

SSD BUDGET PRESENTATION #5

MAY 2026

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



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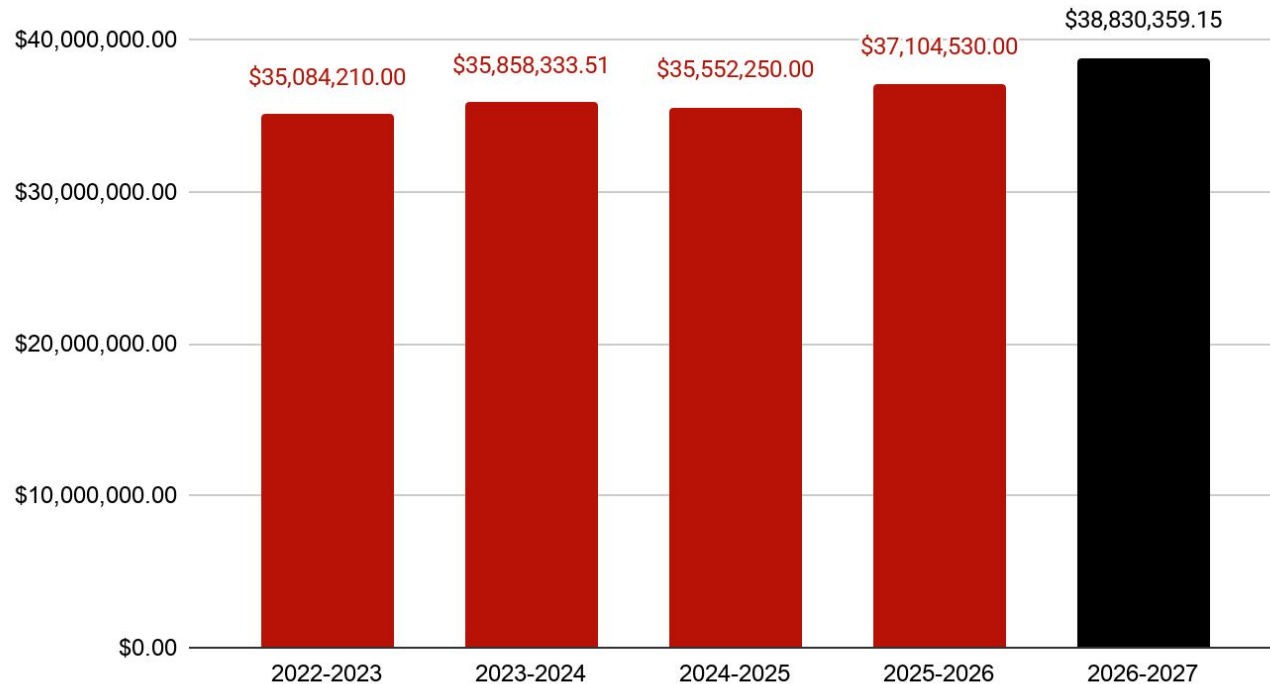


**“CULTIVATING LIFELONG LEARNERS READY
FOR AN EVER-CHANGING WORLD”**



- Trend Reports
- Changes From Last Board Presentation
 - Expenditures
 - Revenues
- What's in the Budget
- Governor's Proposed Budget
- Multi-County Rebalancing Effect
- Possible Millage Scenarios
- Next Steps

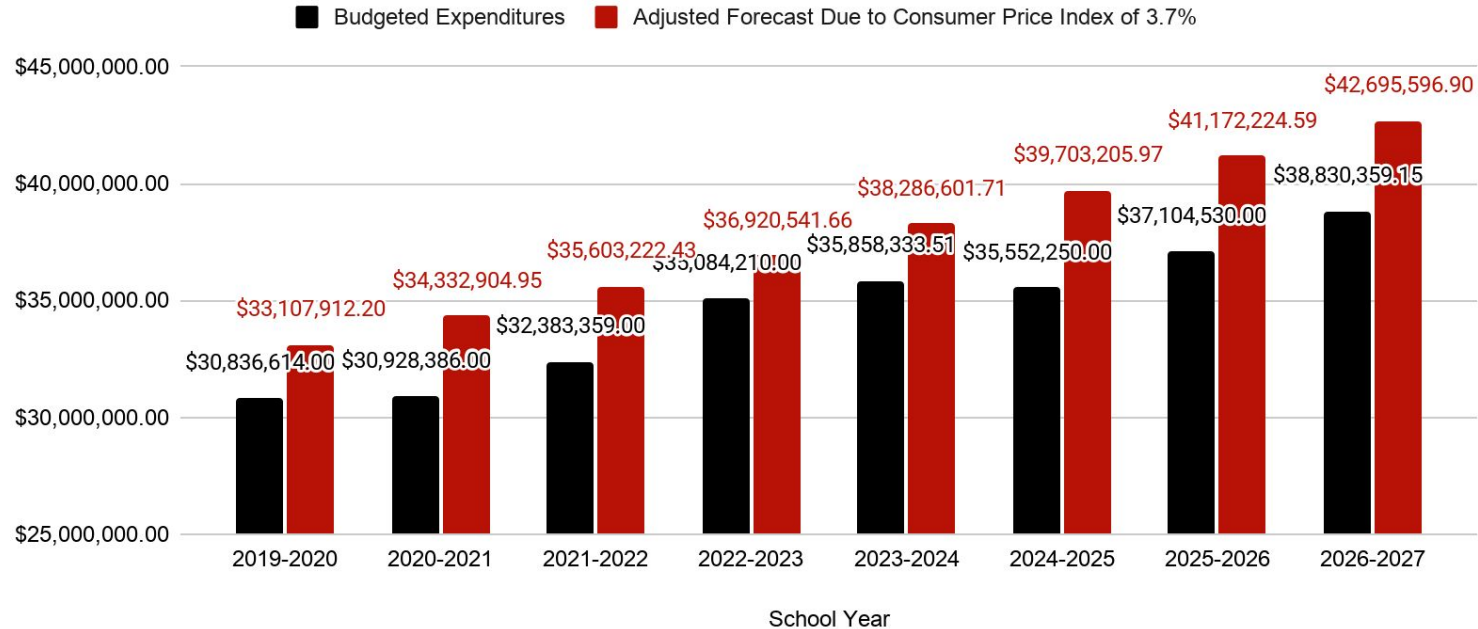
5 Year Expenditures Analysis



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Expenditures Analysis

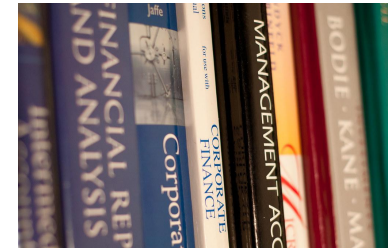
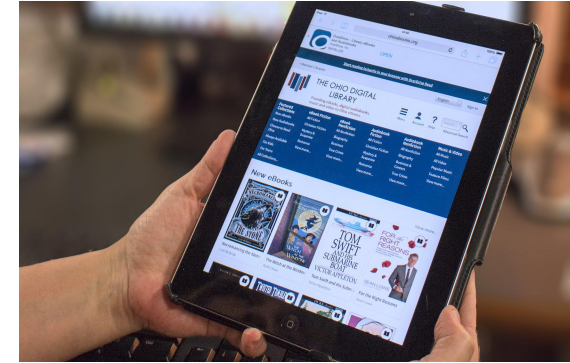


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Items Currently In Budget

- 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) Increased Liability Insurance by \$85,000 -- 11.4% Projected Increase
- 5) \$100,919 for Technology Refresh of 1-to-1 Devices (Year 4 of 5) -- Maybe 6
- 6) 3.83% Increase for Medical Benefits -- Saving \$207,064.19
- 7) CWCTC expenses decreased by \$80,804.20 - Enrollment Drop.
- 8) Addition of one new large capacity student activities van
- 9) PSERS Decreased from 34% to 33.59%, an additional \$186,059.62
- 10) Cyber Charter Costs Increased by \$254,000
- 11) Contingency Fund Reduced to \$110,000 From \$125,000
- 12) 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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26/27 May Budget Additions



1) NONE!!



Budget Breakdown for May 2026

Object	Description	2026/2027
100	Salaries & Wages	\$15,021,542.00
200	Benefits	\$10,641,681.00
300	Purch Services	\$1,541,569.00
400	Prop Services	\$329,020.00
500	Other Purch Svs	\$5,907,786.00
600	Supplies	\$1,442,461.00
700	Property	\$216,304.00
800	Other Objects	\$1,607,996.00
900	Other Uses	\$2,662,000.00
TOTAL		\$38,830,359.00



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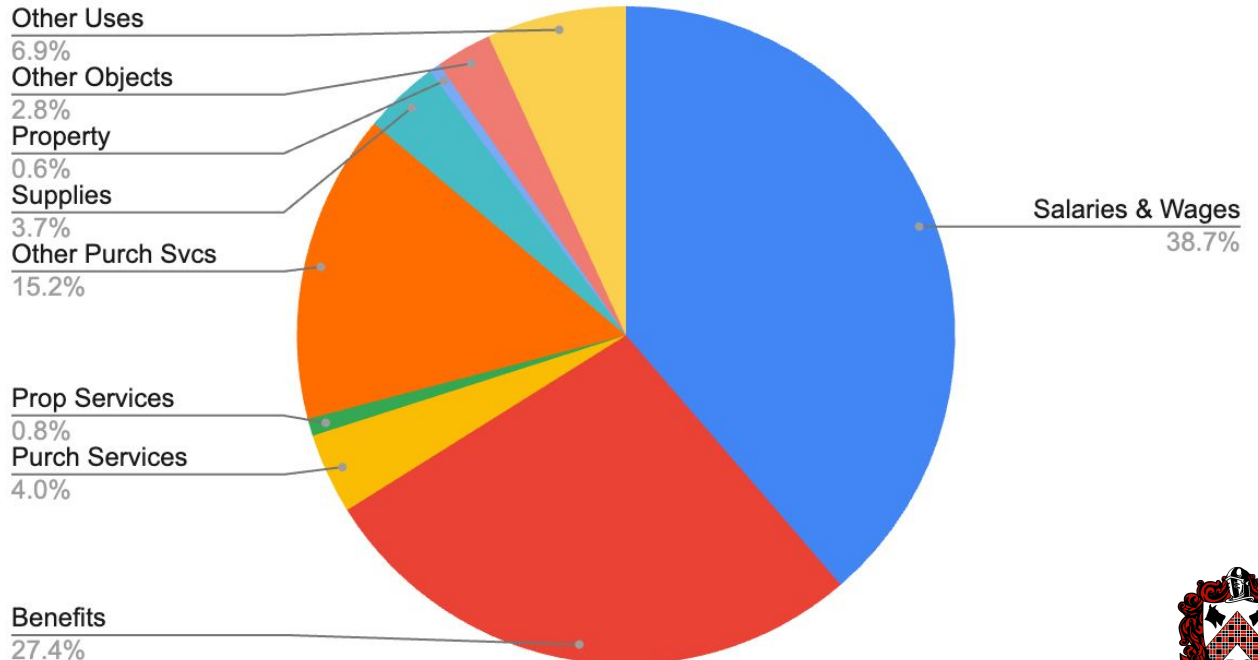
Budget Breakdown for May 2026

Total Preliminary Expenditures:

\$38,830,359.00

- 66.1% of Expenditures - Salaries & Wages/Employee Benefits

Proposed Budget



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3 Year Comparison

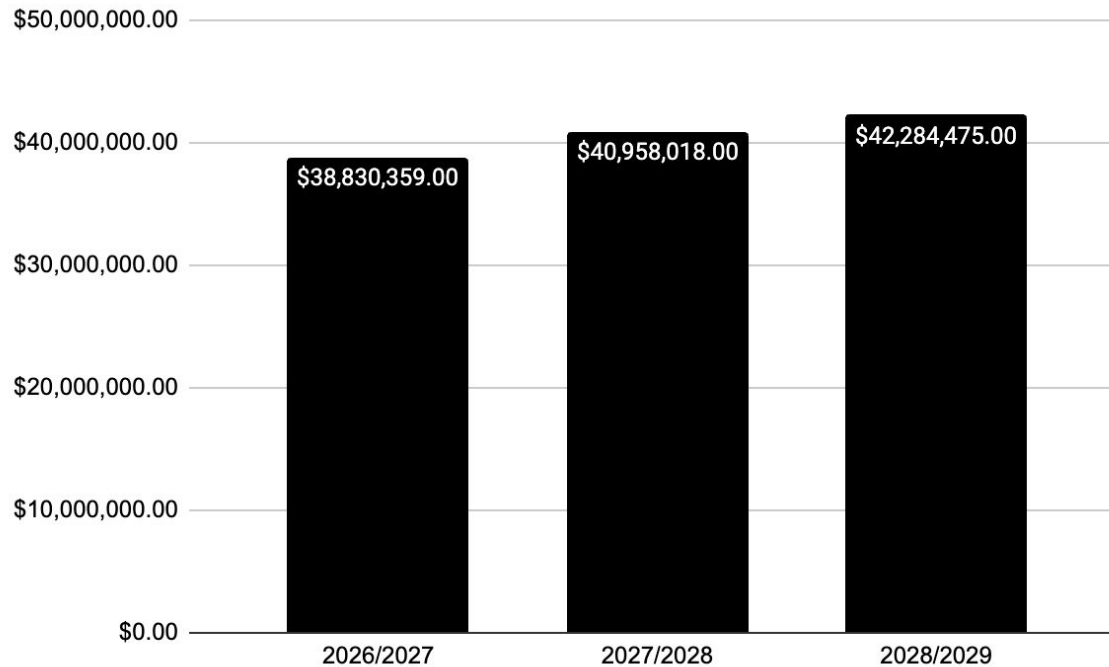


Object	Description	2026/2027	2027/2028	2028/2029
100	Salaries & Wages	\$15,021,542.00	\$15,608,168.00	\$16,074,490.00
200	Benefits	\$10,641,681.00	\$11,483,838.00	\$12,266,062.00
300	Purch Services	\$1,541,569.00	\$1,828,721.00	\$1,883,582.00
400	Prop Services	\$329,020.00	\$382,779.00	\$394,262.00
500	Other Purch Svs	\$5,907,786.00	\$6,055,480.00	\$6,358,255.00
600	Supplies	\$1,442,461.00	\$1,528,691.00	\$1,559,265.00
700	Property	\$216,304.00	\$325,000.00	\$331,500.00
800	Other Objects	\$1,607,996.00	\$1,043,253.00	\$992,456.00
900	Other Uses	\$2,662,000.00	\$2,702,088.00	\$2,424,603.00
TOTAL		\$38,830,359.00	\$40,958,018.00	\$42,284,475.00

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3 Year Comparison

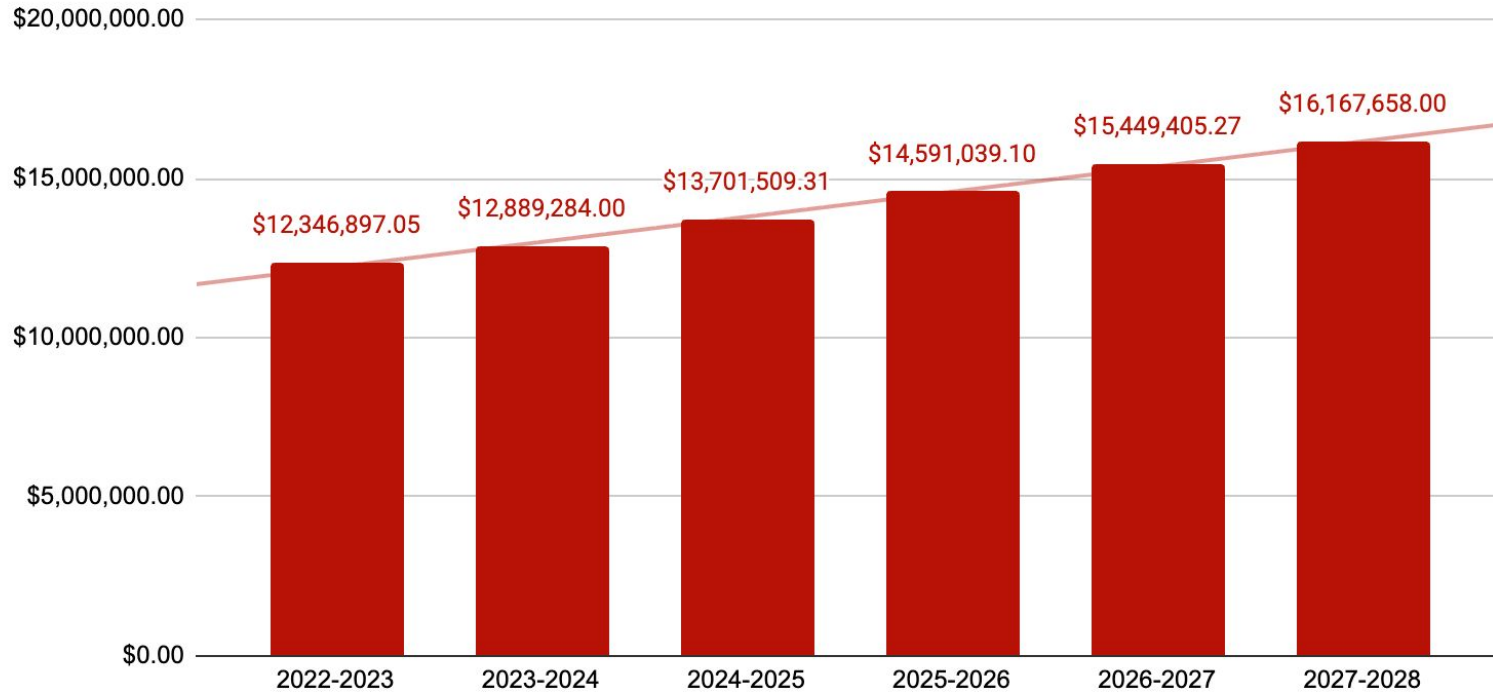


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5 Year State Revenues Analysis



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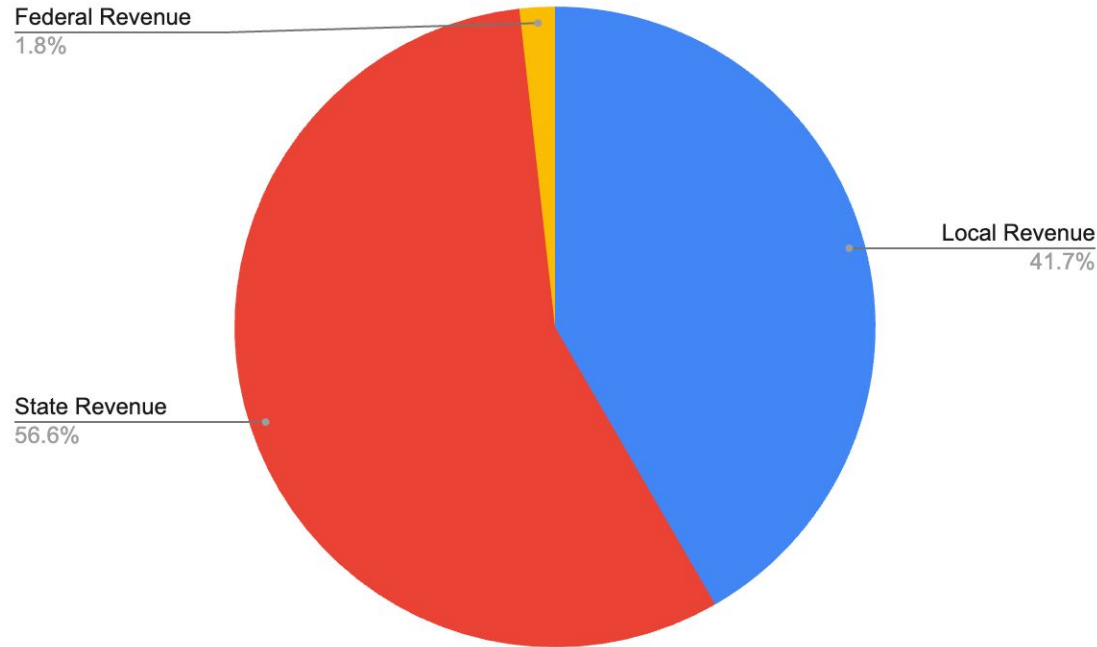
Revenues – What We Know for 26/27 School Year

Revenue Type	Revenue Amount	% Of Revenue
Local Revenue	\$15,994,719.00	42%
State Revenue	\$21,710,189.00	56%
Federal Revenue	\$ 681,914.00	2%



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Proposed Revenues



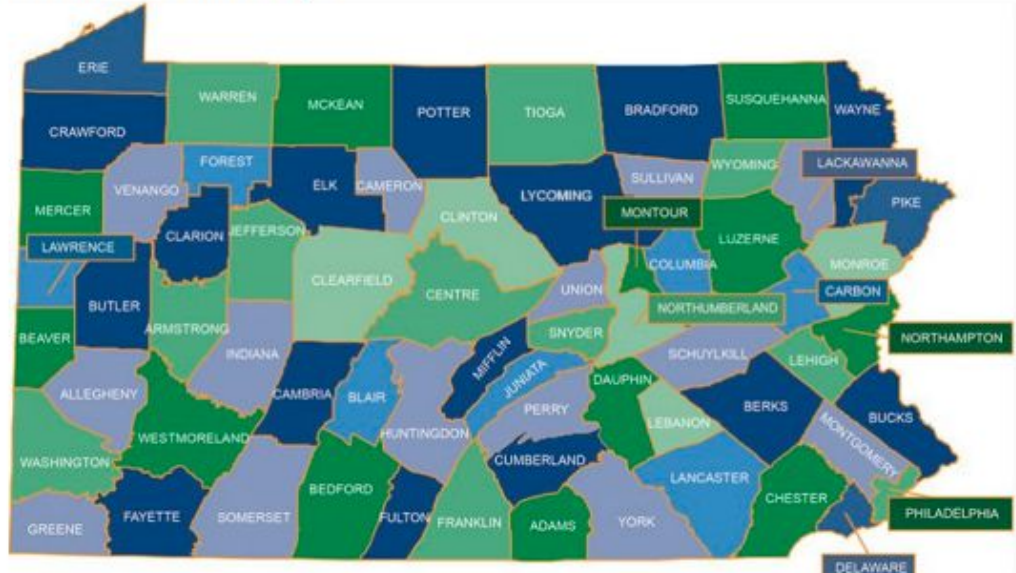
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Reminder – Multi-County Rebalancing

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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How Would a Change in Mills or Actual Dollars Affect the Budget?

*This Analysis Relates to Westmoreland County Residents; Fayette County Residents Would Be Affected Less

Amount of Increase in Mills	New Rate	Amount of Increase in \$/Year (Median)	Amount of Increase in \$/Month (Median)	Projected Deficit
0	97.7	\$0.00	\$0.00	-\$443,537.15
1	98.7	\$11.74	\$0.98	-\$308,356.15
2	99.7	\$23.48	\$1.96	-\$172,420.15
2.5	100.2	\$29.35	\$2.45	-\$105,193.15
3	100.7	\$35.22	\$2.94	-\$37,135.15
3.5	101.2	\$41.09	\$3.42	\$30,922.85



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Next Steps



- 1) Federal Title Amounts - Currently Only Title I has been budgeted
- 2) Possible Addition of a Special Education Director
- 3) Continue to look for savings
- 4) Final Budget Adoption - June 23, 2026



- 1) Committee 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!!!!!!

