



T/E SCHOOL DISTRICT ANNUAL UPDATE

JUNE 2026

2026-27 BUDGET SUMMARY

In the 2026-27 school year, the T/E School District will serve approximately 7,000 students and maintain eight schools, an administration office, a maintenance facility and a network operations center. The 2026-27 budget supports the T/E School District's strong educational program and services while complying with government mandates.

BUDGET FAST FACTS

Total Authorized Spending
\$204,783,097

Property Tax Rate Increase
4.99%

Mills
31.1364

Property Tax Increase on the Average T/E Home
\$388

Homestead Exemption
\$346



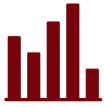
Authorized 2026-27 Budget

On June 8, 2026, the T/E School Board adopted the 2026-27 Final Budget with an approved authorized amount of \$204,783,097, supported by \$196,422,650 in revenue and \$8,360,447 in fund balance commitments.



Closing the Gap

The \$11.2 million deficit in the 2026-27 operational budget was balanced with a fund balance contribution of \$3.9 million and a property tax rate increase of 4.99% or \$388 on the average assessed home in T/E.



Strategies Impacting the Budget

Increases in special education costs and professional staffing additions impacted the 2026-27 budget. The capital fund transfer of \$6 million supports the renovation of a purchased office building for Bear Hill Elementary School and other approved infrastructure capital projects. Anticipated subsidy revenue from state sources is projected to increase by \$288,000 from the 2025-26 budget.

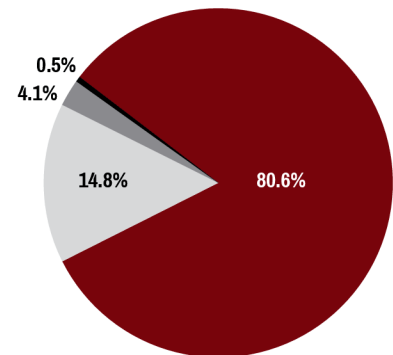


Impact on Homeowners

The 2026-27 property tax rate increase of 4.99% includes the Act 1 Index and the special education exception. Homeowners eligible for the homestead/farmstead exclusion under Act 1 of 2006 will receive a reduction of approximately \$346 on their 2026 property tax bills from state gaming revenue.

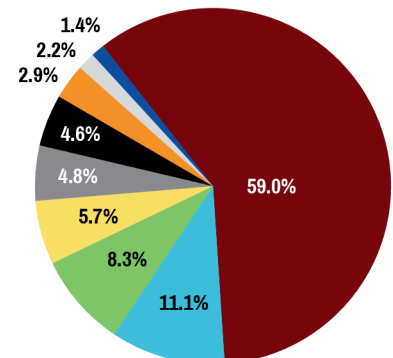
REVENUES/SOURCES

● Local: 80.6%	\$165,105,456
● State: 14.8%	\$30,252,694
● Fund Balance: 4.1%	\$8,360,447
● Federal: 0.5%	\$1,064,500
TOTAL	\$204,783,097



EXPENDITURES/USES

● Instruction: 59.0%	\$120,913,283
● Operations: 11.1%	\$22,731,945
● Instructional Support: 8.3%	\$17,038,143
● Administrative Costs: 5.7%	\$11,603,384
● Debt Service: 4.8%	\$9,729,863
● Transportation: 4.6%	\$9,437,591
● Transfer to Capital Fund: 2.9%	\$6,000,000
● Contingency: 2.2%	\$4,500,000
● Extracurriculars/Athletics: 1.4%	\$2,828,888
TOTAL	\$204,783,097





SCHOOL YEAR SUCCESS

THE 2025-26 SCHOOL YEAR WAS MARKED BY NUMEROUS DISTRICT ACCOMPLISHMENTS

GRADUATION AND COLLEGE ENROLLMENT

The Conestoga High School graduation rate consistently approaches 100%. Approximately 94% of the Class of 2025 attends a four-year college, and 2% attends a two-year college.

STRONG STANDARDIZED TEST SCORES

T/E students scored higher than the Pennsylvania average on the 2025 PA System of School Assessment: 30.0% points higher in English Language Arts (grades 3-8) and 31.3% points higher in math (grades 3-8). No statewide averages were calculated for Grade 5 and 8 Science, as it was the pilot year of testing for the new Science, Technology & Engineering, and Environmental Literacy & Sustainability Academic (STEELS) Standards.

ADVANCED PLACEMENT TESTS

In 2025, 1,060 Conestoga High School students completed 2,695 Advanced Placement tests. Of those exams, 93% of students had a score of 3 or better.

NATIONAL MERIT SCHOLARS

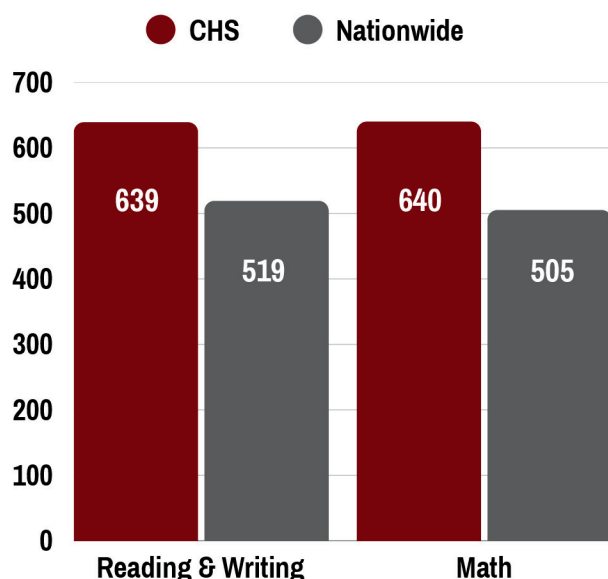
In the fall of 2025, Conestoga High School led Pennsylvania with 39 National Merit Semifinalists, 61 National Merit Commended Students, 7 National African American Scholars, 11 National Hispanic Scholars, and 1 Indigenous Scholar.

NATIONALLY RANKED SCHOOLS

T/E School District and its individual schools consistently rank high among public schools nationally in commercial publications.

SAT SCORES (2025)

Conestoga High School students scored well above the national average on the Scholastic Aptitude Test (SAT) with a mean score of 639 in Evidence-Based Reading & Writing and a mean score of 640 in Math.



FULL-DAY KINDERGARTEN - COMING IN AUGUST 2027

TESD is preparing to launch districtwide full-day kindergarten in August 2027, an important step that expands learning opportunities for our youngest students and better supports families.



- The School Board approved full-day kindergarten for all elementary schools starting in August 2027.
- Full-day kindergarten offers a balanced instructional day with more time for literacy, math, social-emotional learning, play, and enrichment.
- The program is designed around the TESD elementary curriculum and reflects best practices in early childhood education, emphasizing active learning, collaboration, and whole-child development.
- Offering a full school day for kindergarten will help ensure equitable access to instruction for all students and reduce the need for families to rely on separate enrichment or child-care programs during the school day.
- Additional details, including answers to frequently asked questions about the program, student experience, and family supports, are available on the Full-Day Kindergarten Program pages on the TESD website at www.tesd.net.

MAJOR COST DRIVERS OF THE BUDGET

While salaries and benefits consistently make up the bulk of the District's total budget, four of the largest cost drivers in expenses are capital improvements, debt service, state-mandated contributions to the Public School Employees' Retirement System (PSERS), and special education services to students.

CAPITAL IMPROVEMENT PROJECTS

The Bear Hill Elementary School project, which will repurpose an office building in Berwyn that the District purchased, is currently in the construction phase. The public bids accepted for the project were approximately \$6 million under budget. The project is anticipated to be completed in the Spring of 2027, and the school is scheduled to open in August 2027. Based on the current capital funds balance and projected operating transfers of approximately \$6 million annually, the District issued bonds and plans to issue more next fiscal year. These bond proceeds, along with annual transfers from the general fund to the capital fund, will finance this project and other capital projects planned over the next several years.

Adjacent to Conestoga High School, the athletic fields project is nearly complete, with the playing fields and facilities now in use by our student-athletes.

Several infrastructure improvements are planned across the District for summer 2026. These include HVAC renovations and upgrades at schools and the network operations center; interior and exterior improvements at multiple elementary schools, a middle school, the high school, the administration building, and the maintenance building; upgrades to the wireless network and equipment; and improvements to elementary school playgrounds.

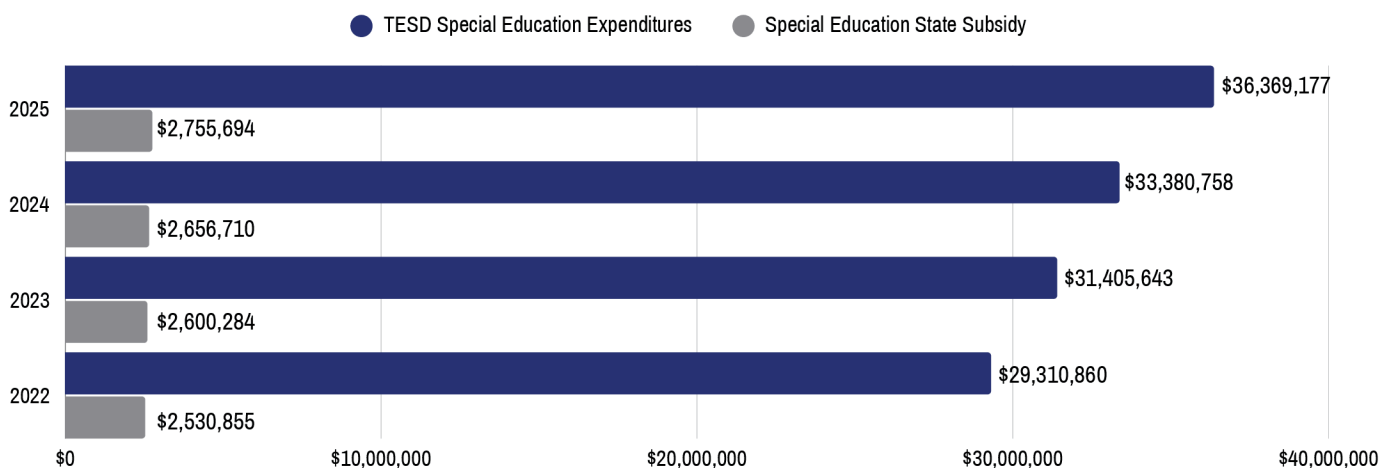
MANDATED RETIREMENT CONTRIBUTIONS

All Pennsylvania school districts are mandated by the PA legislature to contribute a percentage of their payroll to the funding of the Public School Employees' Retirement System (PSERS). Since 2006, the Employer Contribution Rate (ECR) has increased from 6.46% to 33.59% in 2026-27. The net increase in the ECR has significantly impacted the TESD budget, which has ballooned from \$1.6 million in 2006 to a projected \$13 million in 2026-27.

SPECIAL EDUCATION SERVICES

TESD remains committed to meeting the diverse needs of all students through inclusive and individualized supports. This year, the District has continued to experience growth in the number of students with significant and complex needs, resulting in increased demand for specialized programs and adult support. The most significant impact on expenditures has been the expanded use of contracted services, which are required to meet students' needs when in-District staffing alone is not sufficient. While we are also expanding specialized classrooms and leveraging assistive technology to support students' access to the curriculum, reliance on external vendors has been the primary driver of increased service-related costs. Although state and federal funding levels have remained stable, overall expenses continue to rise due to the increased intensity and specialization of services required.

SPECIAL EDUCATION EXPENDITURES AND STATE SUBSIDY



Points of Pride

HIGHLIGHTS FROM THE 2025-26 SCHOOL YEAR



CITADEL HEART OF LEARNING

Two TESD teachers were recognized with Citadel Heart of Learning Awards for their service to students and families. New Eagle Elementary School first grade teacher Beth Adams was named a 25th Anniversary Winner for her more than 30 years of teaching and her focus on empathy and service learning, while Devon Elementary School autism support teacher Brigid Redmond was honored for her compassion, advocacy, and commitment to inclusive learning.

DECA COMPETITIVE EVENTS PROGRAM

Conestoga High School's Distributive Education Clubs of America (DECA) members competed at the DECA International Competition. Conestoga students were recognized at the competition for their work in eight categories with multiple top finishes in their respective disciplines. Conestoga's DECA advisors received an award for leading PA's largest chapter.

SCIENCE FAIR COMPETITIONS

Three T/E Middle School students earned top honors at the Delaware Valley Science Fair after strong performances at the Chester County Science Research Competition. One student was invited to apply for the prestigious Thermo Fisher Scientific Junior Innovators Challenge.

STUDENT LITERARY MAGAZINE

Conestoga High School's literary magazine, *The Folio*, was selected from 456 student magazines to receive the rank of Superior in the 2026 NCTE Recognizing Excellence in Art and Literary Magazines program. This program recognizes excellent literary magazines produced by students with the support of their teachers.

VEX ROBOTICS WORLD CHAMPIONSHIP

Four Conestoga High School Robotics Teams competed in the 2026 Vex Robotic World Championships. One team was named a Tournament Finalist at the World Championship, and another was a Tournament Champion at the Eastern PA State Championship.

PENNDOT INNOVATION CHALLENGE

A team of three Conestoga High School students won the PennDOT Innovation Challenge for developing an innovative solution to help PennDOT improve safety for work crews and road users through AI.



STATE & NATIONAL MIDDLE SCHOOL MATH COMPETITIONS

T/E and Valley Forge Middle School students were top scorers in the MATHCOUNTS and PA Math League Competition with strong individual and team finishes at the county and state levels. In addition, middle school students excelled in the AMC Math Competition with multiple students scoring in the top 10% nationally.

PMEA ALL-STATE MUSICAL GROUPS

Five Conestoga High School students were selected to participate in the Pennsylvania Music Educators Association All-State Choir, All-State Band and All-State Orchestra. The All-State participants advanced to the state competition after successfully qualifying for district and then regional competitions.

DISTRICT ONE AND STATE ATHLETIC CHAMPIONSHIP TITLES

Conestoga High School Girls Golf, Boys Swimming and Boys Tennis won District One Championships. Girls Golf won PIAA State Championships.

LEARN MORE

- Visit www.tesd.net/budget for additional budget information.
- Sign up to receive the T/E School District's e-newsletter, *T/E-news*, at www.tesd.net.
- Tune into TETV, Comcast Channel 14 and Verizon Channel 20, for school district programming. Visit www.tesd.net/tetv for schedules.