$440,886)	
		5 Year Avg Increase in Fund Balance = \$299,467

Capital Project Funding and Expenditures

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Actual Entity-wide Deficits (or Surplus) at FYE

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	A	B	C	D	E
Fiscal Year	Total General Fund (GF) Revenue	GF Operating Expenses (w/o Capital Fund Transfer)	Net Capital Expenses	Total Expenses (B + C)	Variance (A - D)
FY 2007-08	\$96,183,760	\$93,159,844	\$7,482,666	\$100,642,510	(\$4,458,750)
FY 2008-09	\$97,297,906	\$96,615,461	\$7,989,551	\$104,605,012	(\$7,307,106)
FY 2009-10	\$99,678,843	\$104,220,356	\$2,520,552	\$106,740,908	(\$7,062,065)
FY 2010-11	\$102,295,736	\$101,137,465	\$3,011,021	\$104,148,486	(\$1,852,750)
FY 2011-12	\$105,611,474	\$101,678,179	\$4,491,454	\$106,169,633	(\$558,159)
FY 2012-13	\$111,130,602	\$106,184,781	\$3,423,759	\$109,608,540	\$1,522,062
FY 2013-14	\$112,908,389	\$110,752,093	\$5,050,715	\$115,802,808	(\$2,894,419)
FY 2014-15	\$118,340,058	\$117,633,341	\$5,899,413	\$123,532,754	(\$5,192,696)
FY 2015-16	\$124,914,351	\$124,408,595	\$7,802,495	\$132,211,090	(\$7,296,739)
FY 2016-17	\$131,103,779	\$130,799,879	\$6,721,570	\$137,521,449	(\$6,417,670)
FY 2017-18	\$137,790,087	\$138,287,887	\$6,462,397	\$144,750,284	(\$6,960,197)
FY 2018-19	\$143,209,982	\$138,695,416	\$6,241,435	\$144,936,851	(\$1,726,869)
FY 2019-20	\$149,372,108	\$143,125,824	\$11,833,647	\$154,959,471	(\$5,587,363)
FY 2020-21	\$152,464,188	\$149,080,257	\$34,661,872	\$183,742,129	(\$31,277,941)
FY 2021-22	\$158,416,969	\$151,149,864	\$17,284,635	\$168,434,499	(\$10,017,530)
FY 2022-23	\$166,929,046	\$166,384,702	\$7,917,094	\$174,301,796	(\$7,372,750)
FY 2023-24	\$175,584,925	\$169,842,084	\$29,194,240	\$199,036,324	(\$23,451,399)
FY 2024-25	\$183,065,984	\$178,006,870	\$16,345,880	\$194,352,750	(\$11,286,766)
TOTAL	\$2,366,298,187	\$2,321,162,898	\$184,334,396	\$2,505,497,294	(\$139,199,107)

Projection Model

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		A	B	C	D	E
		Proposed 2026-2027	Projected 2027-2028	Projected 2028-2029	Projected 2029-2030	Projected 2030-2031
1	Revenues					
2	Total Revenue from Local Sources	\$ 157,002,936	\$ 157,002,936	\$ 157,002,936	\$ 157,002,936	\$ 157,002,936
3	Total Revenue from State Sources	\$ 16,836,140	\$ 16,836,140	\$ 16,836,140	\$ 16,836,140	\$ 16,836,140
4	PSERS Subsidy from State	\$ 13,049,227	\$ 13,480,201	\$ 14,060,606	\$ 14,600,000	\$ 16,230,000
5	Total Revenue from Federal Sources	\$ 964,500	\$ 789,843	\$ 789,843	\$ 789,843	\$ 789,843
	Total Revenues	\$ 187,852,803	\$ 188,109,120	\$ 188,689,525	\$ 189,228,919	\$ 190,858,919
6	Expenditures					
7	Salaries	\$ 79,053,780	\$ 79,753,780	\$ 82,600,000	\$ 84,252,000	\$ 86,779,560
8	Benefits	\$ 18,193,968	\$ 23,379,850	\$ 24,782,355	\$ 26,000,000	\$ 26,780,000
9	PSERS Expenditures	\$ 25,284,060	\$ 27,960,401	\$ 29,121,211	\$ 30,200,000	\$ 32,460,000
10	Other Expenditures	\$ 78,613,676	\$ 79,013,676	\$ 79,413,676	\$ 79,813,676	\$ 80,213,676
11	Total Expenditures	\$ 201,145,484	\$ 210,107,707	\$ 215,917,242	\$ 220,265,676	\$ 226,233,236
12	Budget Imbalance	\$ (13,292,681)	\$ (21,998,588)	\$ (27,227,718)	\$ (31,036,757)	\$ (35,374,317)

Projection Model Assumptions

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		A	B	C	D
		Projected	Projected	Projected	Projected
		2026-2027	2027-2028	2028-2029	2029-2030
1	Act 1 Index	0.0%	0.0%	0.0%	0.0%
2	Assessment Increases	0.0%	0.0%	0.0%	0.0%
3	Other Local Revenues	0.0%	0.0%	0.0%	0.0%
4	Rate of Return on Investments	4.0%	3.5%	3.5%	3.5%
5	State Funding	0.0%	0.0%	0.0%	0.0%
6	Federal Funds	0.0%	0.0%	0.0%	0.0%

Tax Impact from Act 1 Index and Exceptions

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(Act 1 Index of 3.5%)

		A	B	C
	<u>FY 2026-27</u>	<u>Tax Rate</u>	<u>Projected Revenue</u>	<u>Mills</u>
1				(Current Rate = 29.6567)
2	Act 1 Index	3.5%	\$5,169,754	1.0380
3	Projected Referendum Exceptions:			
4	Special Education Expenditures	1.415%	\$2,207,776	0.4196
5	Employer Retirement Contributions	0.0%	\$0	0.0000
6	Total	4.915%	\$7,377,530	1.4576
7				(New Rate = 31.1143)

Act 1 Index— Updated Projections

IFO* Projections – December 2025

▢ 2027 – 2028	3.2%
▢ 2028 – 2029	3.3%
▢ 2029 – 2030	3.3%
▢ 2030 – 2031	3.1%

IFO* Projections – October 2024

▢ 2026 – 2027	3.7%
▢ 2027 – 2028	3.4%
▢ 2028 – 2029	3.2%
▢ 2029 – 2030	3.2%

* *Independent Fiscal Office of the State of Pennsylvania*

Tax Rate Impact of Act 1 Index and Special Ed Referendum Exception

	Projected		to T/E			Projected		to T/E			Projected		to T/E
Increase	Revenue	Difference	Homeowner		Increase	Revenue	Difference	Homeowner		Increase	Revenue	Difference	Homeowner
4.915%	\$7,377,530	\$0	\$382		2.7%	\$3,988,096	(\$3,389,434)	\$210		0.5%	\$738,536	(\$6,638,994)	\$39
4.8%	\$7,089,948	(\$287,582)	\$373		2.6%	\$3,840,389	(\$3,537,141)	\$202		0.4%	\$590,829	(\$6,786,701)	\$31
4.7%	\$6,942,241	(\$435,289)	\$366		2.5%	\$3,692,681	(\$3,684,849)	\$195		0.3%	\$443,122	(\$6,934,408)	\$23
4.6%	\$6,794,534	(\$582,996)	\$358		2.4%	\$3,544,974	(\$3,832,556)	\$187		0.2%	\$295,415	(\$7,082,115)	\$16
4.5%	\$6,646,827	(\$730,703)	\$350		2.3%	\$3,397,267	(\$3,980,263)	\$179		0.1%	\$147,707	(\$7,229,823)	\$8
4.4%	\$6,499,119	(\$878,411)	\$342		2.2%	\$3,249,560	(\$4,127,970)	\$171		0.0%	(\$0)	(\$7,377,530)	\$0
4.3%	\$6,351,412	(\$1,026,118)	\$335		2.1%	\$3,101,852	(\$4,275,678)	\$163					
4.2%	\$6,203,705	(\$1,173,825)	\$327		2.0%	\$2,954,145	(\$4,423,385)	\$156					
4.1%	\$6,055,998	(\$1,321,532)	\$319		1.9%	\$2,806,438	(\$4,571,092)	\$148					
4.0%	\$5,908,290	(\$1,469,240)	\$311		1.8%	\$2,658,731	(\$4,718,799)	\$140					
3.9%	\$5,760,583	(\$1,616,947)	\$303		1.7%	\$2,511,023	(\$4,866,507)	\$132					
3.8%	\$5,612,876	(\$1,764,654)	\$296		1.6%	\$2,363,316	(\$5,014,214)	\$124					
3.7%	\$5,465,169	(\$1,912,361)	\$288		1.5%	\$2,215,609	(\$5,161,921)	\$117					
3.6%	\$5,317,461	(\$2,060,069)	\$280		1.4%	\$2,067,902	(\$5,309,628)	\$109					
3.5%	\$5,169,754	(\$2,207,776)	\$272		1.3%	\$1,920,194	(\$5,457,336)	\$101					
3.4%	\$5,022,047	(\$2,355,483)	\$265		1.2%	\$1,772,487	(\$5,605,043)	\$93					
3.3%	\$4,874,339	(\$2,503,191)	\$257		1.1%	\$1,624,780	(\$5,752,750)	\$86					
3.2%	\$4,726,632	(\$2,650,898)	\$249		1.0%	\$1,477,073	(\$5,900,457)	\$78					
3.1%	\$4,578,925	(\$2,798,605)	\$241		0.9%	\$1,329,365	(\$6,048,165)	\$70					
3.0%	\$4,431,218	(\$2,946,312)	\$233		0.8%	\$1,181,658	(\$6,195,872)	\$62					
2.9%	\$4,283,510	(\$3,094,020)	\$226		0.7%	\$1,033,951	(\$6,343,579)	\$54					
2.8%	\$4,135,803	(\$3,241,727)	\$218		0.6%	\$886,244	(\$6,491,286)	\$47					
	** Based on Average Assessment of a T/E home of \$265,313 with an average tax bill of \$7,781												

History of TESD Property Tax Rate

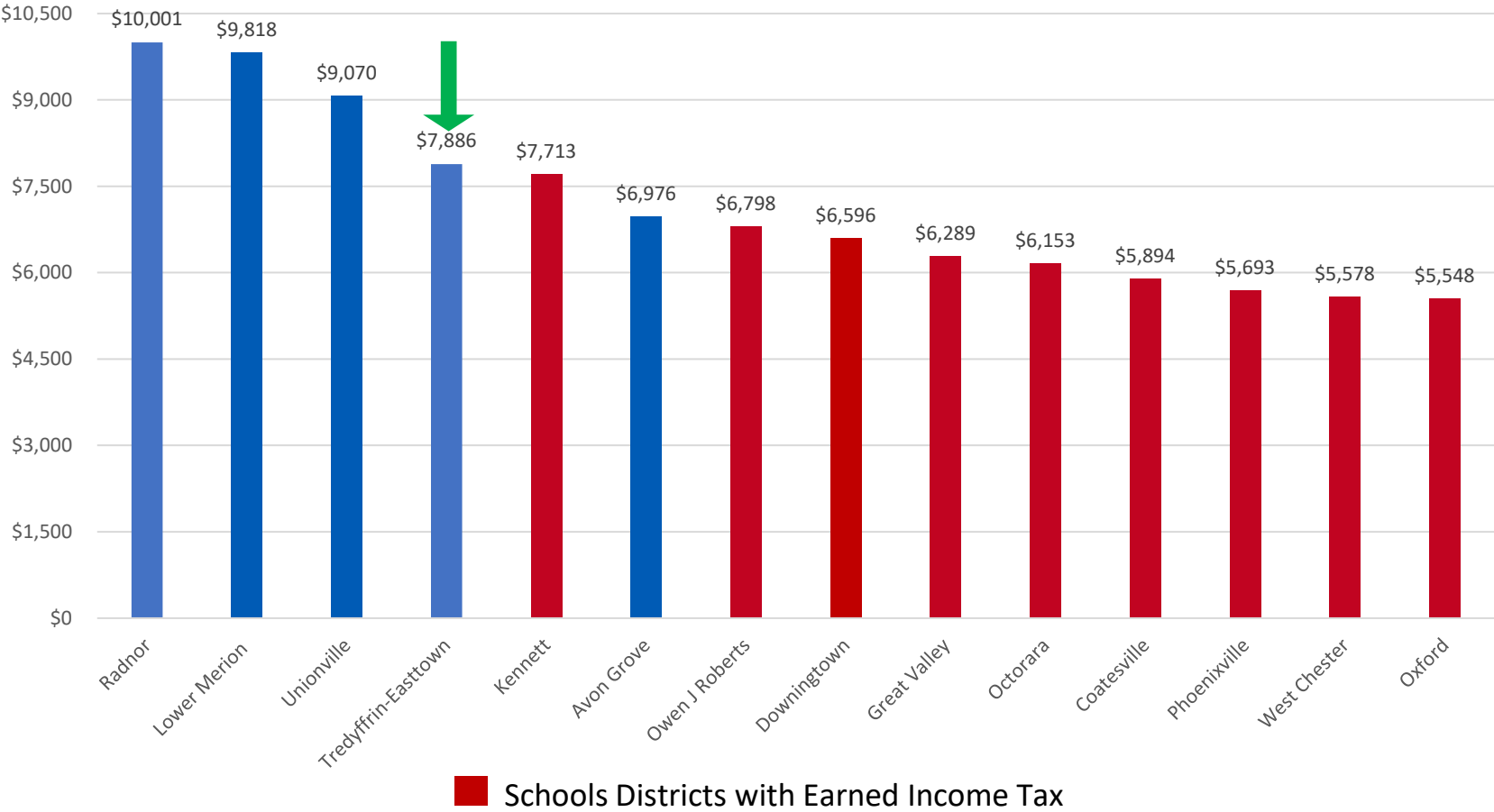
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**Avg Tax Rate
Increase for
Last 5 Years
is 3.9%**

A	B	C	D	E	F
		Exceptions			
<u>Year</u>	<u>Act 1 Index</u>	<u>PSERS</u>	<u>Special Ed</u>	<u>Tax Increase</u>	<u>Avg. Increase</u>
2025-26	4.0%	-	0.660%	4.66%	\$350
2024-25	5.3%	-	1.011%	5.90%	\$415
2023-24	4.1%	-	-	3.50%	\$235
2022-23	3.4%	-	-	2.95%	\$190
2021-22	3.0%	-	-	2.50%	\$157
2020-21	2.6%	-	-	2.60%	\$162
2019-20	2.3%	0.022%	1.59%	3.91%	\$229
2018-19	2.4%	0.020%	-	2.42%	\$139
2017-18	2.5%	0.363%	0.337%	3.20%	\$178
2016-17	2.4%	0.60%	0.60%	3.60%	\$191
2015-16	1.9%	1.14%	0.77%	3.81%	\$194
2014-15	2.1%	1.10%	-	3.20%	\$157
2013-14	1.7%	-	-	1.70%	\$82
2012-13	1.7%	1.04%	0.56%	3.30%	\$155
2011-12	1.4%	1.20%	1.17%	3.77%	\$171
2010-11	2.9%	-	-	2.90%	\$126
2009-10	4.1%	-	-	2.95%	\$126
2008-09	4.4%	-	-	4.37%	\$171
2007-08	3.4%	-	-	3.37%	\$128
2006-07	3.9%	(Act 1 of 2006 Becomes Law)		3.90%	\$145

2025-26 Average Taxes Paid by Residential Taxpayers in Chester County

DRAFT
(& others)



Chester County Earned Income Tax (EIT) Collections

<u>Chester County Earned Income Tax Collection Trends</u>				
Comparison of 2024 and 2025 Collections				
	<u>2024</u>	<u>2025</u>	<u>Increase</u>	<u>Pct.</u>
All Chester County Municipalities and School Districts	285,275,256	298,853,740	13,578,484	4.8%
<u>School District Earned Income Tax Collections</u>				
	<u>2024</u>	<u>2025</u>	<u>Increase</u>	<u>Pct.</u>
Coatesville Area School District	11,417,562	11,765,016	347,454	3.0%
Downingtown Area School District	23,577,860	24,259,008	681,148	2.9%
Kennett Consolidated School District	6,356,224	6,834,249	478,025	7.5%
Owen J. Roberts School District	10,365,613	10,126,233	(239,380)	-2.3%
Oxford Area School District	3,934,414	4,182,669	248,255	6.3%
Phoenixville Area School District	9,844,229	11,401,731	1,557,502	15.8%
Twin Valley School District	4,682,256	4,854,628	172,372	3.7%
West Chester Area School District	29,382,835	30,278,240	895,405	3.0%
Chester County School District Totals	99,560,993	103,701,774	4,140,781	4.2%

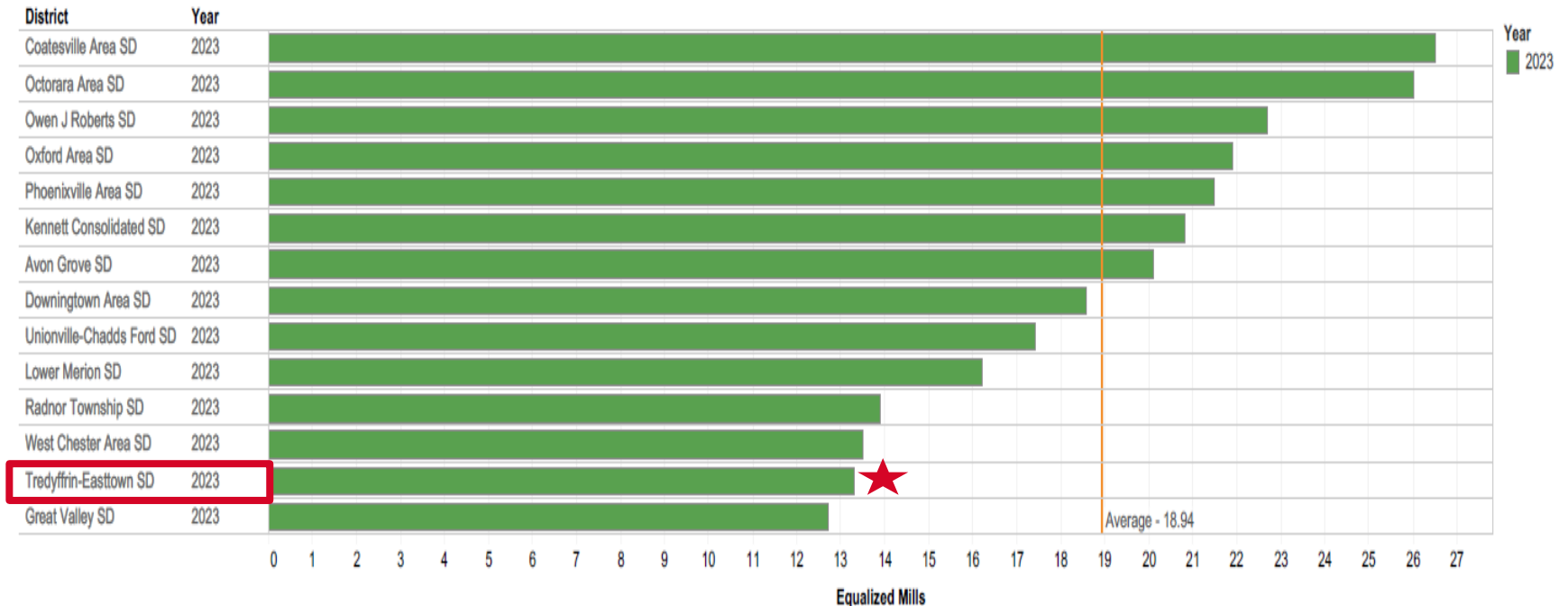
Equalized Mill (Tax Effort) Rate Comparison

Chester County and Others Avg 18.94
Tredyffrin-Easttown: 13.30

Equalized Mill Rate Comparison
 2023

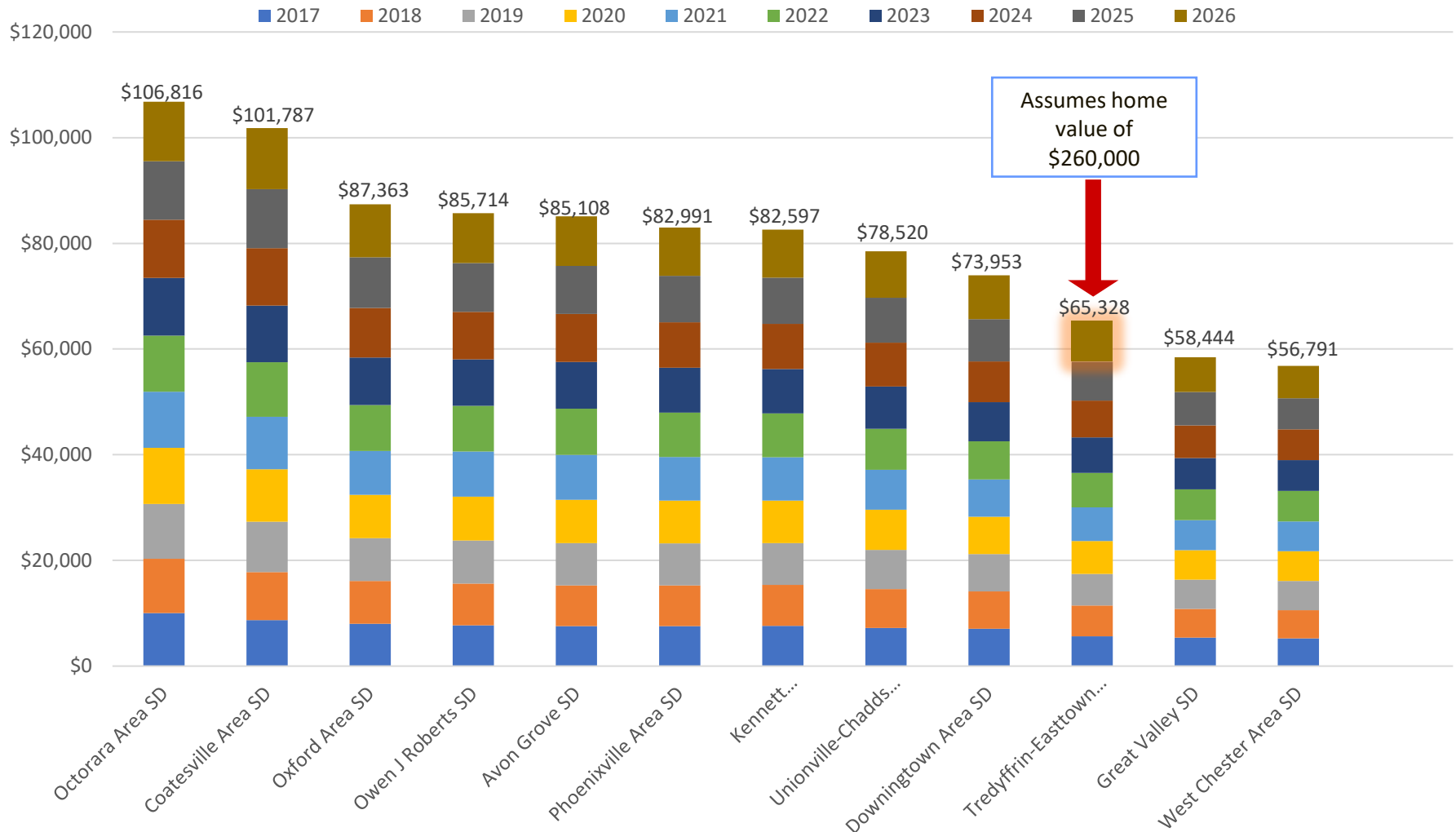
Source: Pennsylvania Department of Education

Note: Equalized Mills are determined by dividing a school district's total taxes collected by its total Market Value. Generally, high Equalized Mills represent a higher tax burden than low Equalized Mills.



The lower the District's equalized mill rate, the lower the tax effort of the community based on the actual market values of the properties

Taxes Paid by Residential Taxpayers in Chester County



FY 2025-26 Budget and Year-end Projection

		A	B	C
		Budget	Projection	
	Revenues	2025-2026	2025-2026	Variance
1	Total Revenue from Local Sources	\$ 160,055,821	158,598,397	\$ (1,457,424)
2	Revenue from State Sources	\$ 16,577,163	17,007,737	\$ 430,574
3	PSERS Subsidy from State	\$ 12,661,696	13,049,227	\$ 387,531
4	Total Revenue from Federal Sources	\$ 1,005,292	1,005,292	\$ -
5	Total Revenues	\$ 190,299,972	\$ 189,660,653	\$ (639,319)
	Expenditures			
6	Salaries	\$ 76,260,157	75,960,153	\$ (300,004)
7	Benefits	\$ 19,464,515	18,116,403	\$ (1,348,112)
8	PSERS Expenditures	\$ 25,323,392	26,098,454	\$ 775,062
9	Other Expenditures	\$ 72,368,515	72,679,262	\$ 310,747
10	Total Expenditures	\$ 193,416,579	\$ 192,854,272	\$ (562,307)
11	Budget Imbalance	\$ (3,116,607)	\$ (3,193,619)	\$ (77,012)

Property Tax Rent Rebate Program

Draft

The Pennsylvania legislature enacted a law that expanded the Property Tax/Rent Rebate (PTRR) program to give more Pennsylvanians a rebate and increase the amount of the rebates.

The rebate program benefits eligible Pennsylvanians age 65 and older; widows and widowers age 50 and older; and people with disabilities age 18 and older. The income limit is \$48,110 a year for homeowners and renters after excluding half of Social Security income/benefits.

The Property Tax/Rent Rebate Program is one of five programs supported by the Pennsylvania Lottery and slots gaming.

Homeowners/Renters may be eligible to receive the following rebates based on income:

Income	Maximum Rebate
\$0 to \$8,550	\$1,000
\$8,550 to \$16,040	\$770
\$16,040 to \$19,240	\$460
\$19,241 to \$48,110	\$380

<https://www.revenue.pa.gov/IncentivesCreditsPrograms/PropertyTaxRentRebateProgram/Pages/default.aspx>

FY 2026-27 Key Dates for Budget Development

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- A. March 9, 2026 – Budget Workshop I
- B. April 13, 2026 – Budget Workshop II
- C. April 27, 2026 – Adopt Proposed Final Budget for FY 2026-27
- D. June 8, 2026 – Adopt Final Budget for FY 2026-27