

SSD BUDGET PRESENTATION #3

MARCH 2026

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



Contents



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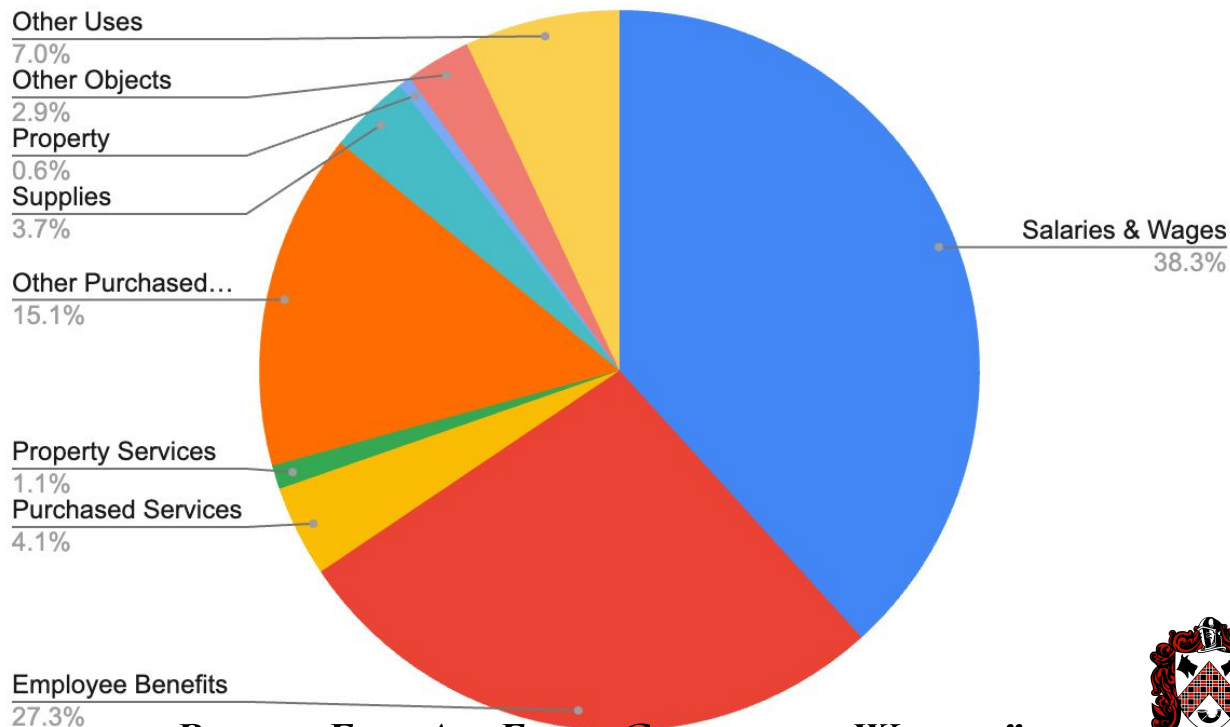
- Revised Preliminary Expenditures from February Presentation
- 5 Year Expenditures Analysis
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- Next Steps

Preliminary Expenditures from February Presentation (revised)

Total Preliminary Expenditures:

\$38,813,822

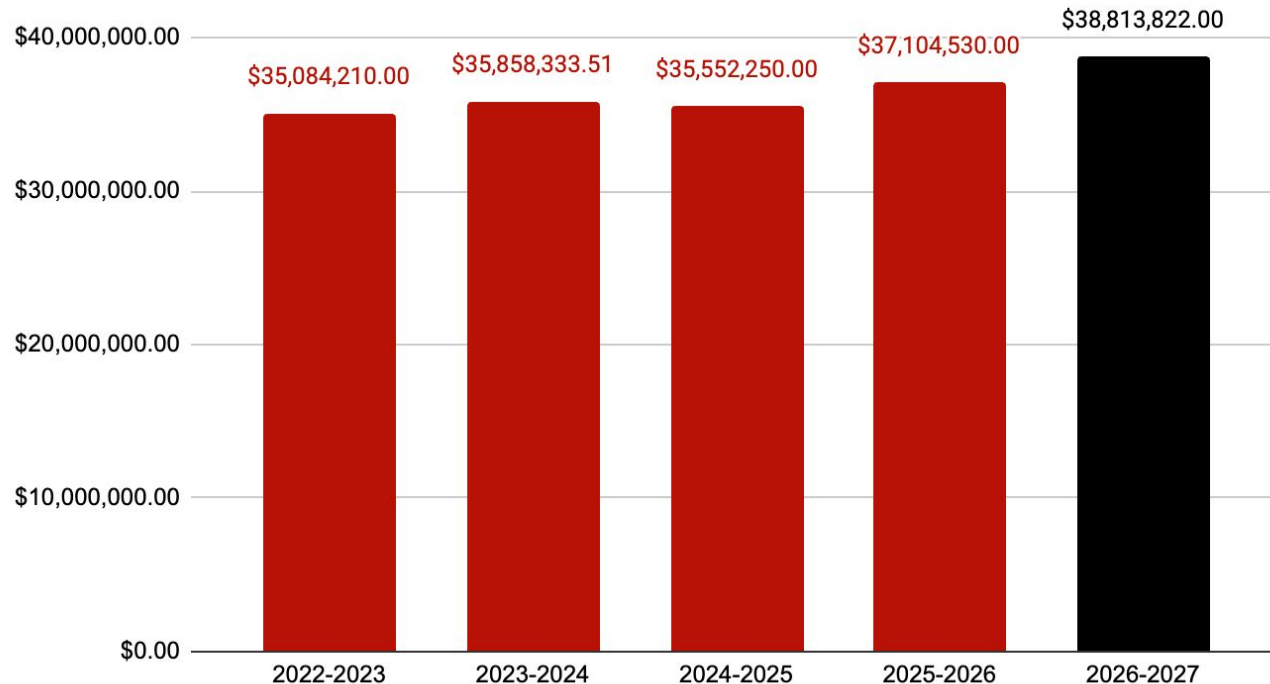
- 65.6% of Expenditures - Salaries & Wages/Employee Benefits (Down from last year!)



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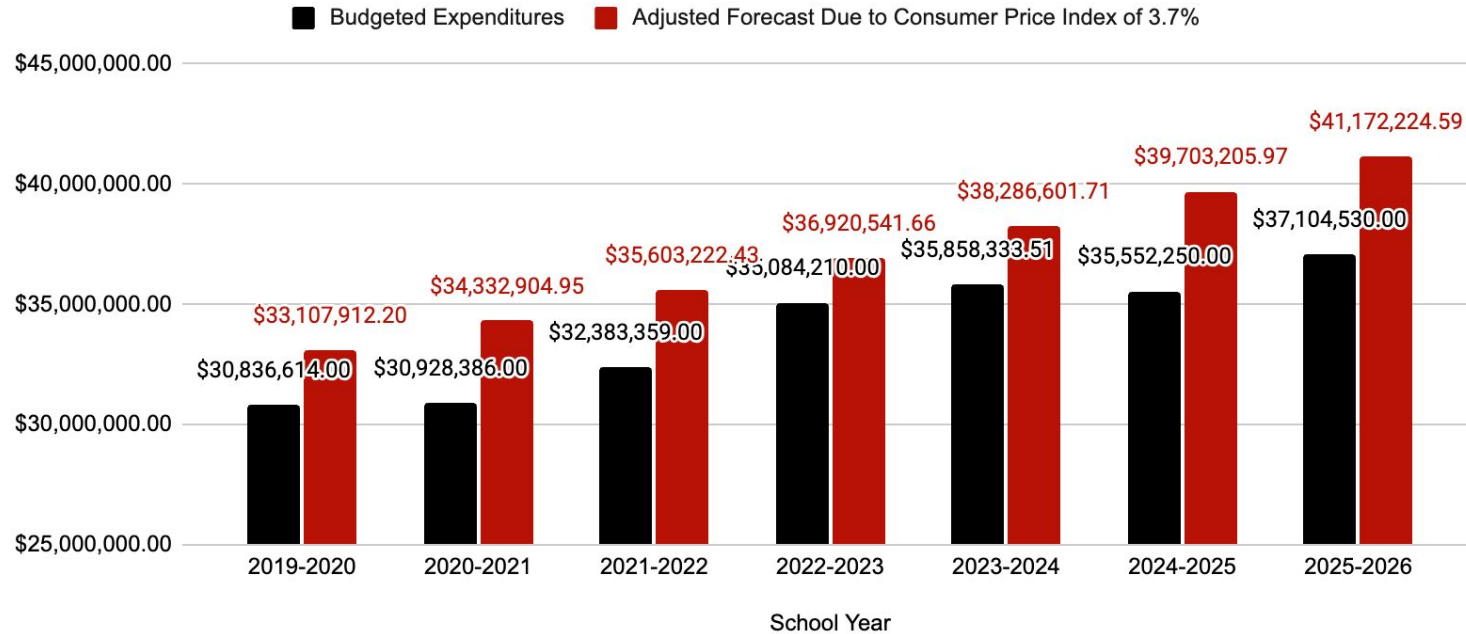
5 Year Expenditures Analysis



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Expenditures Analysis

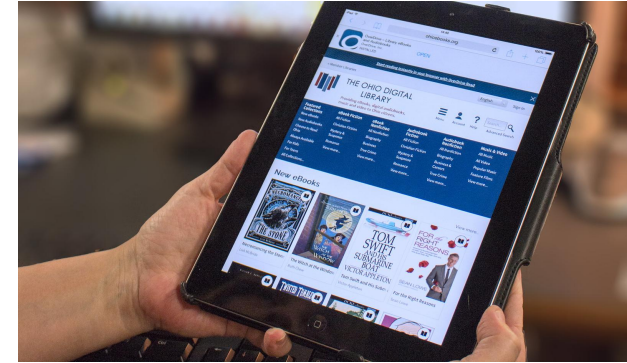


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Items Currently In Budget

- 1) Salary Increases are Now Budgeted at \$674, 591
 - a) Includes Estimations for Admin. Assistants and Additional Emotional Support Staffing at the HS.
- 2) Contracted Carrier Costs Increased By \$110,682.53 Per Contract
- 3) \$185,000 for Curriculum Resources (New ELA Adoption)
- 4) \$100,919 for Technology Refresh of 1-to-1 Devices (Year 4 of 5)
- 5) 10% Increase for Medical Benefits
- 6) CWCTC expenses held flat for now
- 7) Addition of one new large capacity student activities van
- 8) PSERS Decreased from 34% to 33.59%, an additional \$186,059.62
- 9) Cyber Charter Costs Increased by \$254,000
- 10) Contingency Fund Reduced to \$110,000 From \$125,000
- 11) All But 2 Building/Department Level Budgets Held Flat for **5th** Year In a Row (Special Education and Athletics)



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26/27 Commonwealth Budget Proposal Highlights

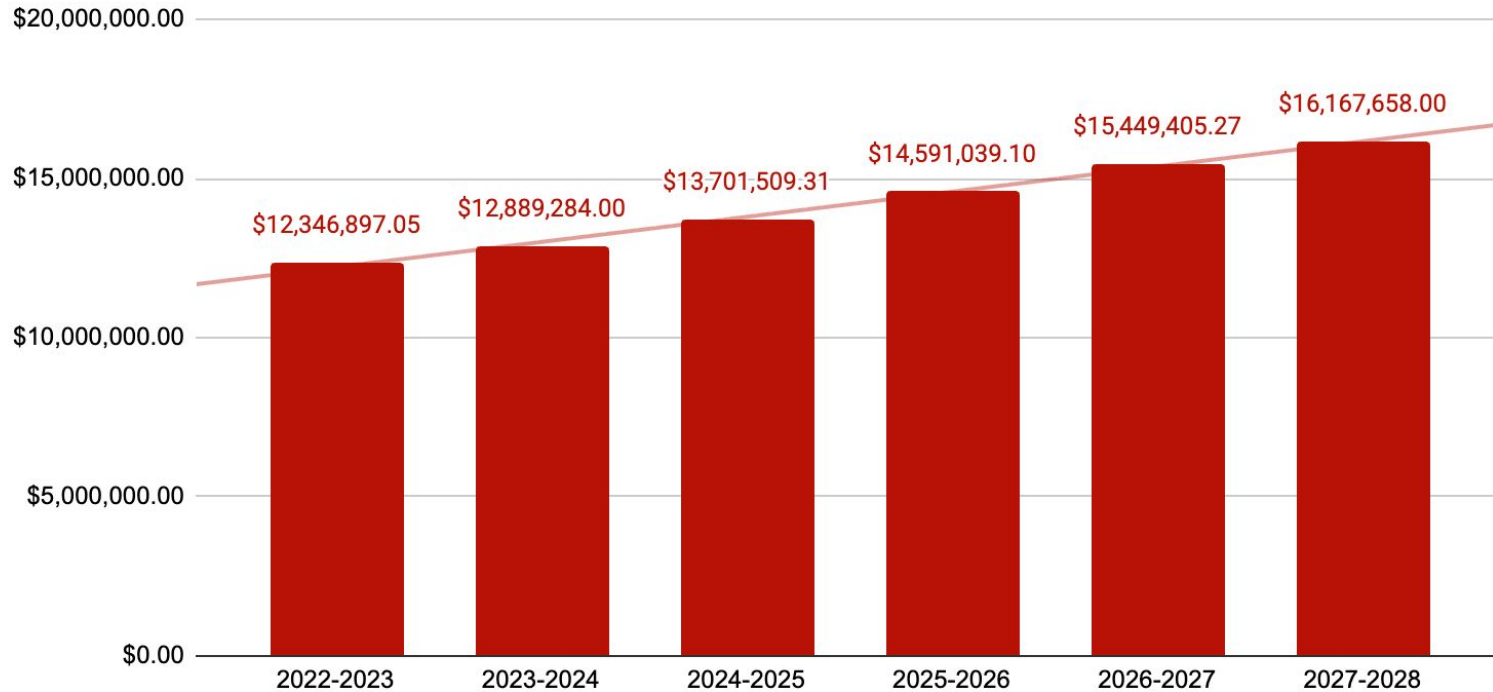
- \$565 million through the bipartisan adequacy formula
- \$50 million increase in basic education funding
- \$50 million increase in special education funding
- \$125 million for Facilities (\$25 Million of That Is For SOLAR4SCHOOLS)
- The State is continuing universal free breakfasts – regardless of income
- Continued Cyber Reform
- Statewide Cell Phone Ban
- Increased Minimum Wage



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5 Year State Revenues Analysis



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Revenues – What We Know for 26/27 School Year

Proposed Basic Education Funding (State):

\$11,220,441; **+0.45%**

Total Proposed State Funding:

\$15,449,405.27; +6.3%

Proposed Special Education Funding (State):

\$1,794,904; **+2.18%**

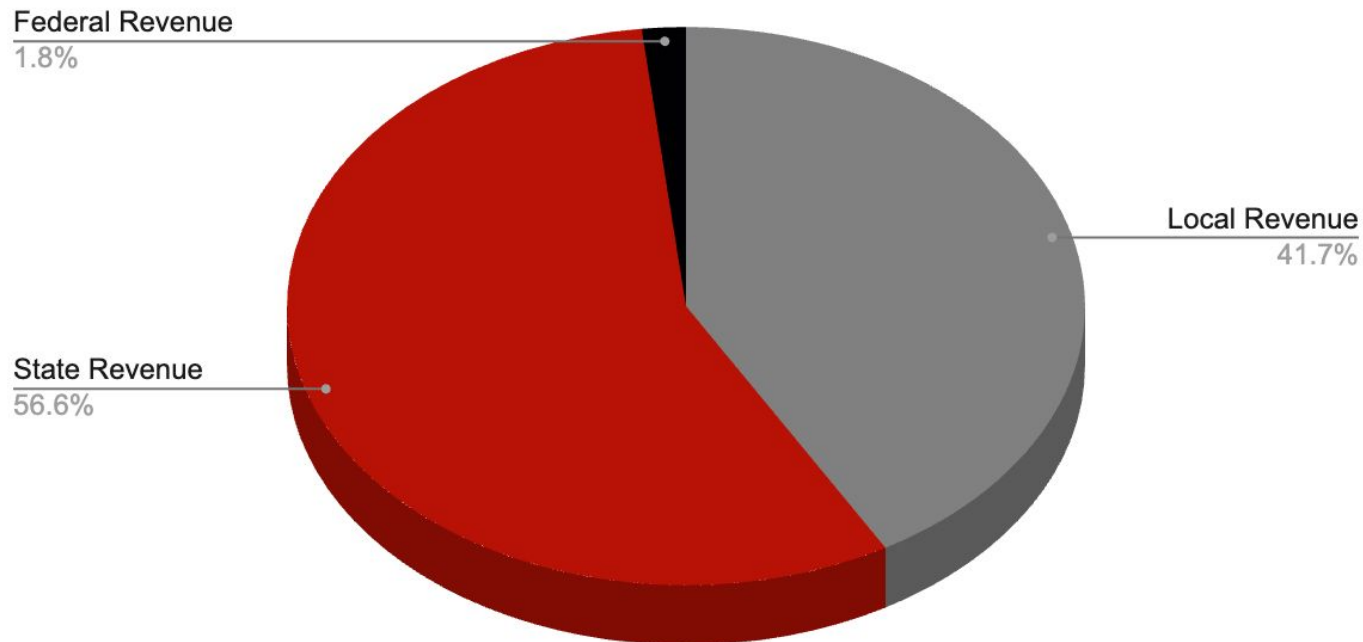
Proposed Ready to Learn Block Grant (State):

\$2,434,060.27; **+46.28%**



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Proposed Revenues



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Where Are We Given Updated State Revenues and Flat-Funded Federal and Local Revenues?

Expenditures: **\$38,813,822.00**

Revenues: **\$38,386,822.00**

Local: \$15,994,719.00

State: \$21,710,189.49

Federal: \$681,913.56

Expenditures	\$38,813,822.00
Revenues	\$38,386,822.00
<i>Proposed Beginning Deficit</i>	<i>\$(427,000.00)</i>

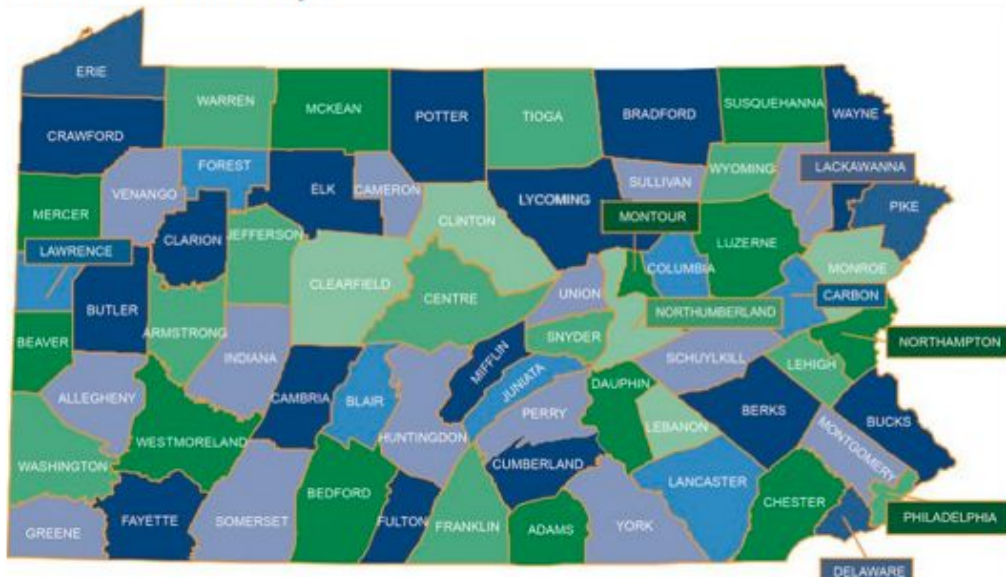


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Reminder – Multi-County Rebalancing

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.





Reminder – Multi-County Rebalancing

Look Back to Last Year:

	2025-2026 Ending Rates	2026-2027 Starting Rates
Fayette County	17.84	18.6431 +4.5%
Westmoreland County	97.7	97.7

****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 2025-2026 STEB rebalanced millage will be the new base millage rate for the 2026-2027 budget discussions and decisions



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Local Revenue Breakdown and Options



<i>Local Revenues Breakdown</i>							
Millage Rate Information	Westmoreland				Fayette		
25-26 Millage Rate	97.7				17.84		
Starting 26-27 Rate - Rebalanced	97.7				18.6431		
Maximum Rate Allowed By Index	102.2919				19.5913		
Budget Options	Rate	Increase	% of Max	Median Monthly Increase	Rate	Increase	% of Max
Option 1 - Balanced Budget	100.85	3.15	68.60%	\$3.09	19.43	0.7869	89.81%
Option 2 - \$157,000 Deficit	99.7	2	43.55%	\$1.96	19.21	0.5669	64.70%
Option 3 - \$292,000 Deficit	98.7	1	21.78%	\$0.98	19.02	0.3769	43.02%
Option 4 - \$427,000 Deficit	97.7	0	0.00%	\$0.00	18.82	0.1769	20.19%

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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 *(April - May)*
- 3) Determine Cyber Charter Savings Due to Legislation *(Beginning of May-End of June)*
- 4) Determine Homestead/Farmstead Exemption *(Middle of May)*
- 5) Determine Federal Funding Amounts (Title I-IV) *(Mid April)*
- 6) Determine Additional Capital Improvements/Possible Cuts *(April - May)*
- 7) Determine CWCTC Rates and Student Participation *(April - May)*



- 1) Committee of the Whole Meetings and Monthly Board Presentations
- 2) Final Proposed Budget - May 19, 2026
- 3) Final Budget Adoption - June 23, 2026

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BUDGET PROCESS TIMELINE - NEXT STEPS

02

February

Initial Expenditures
Draft

03

March

Initial Revenues
Draft

04

April

Refined Budget
With A More
Accurate List of
Expenditures and
Revenues

05

May

Preliminary Budget
Prepared and
Approved

06

June

Final Budget
Adopted

***PLEASE KEEP IN MIND, THE NUMBERS WILL
AND SHOULD CHANGE AS WE ADVANCE
THROUGH THIS PROCESS!!!!***

We Are Here!!!!!!

