



2026-2027 Budget Update

May 11, 2026

2026-2027 Budget Updates

- Board must approve Proposed 2026-2027 Budget on May 26, 2026
- Current Budget Includes:
 - Status Quo Revenues
 - Adjustments to Expenditures
 - Updated Salaries
 - Special Education Expenditures

Budget Updates

- Review of Student Placement Costs & Update
- Final Healthcare rates increase by 11.5%
- Updated anticipated personnel costs

REVENUES

	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Local Revenue					
Current Real Estate Taxes	\$18,466,921	\$18,269,013	\$18,083,091	-1.02%	\$-185,922
Current Act 511 Earned Income Taxes	\$2,398,636	\$2,300,000	\$2,400,000	4.35%	\$100,000
Current Act 511 Real Estate Transfer Taxes	\$359,487	\$305,000	\$365,000	19.67%	\$60,000
Delinquent Real Estate Taxes	\$907,177	\$750,000	\$650,000	-13.33%	\$-100,000
All Other Local Revenue	\$2,756,728	\$3,536,363	\$3,010,597	-14.87%	\$-525,766
Total Local Revenue	\$24,888,951	\$25,160,376	\$24,508,688	-2.59%	\$-651,688
State Revenue					
Basic Education Funding - Formula	\$11,485,680	\$11,547,410	\$11,615,080	0.59%	\$67,670
Special Education Funding	\$2,288,981	\$2,347,140	\$2,458,280	4.74%	\$111,140
Transportation	\$773,912	\$547,000	\$773,912	41.48%	\$226,912
State Share of Social Security and Medicare Taxes	\$766,091	\$645,451	\$796,735	23.44%	\$151,284
State Share of Retirement Contributions	\$3,503,119	\$3,442,404	\$3,643,244	5.83%	\$200,840
All Other State Revenue	\$4,867,843	\$5,223,381	\$6,022,980	15.31%	\$799,599
Total State Revenue	\$23,685,626	\$23,752,786	\$25,310,230	6.56%	\$1,557,444
Federal Revenue	\$416,154	\$843,000	\$760,935	-9.73%	\$-82,065
Other Financing Sources	\$75,670	\$0	\$0	0.00%	\$0
Total Revenue	\$49,066,401	\$49,756,162	\$50,579,853	1.66%	\$823,691

EXPENDITURES

	FY2025 Actuals	FY2026 Budget	FY2027 Budget	Percent Change	Dollar Change
Salaries and Benefits					
Salaries	\$16,992,946	\$17,664,470	\$18,446,371	4.43%	\$781,902
Employee Benefits	\$14,092,249	\$14,283,390	\$15,531,450	8.74%	\$1,248,060
Total Salaries and Benefits	\$31,085,195	\$31,947,860	\$33,977,821	6.35%	\$2,029,962
Purchased Services					
Purchased Professional and Technical Services	\$5,936,117	\$4,095,065	\$6,014,110	46.86%	\$1,919,045
Purchased Property Services	\$468,290	\$410,789	\$480,332	16.93%	\$69,543
Other Purchased Services	\$7,558,161	\$7,425,568	\$5,436,896	-26.78%	\$-1,988,672
Total Purchased Services	\$13,962,568	\$11,931,421	\$11,931,338	-0.00%	\$-83
Supplies and Equipment					
Supplies	\$2,103,630	\$1,814,606	\$2,178,079	20.03%	\$363,472
Property	\$261,766	\$586,648	\$429,727	-26.75%	\$-156,920
Total Supplies and Equipment	\$2,365,396	\$2,401,254	\$2,607,806	8.60%	\$206,552
Debt Service and Transfers					
Other Objects	\$1,787,567	\$1,718,728	\$1,645,484	-4.26%	\$-73,244
Other Uses of Funds	\$4,878,800	\$2,234,000	\$1,950,000	-12.71%	\$-284,000
Total Debt Service and Transfers	\$6,666,367	\$3,952,728	\$3,595,484	-9.04%	\$-357,244
Total Expenses	\$54,079,526	\$50,233,262	\$52,112,449	3.74%	\$1,879,187

2026-2027 BUDGET OVERVIEW 0% Increase

REVENUES	\$50,579,853
EXPENDITURES	\$52,112,449
DEFICIT	(\$1,532,596)

2026-2027 BUDGET OVERVIEW 2.8% Tax Increase

REVENUES	\$50,579,853
2.8% Tax Increase	\$506,405
EXPENDITURES	(\$52,112,449)
DEFICIT	(\$1,026,191)

Act 1 Index Scenario - 2.8%

Proposed Tax Increase	Property Value Scenario	Current Tax Bill	Annual Increase	New Tax Bill	Monthly Increase
2.80%	Below Median (\$31,500)	\$1,633.59	\$45.74	\$1,679.33	\$3.81 / mo
2.80%	Median (\$46,500)	\$2,411.49	\$67.52	\$2,479.01	\$5.63 / mo
2.80%	Above Median (\$61,500)	\$3,189.39	\$89.30	\$3,278.69	\$7.44 / mo

2026-2027 BUDGET OVERVIEW 3.8% Tax Increase

REVENUES	\$50,579,853
3.8% Tax Increase	\$687,235
EXPENDITURES	(\$52,112,449)
DEFICIT	(\$845,361)

Act 1 Index Scenario - 3.8%

Proposed Tax Increase	Property Value Scenario	Current Tax Bill	Annual Increase	New Tax Bill	Monthly Increase
3.80%	Below Median (\$31,500)	\$1,633.59	\$62.08	\$1,695.67	\$5.17 / mo
3.80%	Median (\$46,500)	\$2,411.49	\$91.64	\$2,503.13	\$7.64 / mo
3.80%	Above Median (\$61,500)	\$3,189.39	\$121.20	\$3,310.59	\$10.10 / mo

2026-2027 BUDGET OVERVIEW 4.8% Tax Increase

REVENUES	\$50,579,853
4.8% Tax Increase	\$868,066
EXPENDITURES	(\$52,112,449)
DEFICIT	(\$664,530)

Act 1 Index Scenario - 4.8%

Proposed Tax Increase	Property Value Scenario	Current Tax Bill	Annual Increase	New Tax Bill	Monthly Increase
4.80%	Below Median (\$31,500)	\$1,633.59	\$78.41	\$1,712.00	\$6.53 / mo
4.80%	Median (\$46,500)	\$2,411.49	\$115.75	\$2,527.24	\$9.65 / mo
4.80%	Above Median (\$61,500)	\$3,189.39	\$153.09	\$3,342.48	\$12.76 / mo

Lehigh School District Act 1 Index History versus Property Tax Increases

Column 1	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Act 1 Index	5.60%	7.40%	5.70%	4.70%	4.20%	3.60%	3.20%	3.30%	3.40%	3.30%
Millage Rate	51.86	52.7664	52.7664	52.7664	52.7664	50.6396	48.88	47.88	47.88	47.88
Change in Tax Rate	-1.72%	0.00%	0.00%	0.00%	4.20%	3.60%	2.09%	0.00%	0.00%	

Average Act 1 Index: The average Act 1 Index over the nine years was **4.57%**.

Average Tax Rate Change: The average tax rate change implemented by the district was **0.91%**.

Budget Approval Timeline

May 26, 2026 - Proposed Final Budget Approval

June 22, 2026 - Final Budget Approval