



State College Area School District

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To: Curtis Johnson

From: Joe Viglione and Randy Brown

RE: Budget Update

Date: May 4, 2026

The budget, as presented on April 20th, is unchanged, a summary of which is included in the presentation. Administration is monitoring a number of open items, including but not limited to, the Receipt of State Property Tax Reduction Allocation which is due on May 1, 2026.

The 2026-2027 budget, as presented includes \$214.5M in Revenue, \$221.6M in expenses, and the planned utilization of Fund Balance of \$3.0M. The largest portion of Revenue comes from Local sources which primarily consists of Real Estate Tax Revenue and Earned Income Tax Revenue. The largest component of expenses is personnel costs. The planned utilization of fund balance is to fund debt service.

The 2026-2027 budget also includes new positions as identified in the April 20, 2026 presentation including a 0.17 Middle School Science Teacher, 2 Custodial Positions for Physical Plant, and Athletic coaches.

Prior to receipt of the State Property Tax Reduction Allocation for 2026-2027, staff has assessed the impact on the taxpayer. The average impact (amount of tax increase) on all taxable properties is estimated to be \$190, the residential impact is estimated to be \$134. To provide a more precise individualized tax impact, a taxpayer can calculate their approximate tax increase by multiplying the payment made for their July 1, 2025 taxes by 3.5%.

The next step in the budget process is the budget hearing and board meeting scheduled for May 18th with the final budget adoption (including resolutions for Form PDE-2028, Homestead/Farmstead Exclusion, Annual Tax Levy, and Installment Payment Plan) scheduled for June 1st.