

SOLANCO SCHOOL DISTRICT
2025-2026
PROPOSED FINAL BUDGET

May 5, 2025

BUDGET CONSIDERATIONS

Status of Federal and State Funding?

Cost of Charter School Funding

- 2024-25 Charter Reimbursement Repeated Future Years?

Attract and Maintain Qualified Employees

- Offer Competitive Wages and Benefits
 - Healthcare Cost Trends: 8% - Medical and 11.4% - RX

Tariff Impact

Unstable Economic / Global Environment

Student and Staff Safety

Technology Threats - Protections

Investment in Facilities - Aged Buildings and Infrastructure

SOLANCO SCHOOL DISTRICT

2025-2026 Proposed Final Budget

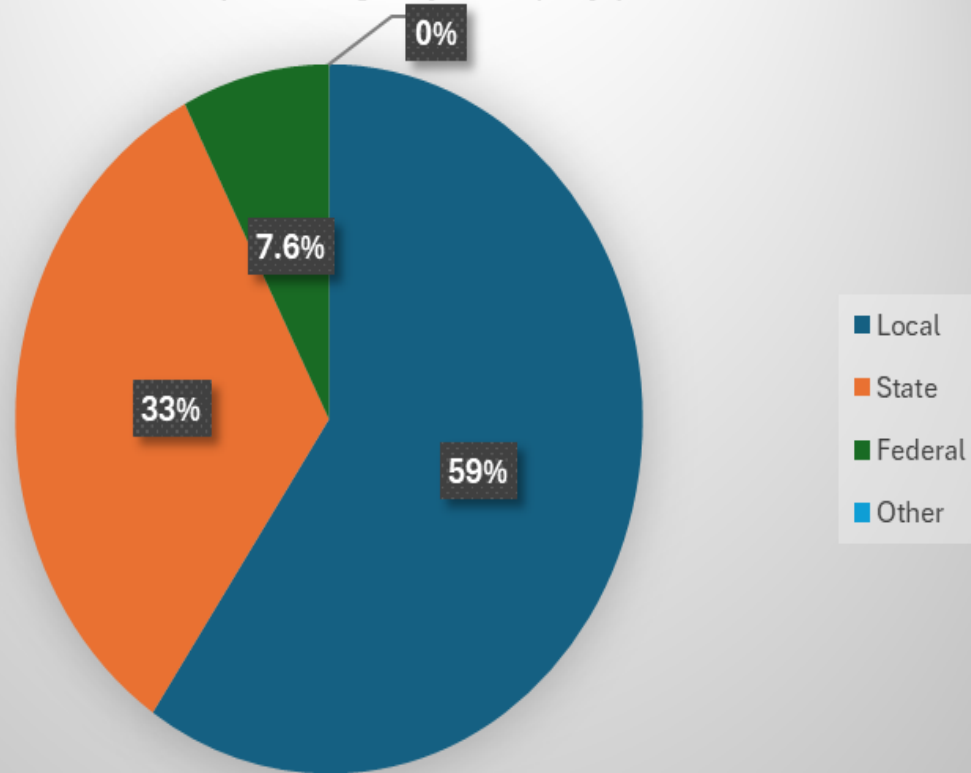
	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Budget	2024-25 Estimated	Proposed Final 2025-26
Local	38,880,149	41,664,492	43,759,709	44,499,670	45,654,003	46,022,854
State	20,846,717	22,377,394	24,506,120	24,418,925	25,204,057	25,168,389
Federal	5,224,215	10,181,188	12,513,135	5,454,605	5,827,557	2,699,591
Other	16,469	327,719	21,069	627,500	26,897	520,000
Total Revenue:	64,968,550	74,550,794	80,800,033	75,000,700	76,712,514	74,410,834
Total Expenditures:	64,099,517	74,430,676	80,541,588	75,202,657	76,340,972	76,521,936
Fund Balance Use						2,000,000
Variance: Revenues over Expenditures	868,033	120,118	258,445	(201,957)	371,542	(111,102)

Proposed 2025-26 budget estimated to utilize \$2 million of existing fund balance.

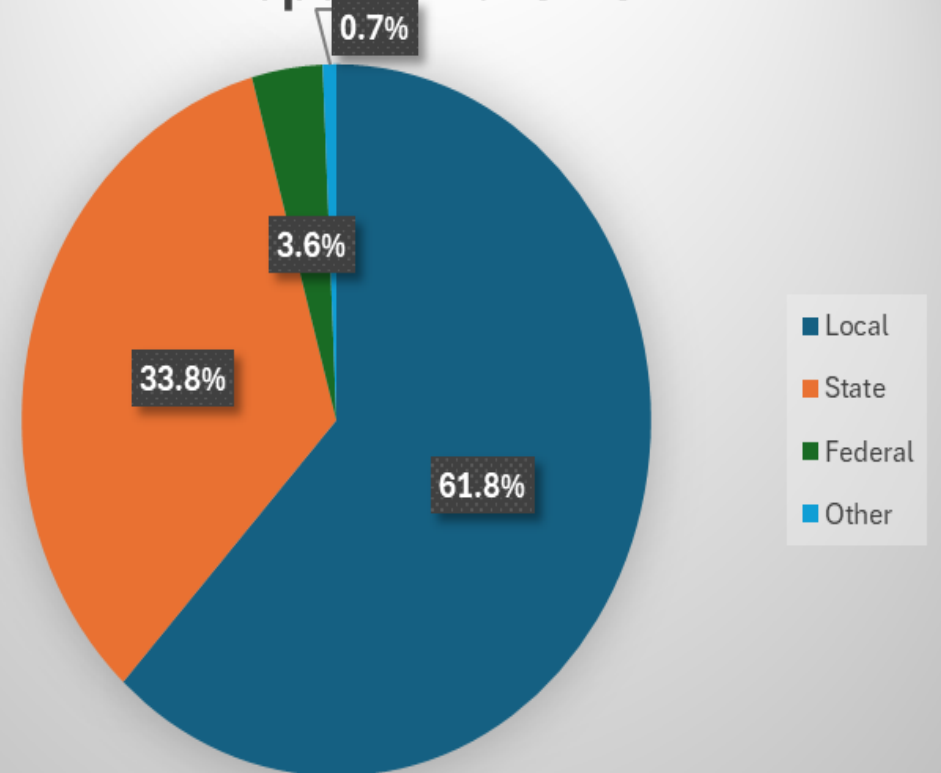
FUND BALANCE DETAILS							
	<u>2021-22</u> <u>Actual</u>	<u>2022-23</u> <u>Actual</u>	<u>2023-24</u> <u>Actual</u>	<u>2024-25</u> <u>Estimated</u>	<u>Proposed</u> <u>2025-26</u>		
TOTAL REVENUE	64,968,550	74,550,794	80,800,033	76,712,514	74,410,834		
TOTAL EXPENDITURES	<u>64,099,517</u>	<u>74,430,676</u>	<u>80,541,588</u>	<u>76,340,972</u>	<u>76,521,936</u>		
CHANGE TO FUND BALANCE	<u><u>869,033</u></u>	<u><u>120,118</u></u>	<u><u>258,445</u></u>	<u><u>371,542</u></u>	<u><u>(2,111,102)</u></u>		
JUNE 30th FUND BALANCE:							
NONSPENDABLE							
INVENTORY	221,842	342,399	297,483	297,483	297,483		
PREPAID EXPENDITURES	72,345	104,629	71,160	71,160	71,160		
COMMITTED (BOARD)	4,500,000	6,500,000	6,500,000	6,500,000	4,500,000		
ASSIGNED (Budgeted Deficit)	806,985	200,988	201,954	201,954	201,954		
UNASSIGNED	<u>4,223,390</u>	<u>2,917,221</u>	<u>3,208,170</u>	<u>3,579,712</u>	<u>3,200,000</u>		
TOTAL GENERAL FUND BALANCE	<u><u>9,824,562</u></u>	<u><u>10,065,237</u></u>	<u><u>10,278,767</u></u>	<u><u>10,650,309</u></u>	<u><u>8,270,597</u></u>		
CAPITAL PROJECT/CONSTRUCTION	12,663,912	17,891,164	25,445,788	27,323,418	Unavailable		
<i>Funds reserved for capital improvements and construction</i>				<i>actual balance at 3/31/25</i>			
<p>The school district's finances are impacted by numerous external forces outside of the district's control. Fund Balance provides a channel of flexibility to maintain financial stability during economic downturns. ESSER funding enabled the school district to accumulate funds for use post ESSER when finances and the economy were expected to turn downward. This downturn is impacting the school district's 2025-26 budget. The fund balance reserve provides the school district with funding as expenditures are reviewed closely and adjustments made to reduce expenditures now and for future budgets.</p>							
Committed funds at 7/1/25: \$3 million - future facility improvement, \$2 million - future debt service; \$1.5 million - future technology safety enhancements							

REVENUE CATEGORIES AS % OF TOTAL REVENUES

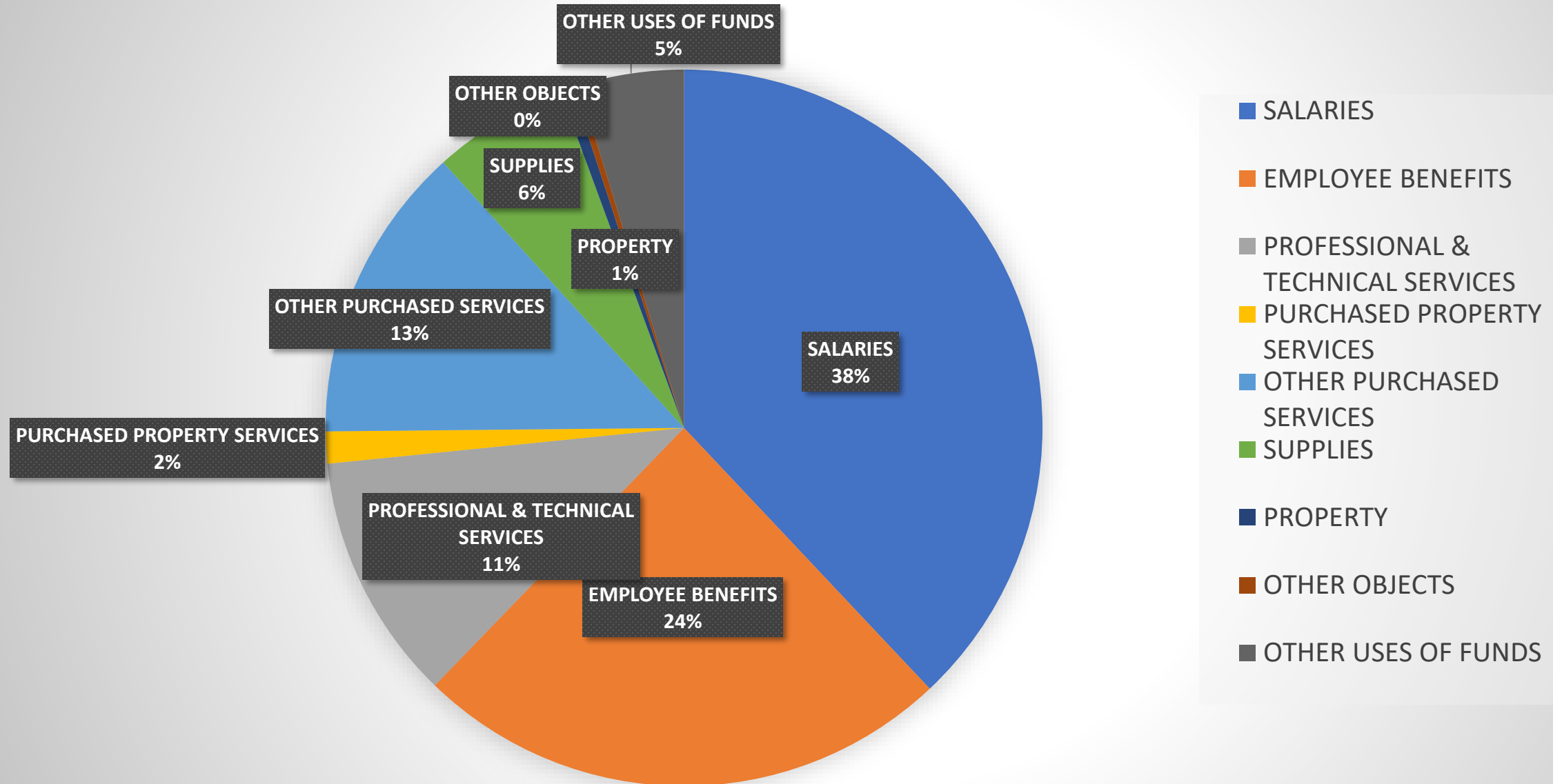
2024-25 Estimated



Proposed 2025-26



2025-26 PROPOSED BUDGETS AS % OF TOTAL EXPENDITURES



PAYROLL/BENEFIT HISTORIC TREND

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGETED	PROPOSED
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
Payroll	22,271,157	22,259,093	23,164,494	24,184,434	25,372,589	27,848,071	29,061,037
Benefits	14,100,035	14,277,178	15,872,804	15,449,680	16,510,428	18,265,589	18,562,167
Combined Totals	36,371,193	36,536,271	39,037,298	39,634,114	41,883,017	46,113,660	47,623,204
\$ Increase	651,325	165,078	2,501,027	596,816	2,248,903	4,230,643	1,509,544
% Increase	1.8%	0.4%	6.8%	1.5%	5.7	10.1%	3.3%

2025-2026 PROPOSED REAL ESTATE TAX

- Assessed Taxable Property Value - \$2,622,559,200
 - Increase of \$20,020,300 or 0.8%
- Proposed Millage Rate
 - 13.2708 Mills
 - 4.0% Increase or .5104 Mills
 - Act 1 Adjusted Index 4.0%
- Tax Increase per \$100,000 Property Value = \$51.04

NEXT STEPS

➤ **May 1, 2025 – PDE Notification of Slot Money Allocation**

- Secretary of Budget certified amount of slot money available for real estate tax reduction
- County Assessment Office forwards certified homestead/farmstead information for exemption calculation
- Calculate Homestead Farmstead Exclusion

➤ **May 5, 2025 - Approve Resolution to Display Proposed Final Budget**

➤ **May 5, 2025 – Approve Resolution to Appoint Tax Collector**

➤ **June 16, 2025**

- Approve Final Budget Resolution
- Approve Homestead/Farmstead Resolution
- Approve Tax Levy Resolution
- Lancaster County Tax Collection Bureau Print and Mail Tax Bills
- Submit Approved Final Budget to PDE

QUESTIONS

