June Board Budget Workshop

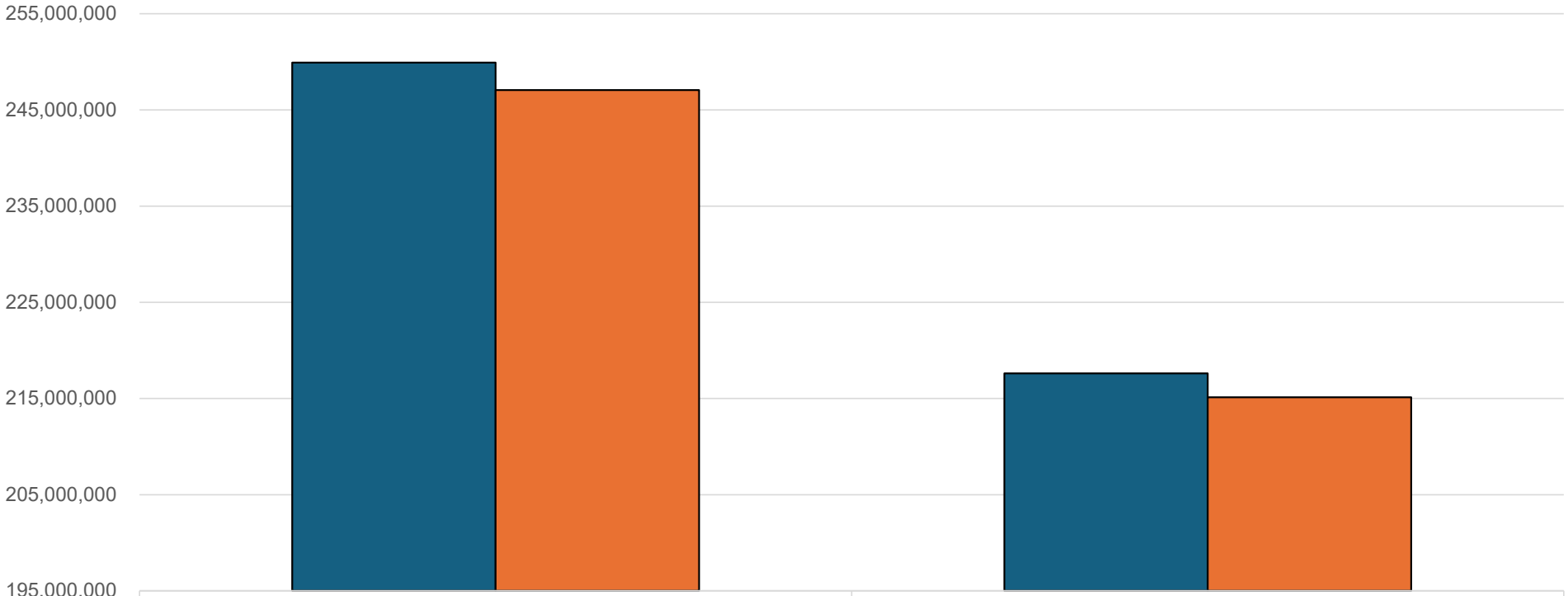
June 8, 2026
PPS Board of Education Building

Agenda

- Review year-to-date financials
- 2027 Priority Investments
- Next Steps

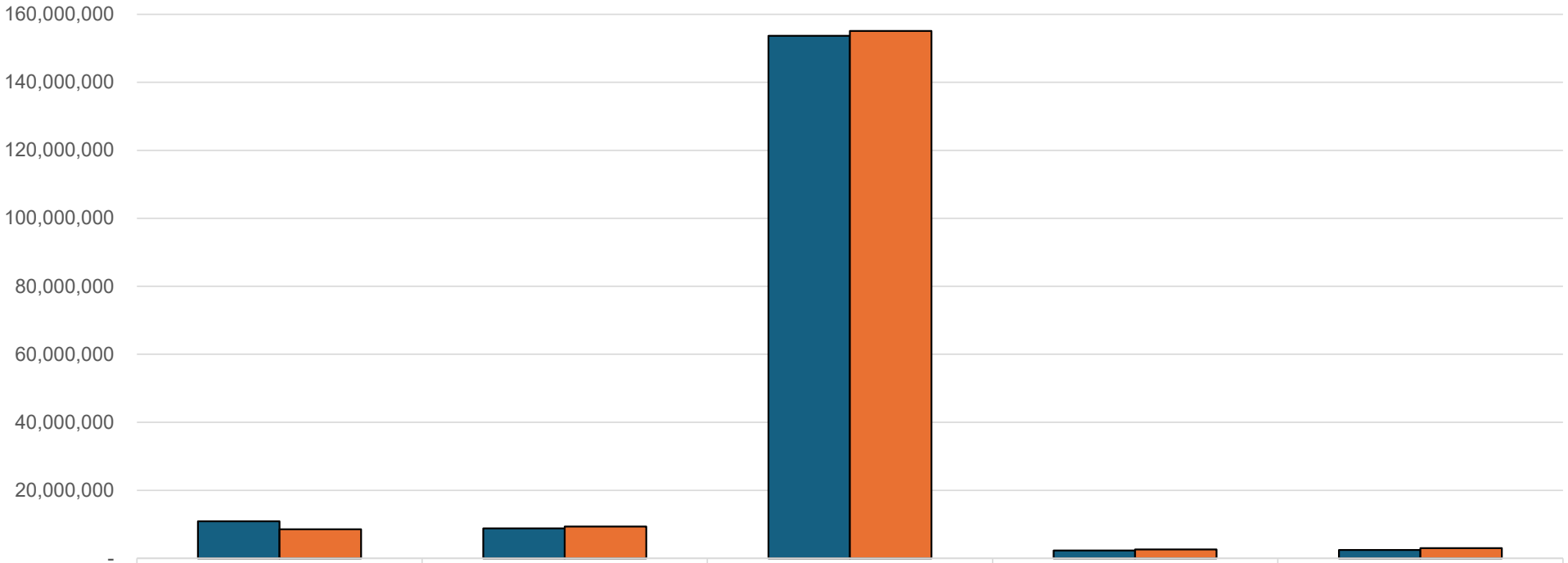
Year-to-date Financials as of April 30, 2026

Our Revenues and Expenditures Are Slightly Behind April 2025 Actuals



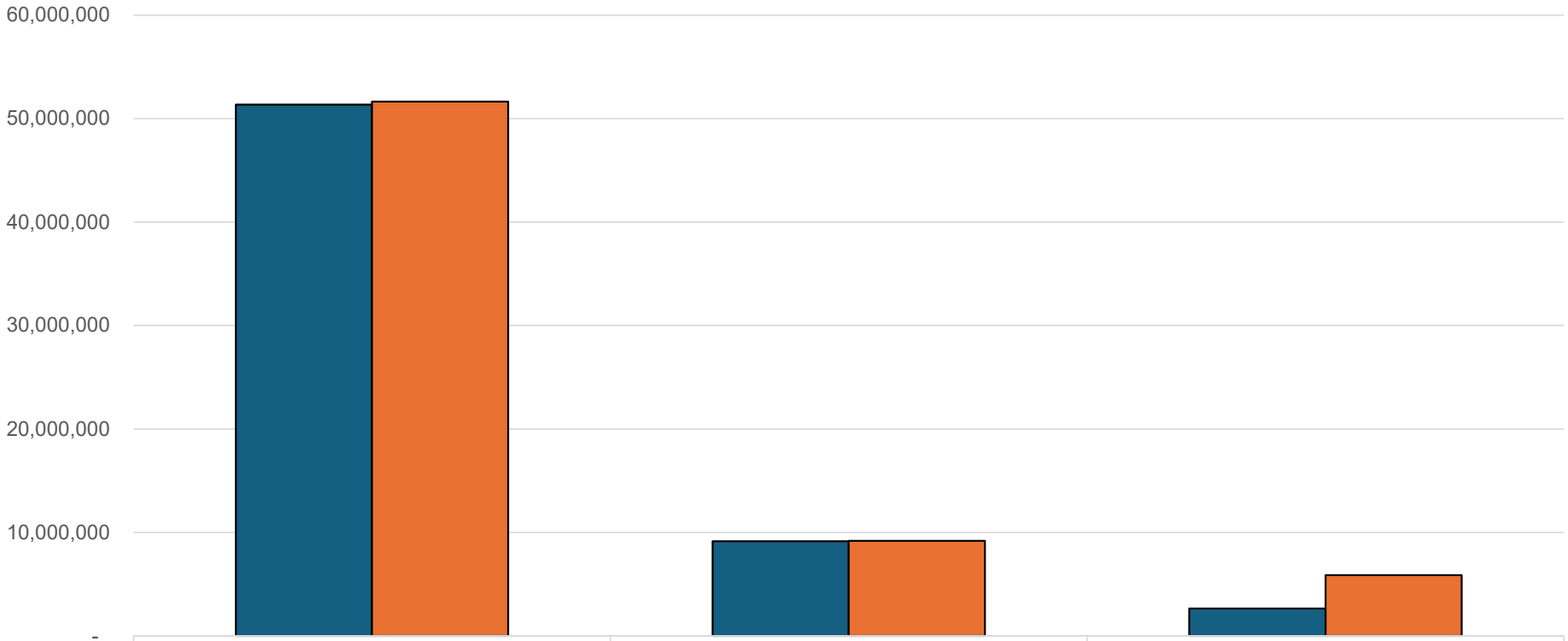
	Revenues	Expenditures
4/30/2025	249,918,590.91	217,611,268.04
4/30/2026	247,063,303.16	215,116,304.31

Current Real Estate Revenue Is Slightly Ahead Of 2025 But Less Than Expected



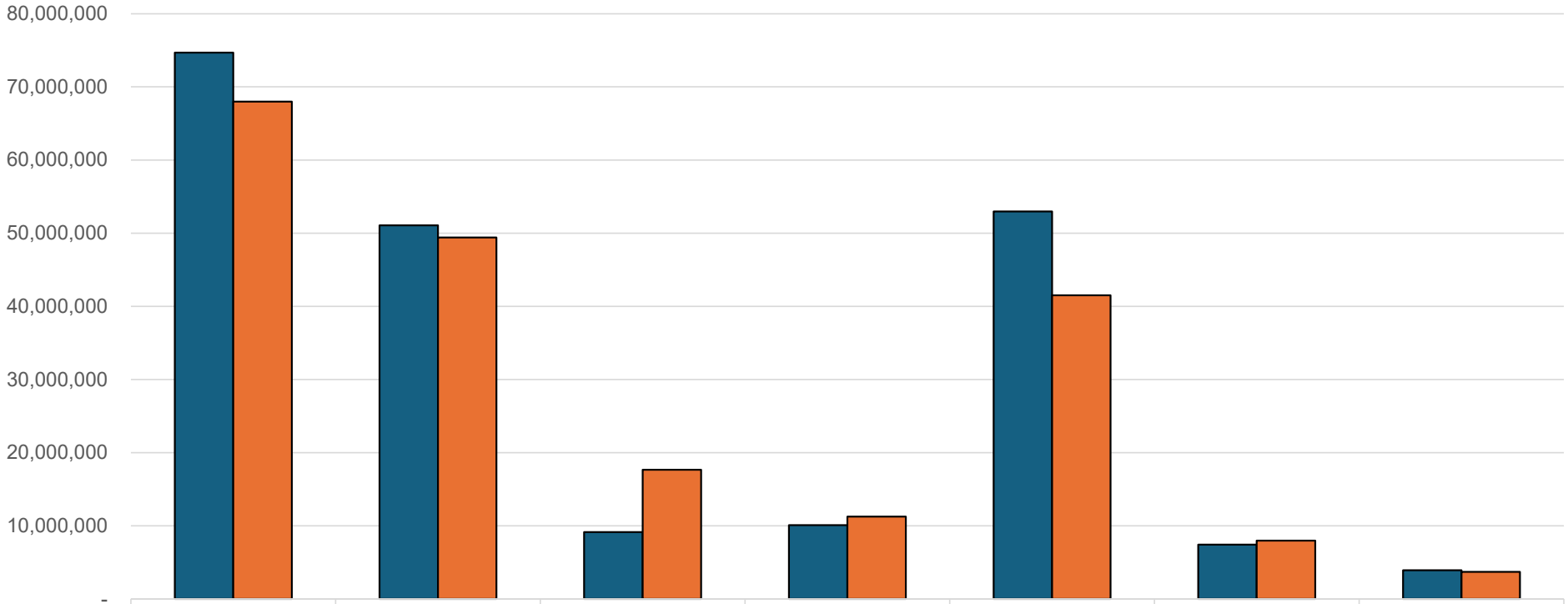
	Current Earned Income Tax	Prior Year Earned Income Tax	Current Real Estate	Prior Year Real Estate	Realty Transfer Tax
4/30/2025	10,921,889.09	8,822,242.13	153,675,322.21	2,326,598.44	2,463,515.96
4/30/2026	8,546,436.36	9,347,873.47	155,063,347.81	2,618,392.91	3,016,979.32

State Revenue Is Relatively Flat



	Basic Ed Subsidy	Special Ed Subsidy	Transportation
4/30/2025	51,348,444	9,156,478	2,644,259
4/30/2026	51,639,376	9,188,256	5,875,514

Charter Schools Expenditure Decreased Due To Cyber Charter Tuition Reform



	Salaries	Benefits	Special Education	Transportation	Charter Schools	Debt Service	Tax Appeals
4/30/2025	74,679,202.63	51,076,459.77	9,156,478.00	10,098,388.29	52,971,387.48	7,441,998.11	3,935,727.36
4/30/2026	67,977,780.21	49,423,868.88	17,667,994.37	11,272,504.85	41,510,195.05	7,990,070.38	3,702,841.38

Financial Statement Highlights

4 MONTH ROLLFORWARD FOR THE GENERAL FUND:

- During the 4-month period ending April 30, 2026, total General Fund balance was $85.8 million. For the same period in 2025, the fund balance was $110.2 million.
- This fund balance has two major components: Total funds available for future spending are $38.0 million and total funds of $47.8 million are committed for specific uses.

GENERAL FUND:

- Actual revenues of $247.1 million were greater than expenditures of $215.1 million by $31.95 million for the period January 1, 2026 – April 30, 2026.

Financial Statement Highlights

REVENUES:
Revenues as of April 30, 2026 were slightly lower compared to 2025 with only a slight decrease of $2.86 million or 1.14%.

Local Sources:
- Earned Income taxes saw a decrease of 21.75% or $2.38 million over 2025. This is an indicator of the slowing job market growth in the City.
- Real Estate taxes were $1.4 million or 0.90% greater than their 2025 counterpart, signifying a slight increase over the twelve months.

State Sources:
- Transportation subsidy saw an increase of 122.20% or $3.2 million. This is mainly due to the timing of the recording of deposits.
- Basic Education subsidy of $51.6 million was relatively the same compared to April 2025, increasing only slightly by $290 thousand or 0.57%.

Financial Statement Highlights

EXPENDITURES:
Expenditures as a whole were $2.5 million or 1.15% less than 2025. Several factors to point out:

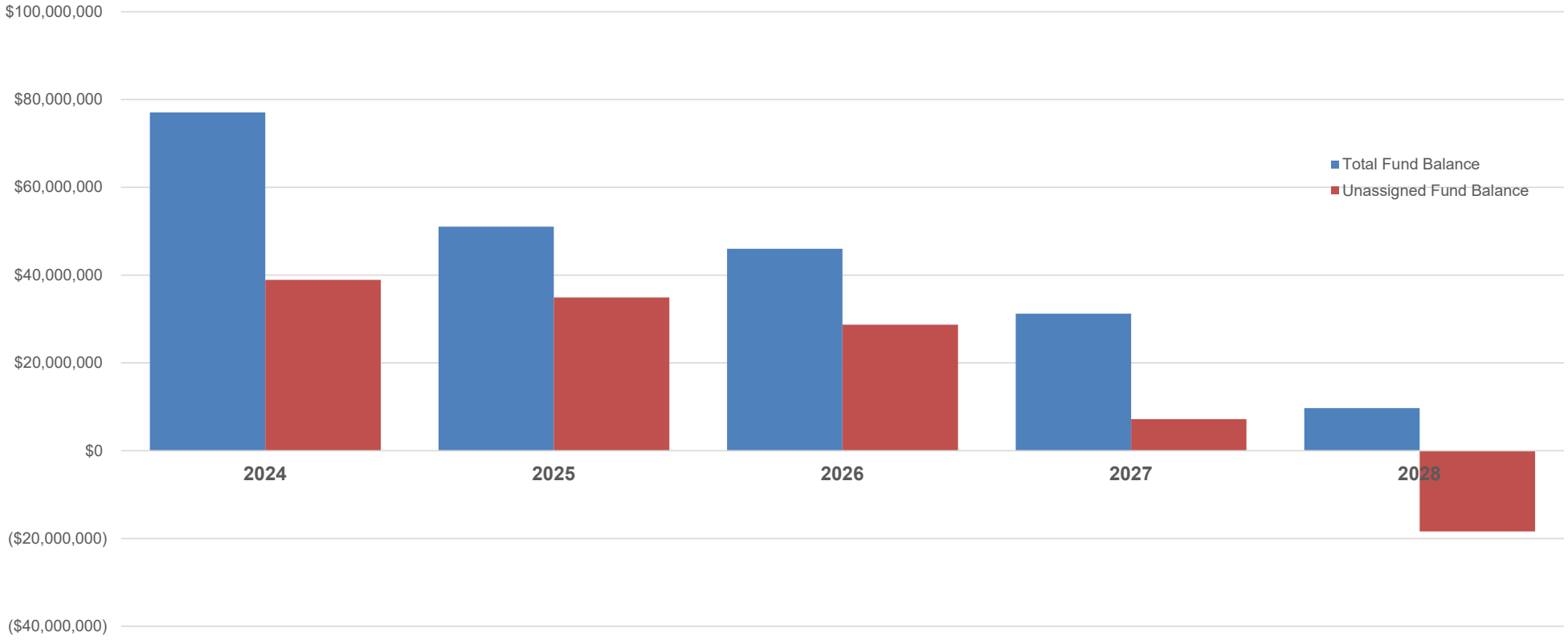
- Charter School expenses saw a decrease of $11.5 million or 21.64% over 2025. This is mainly due to cyber charter tuition reform.
- Contracted carriers saw an increase of 15.82% or $1.3 million over 2025.
- Special Education saw an increase of 92.9% or $8.5 million over 2025. This is mainly due to changes to how we record Special Education expenses to the General Fund.
- Tax Refunds saw a decrease of 5.9% or $0.2 million over 2025. This may be an indication of reduced property assessment appeals
- Salaries and benefits saw a decrease $8.4 million or 6.6% over 2025. This is likely due to the transition of most employees to the biweekly payroll schedule.

Our Current Financial Forecast*

	Actual Year Ended 2024	Adopted Year Ended 2025	Actual Year Ended 2025	Adopted Year Ended 2026	Projected Year Ended 2026	Projected Year Ended 2027	Projected Year Ended 2028
Total Revenues	$698,727,965	$724,160,527	$711,191,333	$723,154,705	$718,064,948	$730,742,756	$747,763,189
Total Expenditures	$705,591,642	$752,283,642	$737,203,209	$728,861,036	$723,101,032	$745,529,202	$769,282,708
Beginning Balance	$83,906,856	$76,841,394	$77,043,179	$48,718,279	$51,031,303	$45,995,219	$31,208,773
Operating Surplus/(Deficit)	($6,863,677)	($28,123,115)	($26,011,876)	($5,706,331)	($5,036,084)	($14,786,446)	($21,519,519)
Ending Fund Balance	$77,043,179	$48,718,279	$51,031,303	$43,011,948	$45,995,219	$31,208,773	$9,689,254
Less Projected Reservations	($10,016,796)	($2,500,000)	($10,421,128)	($2,500,000)	($2,500,000)	($2,500,000)	($2,500,000)
Less Committed Fund Balance	$0	$0	$0	$0	$0	$0	$0
Less Assigned Fund Balance	($28,123,115)	($23,181,092)	($5,706,331)	($14,786,446)	(14,786,446)	(21,519,519)	(25,573,039)
Unassigned Fund Balance	$38,903,268	$23,037,187	$34,903,845	$25,725,502	$28,708,773	$7,189,254	($18,383,785)
% Budgeted Expenditures	5.51%	3.06%	4.73%	3.53%	3.97%	0.96%	-2.39%
Minimum Fund Balance per Board Policy #721	$35,279,582	$37,614,182	$36,860,160	$36,443,052	$36,155,052	$37,276,460	$38,464,135
Compliance with Fund Balance Policy	Yes	No	No	No	No	No	No
Funds needed to comply with Fund Balance Policy	($3,623,686)	$14,576,995	$1,956,316	$10,717,550	$7,446,279	$30,087,206	$56,847,920

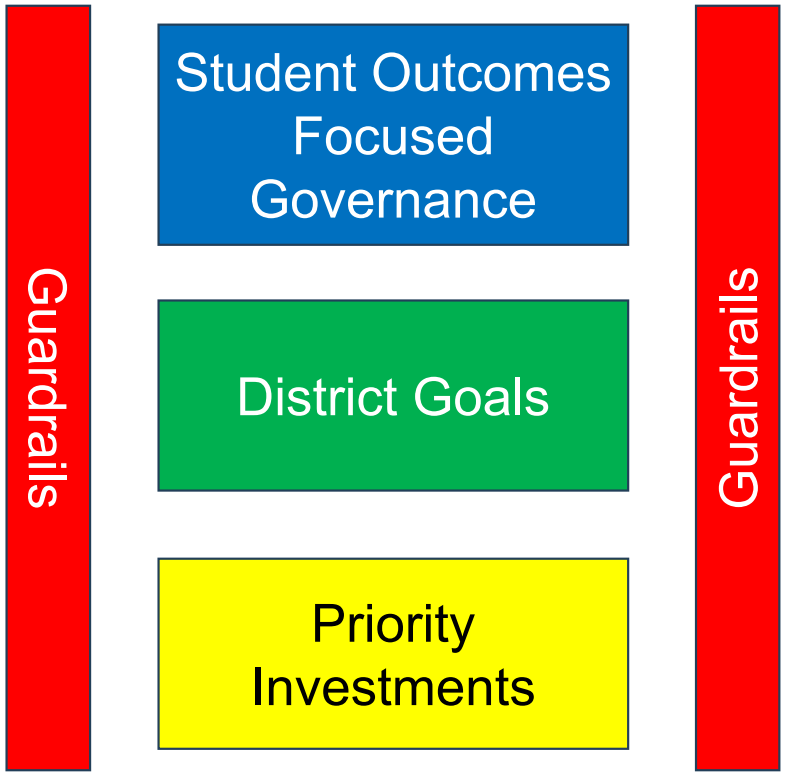
*Projections are as of May 25, 2026

We Cannot Use Fund Balance to Fund District Operations in 2029



2027 Priority Investments

The Goal is Alignment



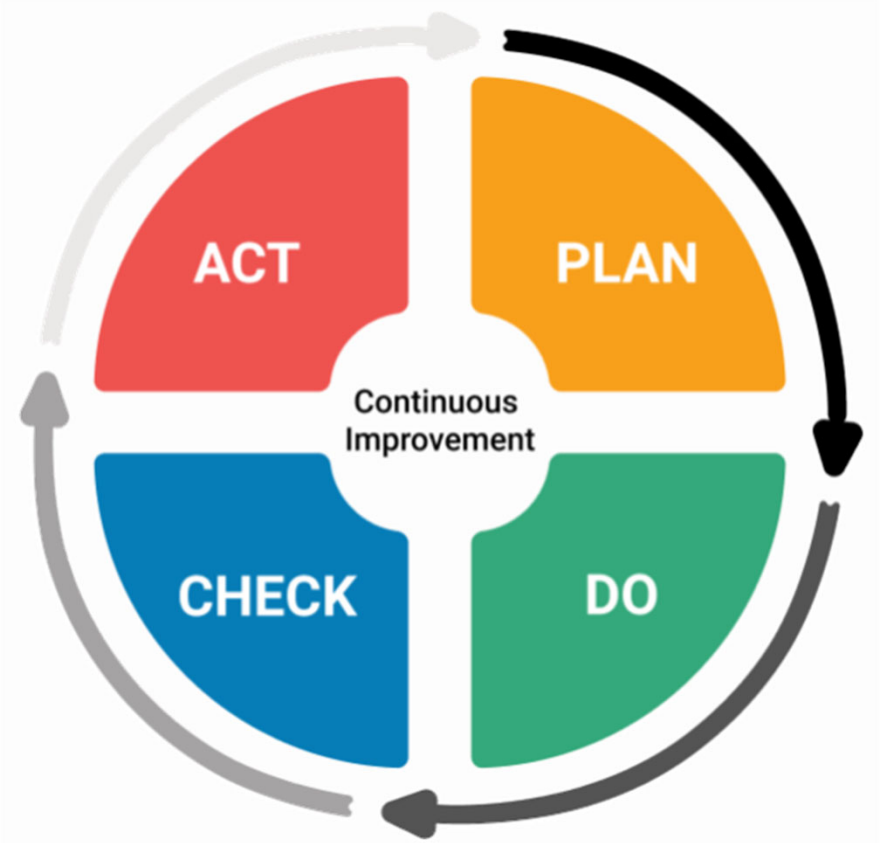
District Goals

- 1. Early Reading: PPS will increase the percentage of third-grade students who are proficient in English Language Arts on the Pennsylvania PSSA+PASA from 43.9% in June 2025 to 54.7% in June 2030.
- 2. Early Mathematics: PPS will increase the percentage of third-grade students who are proficient in Mathematics on the Pennsylvania PSSA+PASA from 40.7% in June 2025 to 52.1% in June 2030.
- 3. Graduation: PPS will increase the graduation rate of seniors from 84.9% in June 2025 to 87.8% by June 2030.
- 4. Industry-Based Credentials: PPS will increase the percentage of graduates earning an industry-based credential from XX% in June 2025 to XX% by June 2030.

Shared Guardrails

- 1. ***Safety***: The Superintendent will not allow implementation of processes or procedures that compromise student and staff safety and mental well-being.
- 2. ***Student Access***: The Superintendent will not limit student access to a robust set of course offerings and opportunities.
- 3. ***Student Need***: The Superintendent shall not pursue the academic goals without prioritizing historically underserved students.
- 4. ***Resource Allocation Impact***: The Superintendent will not make major resource or programmatic decisions without considering the impact of those decisions on students.

Strategies and Plan 25-26 (3rd Grade ELA)

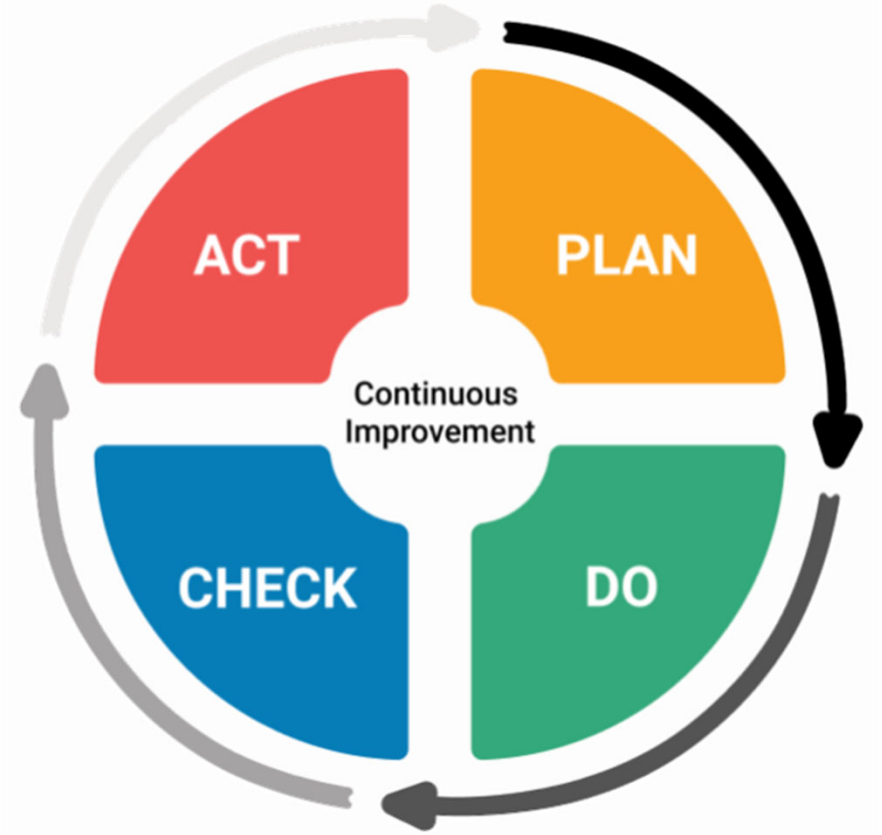


Strategy 1: Science of Reading Teacher Knowledge & Practice

Strategy 2: Strengthen return on investment and partnerships

Strategy 3: Establish explicit accountability and support structures

Strategies and Plan 25-26 (3rd Grade Math)



Strategy 1: Sustaining and Deepening Curriculum-Based Professional Learning (CBPL)

Strategy 2: Strengthening Family Partnerships for Math Support

Strategy 3: Implementing High-Leverage, Equitable Assessment Practices

Sustaining and Deepening Curriculum-Based Professional Learning

- Math Academic Coaches are critical to strengthening Tier 1 mathematics instruction across the district.
- Coaches help teachers move district professional learning into daily classroom practice through co-planning, modeling, co-teaching, data analysis, and instructional feedback.
- The impact of coaching is evident in classroom instructional shifts:
  - Alignment to grade-level standards increased from 86% to 100%
  - Focus on rigor increased from 63% to 87%
  - Curriculum-aligned instruction increased from 66% to 90%
- Coaches are helping teachers strengthen problem-based instruction, student discourse, and the use of instructional routines aligned to district expectations.
- Teacher feedback demonstrates the value of this support:
  - 98.6% of teachers reported coaching positively impacted their teaching practice and student learning.
- Coaching also strengthens districtwide instructional coherence by aligning curriculum, professional learning, assessment practices, and leadership support.
- Ultimately, coaches help ensure that high-quality mathematics instruction is implemented consistently across classrooms so students experience engaging, grade-level learning every day.

Science of Reading Teacher Knowledge & Practice

- Literacy Academic Coaches are essential to the district's implementation of the Science of Reading and structured literacy practices.
- Coaches support teachers in translating research into classroom practice through co-planning, modeling, co-teaching, PLC support, and instructional feedback.
- Coaching focuses on strengthening foundational reading instruction, including phonics, fluency, vocabulary, comprehension, and small-group instruction aligned to student needs.
- The district's report shows increased coaching support in high-impact activities such as co-planning, modeling, and co-teaching, which directly strengthen teacher practice.
- Coaches also help principals and school leaders strengthen instructional feedback through structured-literacy observation tools and co-observations aligned to district expectations.
- Literacy Coaches help teachers use DIBELS and CDT data to address both foundational reading skills and grade-level comprehension needs.
- Ultimately, Literacy Coaches help create consistency across classrooms so students receive strong, evidence-based literacy instruction every day.

We Need More Academic Coaches To Support Our Goals

- We are currently are currently budgeted for 10 Math and 18 Literacy Academic coaches

- To have a Math and Literacy Coach at every school we will need 56 additional academic coaches at a cost of $9.5 million
  - These is not feasible given our finances

- Our proposal is to gradually increase the number of coaches.
  - We propose 13 Literacy Academic Coaches and 8 Math Academic Coaches for a total of 21 additional coaches
    - An anticipated cost of $3.5 million

Proposed Coaching Support Model

- 18 Math Academic Coaches
  - 12 supporting grades K through 5th
  - 4 supporting grades 6th through 8th
  - 2 supporting high schools

- 31 Literacy Academic Coaches
  - 24 supporting grades K through 5th
  - 4 supporting grades 6th through 8th
  - 3 supporting high schools

Investments Will Require Reductions Elsewhere

- The District closed the 2025 fiscal year below the 5% minimum fund balance threshold.
- Projected deficits of $14.8 million and $21.5 million in 2027 and 2028 respectively
  - We cannot use our reserves to balance our budget in 2029
- Decreasing real estate tax base with limited ability to increase tax revenue
- Budgeted expenditures are increasing 60% faster than budgeted revenue over the next 2 years
- Funding uncertainty at the Federal and State levels

Our Next Steps

Next Steps

- 3rd Budget Workshop will occur on September 8th

Pittsburgh Public Schools | Students first
Always, in all ways.

Questions?