



Budget Update

May 4, 2026 Board Meeting

Key Items for This Budget Update

- State Property Tax Reduction Allocation – released May 1, 2026
- Aside from budget amendments for 2025-2026 approved at the April 20th and May 4th board meetings, the budget has not changed since the April 20th presentation:
 - Budget presentation assumes a 3.5% tax increase in 2026-2027 and a 2% tax increase in the following years which will structure the budget similarly to the adopted 2025-2026 budget.
 - Growth in budget is predominately attributable to the growth in personnel costs (salaries & benefits).
 - State Property Tax Allocation Reduction Allocation (unknown as of April 30th) will impact final budget
- Average Taxpayer Impact
- Supplemental Property Tax Rebate
- Charter School Funding
- Status of Capital Reserve, Capital Projects, and Health Insurance Funds
- Next Steps

Budget 2026-27

Beginning Fund Balance	<u>\$ 17,268,413</u>
Revenue	<u>\$ 214,497,531</u>
Local	\$ 170,284,145
State	\$ 42,738,386
Federal	\$ 1,475,000
Expense (including Capital Reserve transfer)	<u>\$ 221,559,604</u>
Revenue less of expense	<u>\$ (7,062,073)</u>
 Funding/(Use) of Committed Fund Balance - Debt Service	 \$ (3,001,000)
Funding/(Use) of Committed Fund Balance - Health Insurance	\$ -
Change in Committed Fund Balance	<u>\$ (3,001,000)</u>
 Change in Unassigned Fund Balance	 <u>\$ (4,061,073)</u>
 Ending Unassigned Fund Balance	 <u><u>\$ 13,207,340</u></u>
 Unassigned Fund Balance Percentage	 <u><u>5.96%</u></u>

Budget 2026-27

LOCAL	
CURRENT REAL ESTATE TAX	\$ 129,507,242
REAL ESTATE TAX-REFERENDUM DEBT	\$ 4,943,623
EARNED INCOME TAX	\$ 24,040,000
REALTY TRANSFER TAX	\$ 3,000,000
DELINQUENT REAL ESTATE TAX	\$ 1,100,000
INTERIM REAL ESTATE TAX	\$ 600,000
IDEA-B	\$ 1,041,465
PAYMENTS IN LIEU OF TAX	\$ 734,000
LOCAL SERVICES TAX	\$ 375,000
TUITION	\$ 1,870,729
MISC LOCAL REVENUE	\$ 602,086
PUBLIC UTILITY REALTY TAX	\$ 135,000
INTEREST ON INVESTMENTS	<u>\$ 2,335,000</u>
TOTAL LOCAL	\$ 170,284,145
STATE	
BASIC ED INSTR SUBSIDY	\$ 13,884,000
SPECIAL ED REVENUE	\$ 3,655,188
REV. FOR RETIREMENT	\$ 16,457,505
REV. FOR SOCIAL SECURITY	\$ 3,714,363
PROPERTY TAX REDUCTION	\$ 2,496,328
TRANSPORTATION REVENUE	\$ 800,000
BOND REIMBURSEMENTS	\$ 850,989
HEALTH SERVICES REVENUE	\$ 140,000
READY TO LEARN GRANT	\$ 360,013
VOCATIONAL EDUCATION	\$ 250,000
OTHER STATE REVENUE (4)	\$ -
TUITION - 1305/1306	<u>\$ 130,000</u>
TOTAL STATE	\$ 42,738,386
FEDERAL	
TITLE I REVENUE	\$ 825,000
TITLE II REVENUE	\$ 155,000
ACCESS FUNDS	\$ 350,000
OTHER FEDERAL REVENUE (5)	\$ 110,000
TITLE III REVENUE	<u>\$ 35,000</u>
TOTAL FEDERAL	\$ 1,475,000
TOTAL REVENUE	<u>\$ 214,497,531</u>

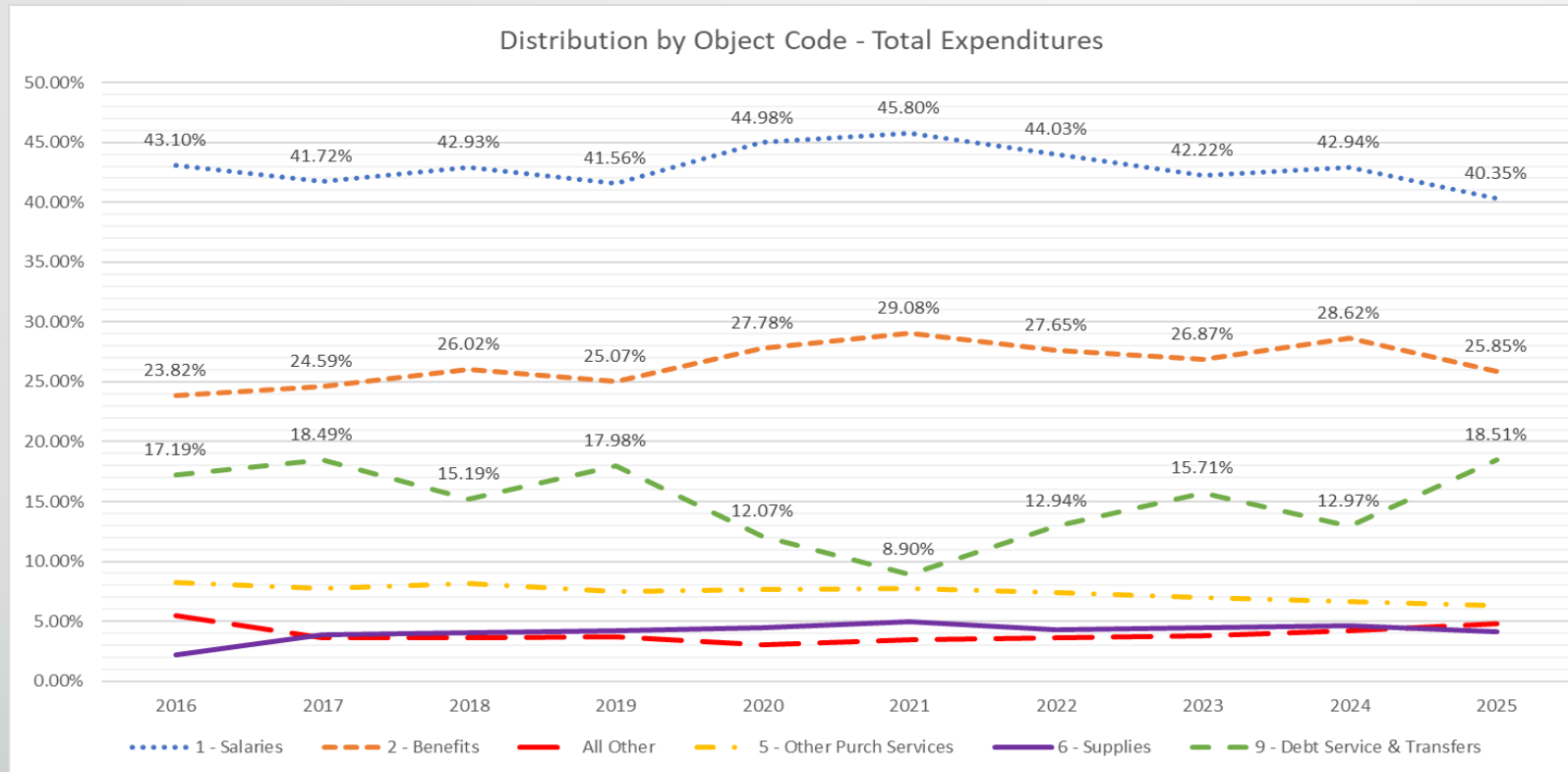
Budget 2026-27

Salaries	\$ 99,083,932
Health Insurance	\$ 22,268,091
PSERS	\$ 32,916,772
Other Benefits	\$ 9,859,885
Professional Services	\$ 6,746,191
Purchased Property Services	\$ 1,728,042
Charter School Expense	\$ 7,240,000
Other Purchased Services	\$ 8,839,632
Supplies/Equipment	\$ 10,835,407
Deferred Maintenance	\$ 3,536,487
Transfers/contingencies/fees	\$ 2,067,690
Debt Service	\$ 11,181,600
Debt Service - Referendum Debt	\$ 5,255,875
Total Expense Before Transfers	<u>\$ 221,559,604</u>
Transfer to Capital Reserve	\$ -
Total Expense including Transfers	<u>\$ 221,559,604</u>
Fund Balance Commitment/Use (Debt Service)	\$ (3,001,000)
Total Fund Balance Commitment/(Use)	\$ (3,001,000)
Total Expenses and Transfers	<u>\$ 218,558,604</u>

Changes in Projected Expense

- Salaries and Benefits
 - Contracts have had an impact on the budget
 - New Positions Proposed for FY 2026-27 :
 - 0.17 Middle School Science Teacher
 - 2 Custodial Positions for the Physical Plant Department
 - Multiple Athletic Coaches
- Supplemental Property Tax Rebate
 - \$115,000 is dedicated to the program for 2025-2026 and 2026-2027
 - Because of the expansion of the Commonwealth of Pennsylvania's program, which the District matches, rebates increased dramatically last year. This year has been consistent with last year
 - As of April 30, \$84,000 in rebates have been paid for the 2025-2026 year to date

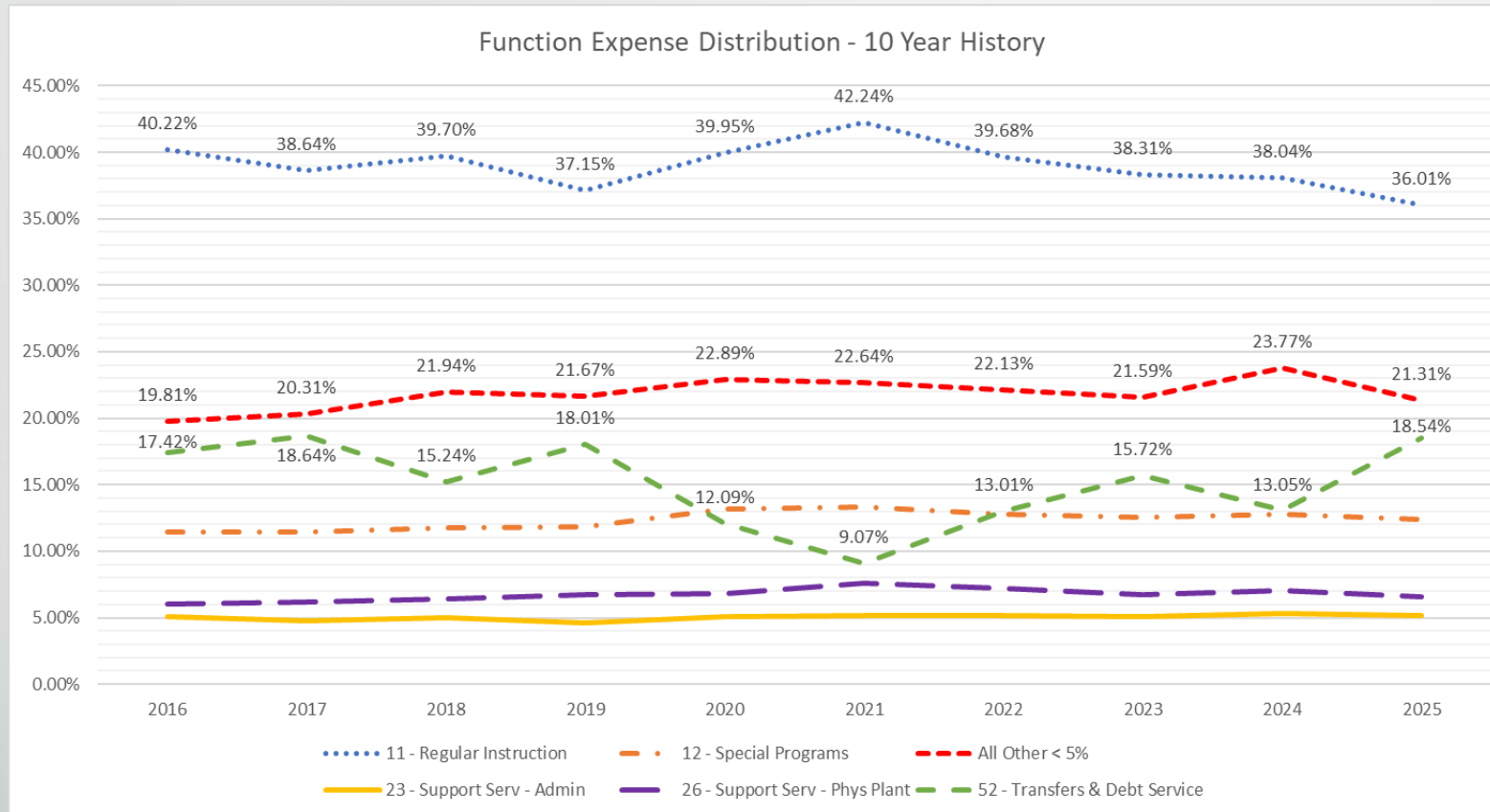
Distribution of Expenses – 10 Year History



Notes:

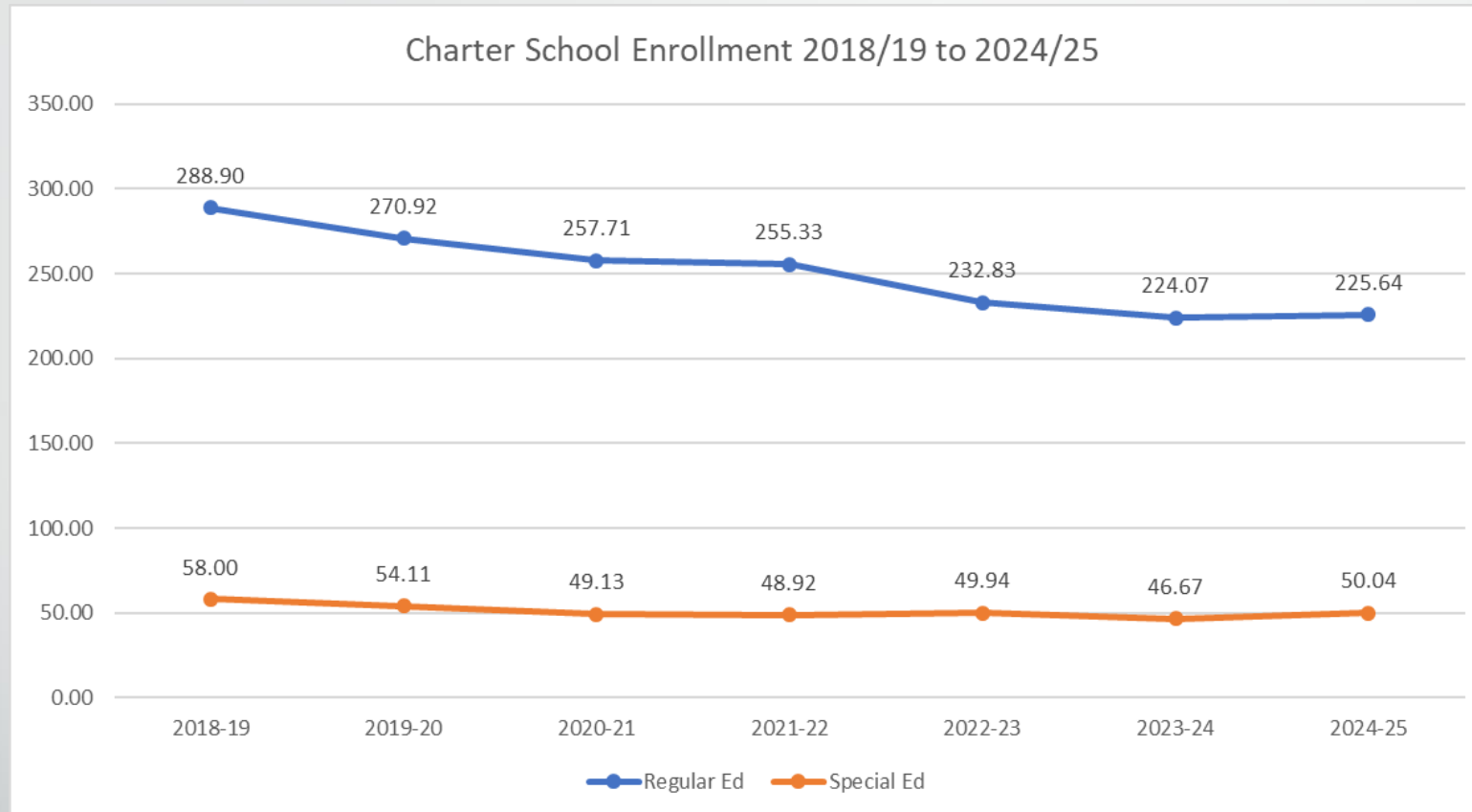
- 1) Variability with Debt Service and Transfers
- 2) Salaries & Benefits from 2016 to 2025 remain at 2/3 of expenses, but the distribution 43:24 vs 40:26 has changed.

Distribution of Expenses – 10 Year History



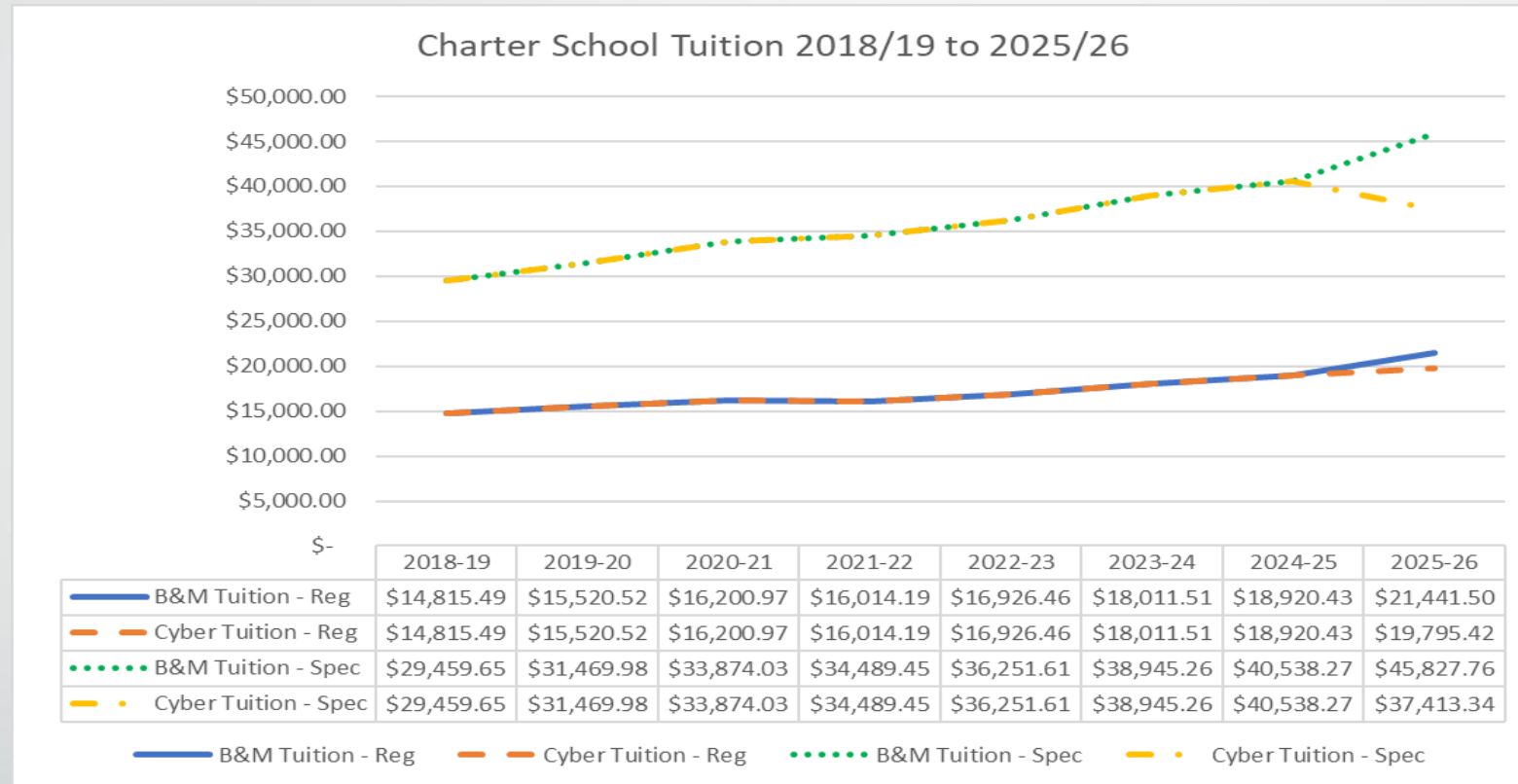
Distribution between functions has remained largely consistent but is variable year to year based on other factors. The lower percentage in 2025 is due to a larger capital contribution associated with significant one time revenue being received by the District.

Charter School Attendance History



Charter School ADMs have been declining since FY 2018-19 through FY 2024-25, from a combined 347 students to a combined 276 students – a 71 student, 20% decline.

Charter School Rate History



Charter School Tuition increases with increases in the District budget. In FY 2025-26, for the first time, brick & mortar and cyber charter tuition rates have been calculated differently.

Budget 2026-27 – Taxpayer Impact

2025-26 tax data used to calculate the impact of the tax increase on property types (impact on FY 2027 tax bills)

Property Type	2025-26 Tax	# Parcels	Average Tax	Impact of Tax Increase
Residential	\$ 78,254,041	20,475	\$ 3,822	\$ 134
Commercial & Industrial	\$ 50,158,687	1,591	\$ 31,527	\$ 1,103
Agricultural	\$ 3,312,214	583	\$ 5,681	\$ 199
All Taxable Properties (1)	\$ 133,842,702	24,656	\$ 5,428	\$ 190

(1) - Included properties summarized in the three subgroups above, plus other properties such as vacant land and non-commercial apartments.

* - Excludes the impact of any change in the homestead/farmstead exclusion

<u>Avg Taxpayer Impact - Estimated</u>			HS/FS Exclusion	52.9597		54.8132
			\$ 3,687	Tax Rate - 2025	Tax Inc	Tax Rate - 2026
	<u>Assessed Value</u>	<u>HS Approved</u>	<u>Net Assessed Value</u>	<u>7/1/2025</u>	<u>of 3.5%</u>	<u>7/1/2026</u>
Property Assessed at approx \$50,000	\$ 50,000	Y	\$ 46,313	\$ 2,452.72	\$ 85.85	\$ 2,538.57
Property Assessed at approx \$100,000	\$ 100,000	Y	\$ 96,313	\$ 5,100.71	\$ 178.52	\$ 5,279.23
Property Assessed at approx \$200,000	\$ 200,000	N	\$ 200,000	\$ 10,591.94	\$ 370.72	\$ 10,962.66
Median Assessed Value of HS Properties - 2025	\$ 74,374	Y	\$ 70,687	\$ 3,743.56	\$ 131.02	\$ 3,874.58

Funds 22, 31, 60, & 80 – Non General Fund Financials

	<u>Fund 22</u> <u>Capital Reserve</u>	<u>Fund 31</u> <u>Capital Projects</u>	<u>Fund 60</u> <u>Insurance</u>	<u>Fund 80</u> <u>Student Activities</u>
Fund Balance - Audited 6/30/25	\$ 74,780,068	\$ 1,048,934	\$ 9,392,790	\$ 588,145
7/1-2/28/26 Revenue	\$ 977,465	\$ 1,243,376	\$ 10,985,302	\$ -
Pending 50% Contribution	\$ -	\$ 1,243,376	\$ -	\$ -
7/1-2/28/26 Expenses	\$ 12,848,094	\$ 3,245,091	\$ 11,398,414	\$ -
Change in Deposits Payable	\$ -	\$ -	\$ -	\$ 162,004
Fund Balance	\$ 62,909,439	\$ 290,595	\$ 8,979,678	\$ 750,149
Two Project reimbursements	\$ (660,457)	\$ 660,457	\$ -	\$ -
50% transfer at year end	\$ -	\$ 1,243,376	\$ -	\$ -
Balance as of 2/28/26	\$ 62,248,982	\$ 2,194,428	\$ 8,979,678	\$ 750,149

Notes:

- The Capital Reserve Fund has two large CD payments coming due in, rec'd \$277,127 on 4/1 from one CD, and currently has \$639,137 accrued on the other (payment of \$924,000 is due on 11/30/26).
- The Capital Projects Fund is due \$1,243,376 from Fund 10 - second half of FY 2026 Installment.

Next Steps

- May 11 – District publishes notice of intent to adopt Final Budget
- May 18 - Board Meeting and Budget Hearing
 - Final budget 2026-2027
- June 1 - Committee of the Whole
 - Board Action Required:
 - Adopt Final Budget on Form PDE-2028 (Resolution)
 - Homestead and Farmstead Exclusion Resolution
 - Annual Tax Levy Resolution
 - Installment Payment Plan Resolution
- July 15 – Deadline to submit 2026-2027 Final Budget on Form PDE-2028

Are there any questions?

