

SOLANCO SCHOOL DISTRICT 2024-2025 BUDGET PROCESS

December 4, 2023

PDE Timeline for 2024-2025 Budget Process

January 4, 2024 – Deadline to Adopt Accelerated Budget and ‘Opt Out’ resolution

- Commitment not to increase millage rate exceeding index

January 9, 2024 or 5 days after Opt Out Resolution Adoption

- Deadline to submit resolution and proposed millage rate increase to PDE

January 19, 2024 or 10 days after receipt of resolution

- Deadline for PDE to notify school districts that adopted ‘Opt Out’ resolution whether their 24-25 proposed tax rates are equal or less than their index.

March 1, 2024 – Deadline for homeowners to file a homestead and/or farmstead application with County

Timeline for 2024-2025 Budget Process

April 15, 2024

- **Secretary of Budget** certifies total amount of revenue in the Property Tax Relief Fund, Property Tax Relief Reserve Fund and total amount of funds available for homestead/farmstead exclusions.

April 15, 2024 – Propose Final Budget (Target Date)

- **School District** - adopt resolution to display and advertise Proposed Final Budget on form PDE-2028
- Must be completed 30 days prior to budget adoption.

April 20, 2024 - Secretary of Budget notifies PDE whether it is authorized to provide school districts with slot money allocations.

May 1, 2024 - Department of Education notifies school districts of slot money allocation used in calculating the homestead exclusion amount for tax bills.

Timeline for 2024-2025 Budget Process

May 1, 2024 - County Homestead/Farmstead report

- County assessment office provides each school district a **certified** report of homestead and farmstead properties.

May 15, 2024 - School District adopts resolution to appoint tax collector for direct collection of real estate taxes as required by School Code (Business Manager).

May 31, 2024

- **School District deadline** to adopt resolution declining slot money
- **School District deadline** to report to, and file certified copy with, the Department of Community and Economic Development of tax rate changes.

Timeline for 2024-2025 Budget Process

May 31, 2024 – Deadline to Adopt **Proposed** Final Budget and forward signed Certification of Use form to PDE

- Resolution Authorizing Proposed Final Budget Display and Advertising

June 10, 2024 – Deadline to make 2024-2025 **Proposed** final budget available for public inspection

June 20, 2024 – Deadline to publish notice of intent to adopt **Final** budget

June 30, 2024 – **School District** deadline to adopt **Final Budget** on form PDE-2028 (*Resolution for Final Budget for General Fund*).

(Target June 3, 2024)

- **School District** deadline to adopt resolution implementing homestead/farmstead exclusion
- **School District** deadline to adopt ***Annual Tax Levy Resolution***

Timeline for 2024-2025 Budget Process

- July 1, 2024 – Issue real estate tax bills
- July 15, 2024
 - School District deadline to submit Final budget to Department of Education OR ***No later than 15 days after adoption of the budget***
 - Show compliance with 8% Fund balance Cap
- August 22, 2024
 - **Department of Education** pays school district 50% of slot money allocation
- October 24, 2024
 - **Department of Education** pays school district 50% of slot money allocation.

2024-2025 Revenue Budget Considerations

- Millage Rate - Solanco Adjusted Index - **5.3%**
 - Average Weekly Wage + Employment Cost Index (*measures overall labor cost*)
 - Act 1 Index Reductions Projected Through 2028-2029
 - Property Assessment Growth - 1.0% (*10-year average*)
- Earned Income Tax Collections
 - 2% Decreased Growth (reduction from 4.5%)
- Level Investment Earnings
- State Subsidies - *Disclose mid-February?*
 - Basic Education: Level or Reduction Due to Declining Student Weighted Membership
 - Special Education: No Significant Change
 - Transportation: Increased Costs Yield Higher Subsidy – Minimal Net Impact
- Federal Revenue – Funding Cliff is Here!
 - ESSER Funds Expiring September 30, 2024; Unless Carryover Approved

2024-2025 Expenditure Budget Considerations

- Competitive Salaries and Payroll Rates
 - Attract and Maintain Personnel
- Contracted Personnel
 - Increased Use to Fill Employment Gaps
 - Insufficient Personnel Pool > Increase Contracted Costs
- Collective Bargaining Agreement Ending
 - Future Labor Costs Unknown
- Pension Rate – 36.02% (projected 1.08% increase by 2028-29)
- Healthcare Costs
 - 5% Growth
 - \$3.4 Million Healthcare Reserve
- Increased Utility & Fuel Costs
 - Construction Project Inefficiencies
 - Energy Industry Variables

