

2026-2027 SOLANCO SCHOOL DISTRICT PRELIMINARY GENERAL FUND BUDGET OVERVIEW



DECEMBER 1, 2025

PDE TIMELINE

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December 15, 2025: Deadline to submit certification for 2025 Sterling Act Tax Credit Data

December 31, 2025: Deadline to notify property owners of homestead/farmstead exclusion application

January 29, 2026: Deadline to Adopt Accelerated Budget and 'Opt Out' resolution

- Commitment NOT to increase millage rate beyond index
- **December 1, 2025:** Target resolution approval date
- **December 8, 2025:** Deadline to submit 'Opt Out' Resolution to PDE with Real Estate Tax Rate report and proposed tax rate

PDE TIMELINE

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February 13, 2026: Deadline for PDE to verify school district 2026-27 proposed tax rate is equal or less than the index

March 1, 2026: Deadline for homeowners to file a homestead and/or farmstead application with County

April 15, 2026: Secretary of Budget certifies amount of slot money **available** for distribution

April 20, 2026: Secretary of Budget notifies PDE of **authorization to distribute** slot money allocation

April 20, 2026: Propose final budget – target date

- Adopt resolution to display and advertise
- Must be at least 30 days from final budget adoption

PDE TIMELINE

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May 1, 2026: PDE notifies school districts of slot money allocations and county assessment office provides certified list of homestead/farmstead properties

May 18, 2026: (target date)

- School District adopts resolution to appoint tax collector for direct collection of real estate taxes as required by School Code (*Lancaster County Tax Collection Bureau*)
- School District deadline to publish notice of intent to adopt Final budget

May 31, 2026:

- School District deadline to adopt resolution declining slot money

PDE TIMELINE

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May 31, 2026: School District deadline to report and file certified copy of tax rate changes with the Department of Community and Economic Development

Deadline to adopt resolution to Display and Advertise Proposed Final Budget

June 1, 2026: School District target date to adopt Final Budget and display on PDE-2028 form

- Adopt resolution for General Fund Final Budget
- Adopt homestead/farmstead exclusion resolution
- Adopt tax levy resolution

July 1, 2026: Print and mail tax bills

2025–2026 STATE BUDGET

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Commonwealth approved **2025-2026** budget on November 12, 2025

- *4 1/2 Months into budget year – NO state funds released*

2025-26 Funding Revisions:

- Ready to Learn Grant
 - Adequacy and Tax Equity Supplements
 - 152 Additional School Districts Receive Adequacy
- Safety and Facilities Grants
- 2024-25 Cyber School Reimbursement Removed
- Charter School Tuition Calculation Reformed

2025–2026 STATE BUDGET (CONTINUED)

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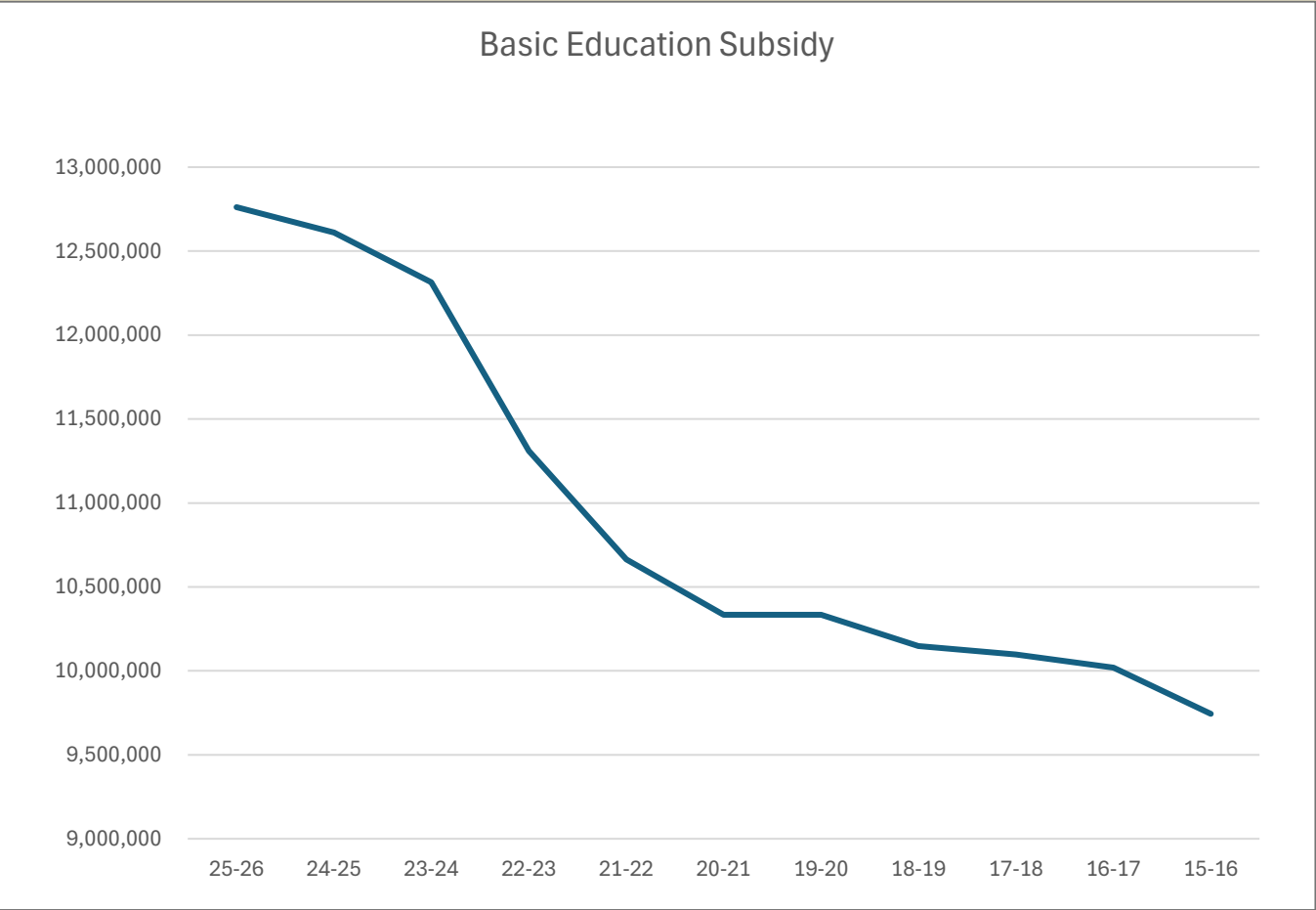
State-wide increases in:

- Basic Education subsidy
- Special Education subsidy
- Vocational Education subsidy
- Safety and Facility grants
- WILL 2025-26 FUNDING LEVELS and CHARTER SCHOOL TUITION REFORM CARRYFORWARD TO 2026-2027 STATE BUDGET?

BASIC EDUCATION FUNDING

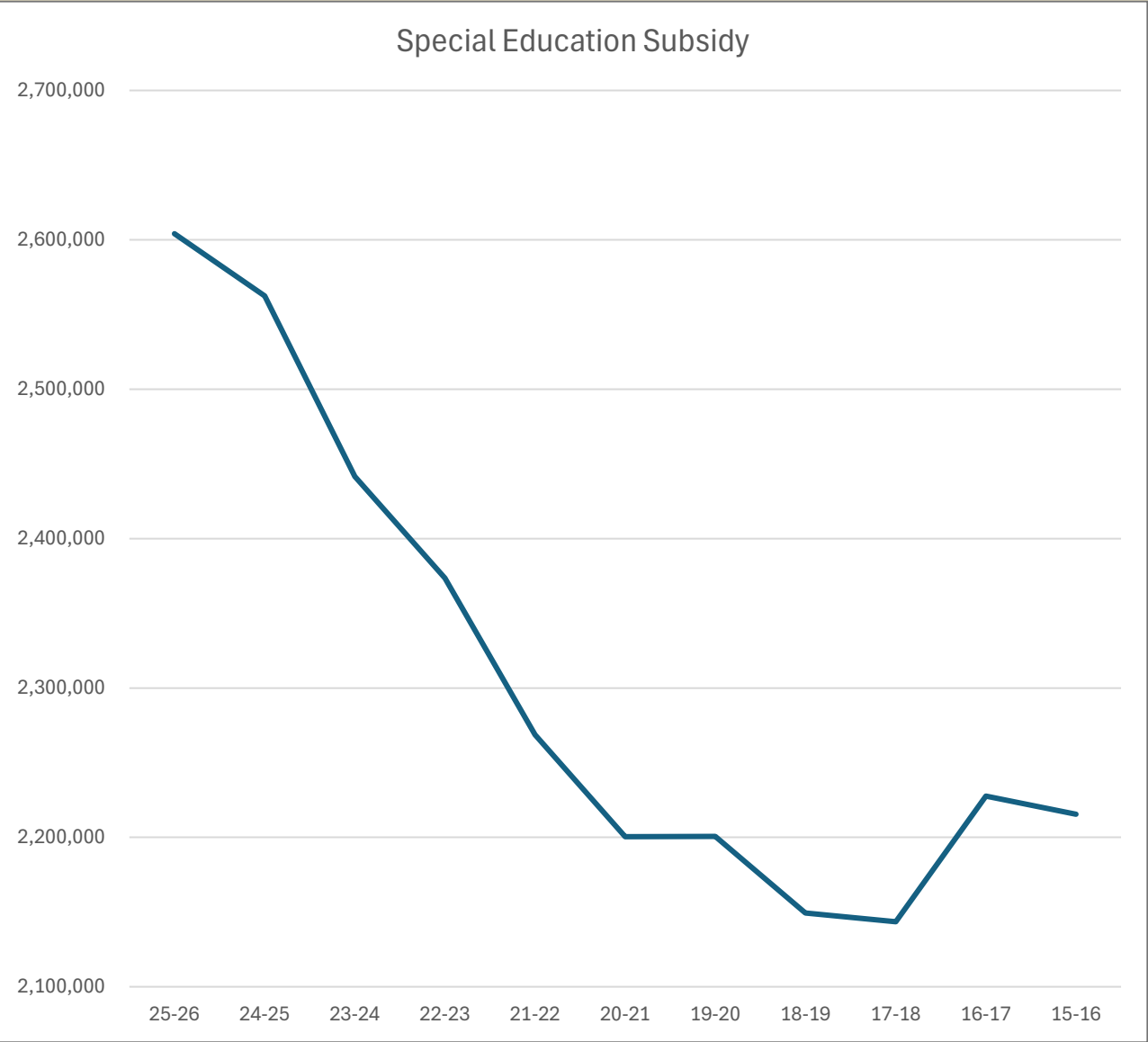
RESET BASE: Will NOT receive less than 2024-25 funding

3-YEAR AVERAGE DATASETS: Poverty, Median Household Income, Number of Households



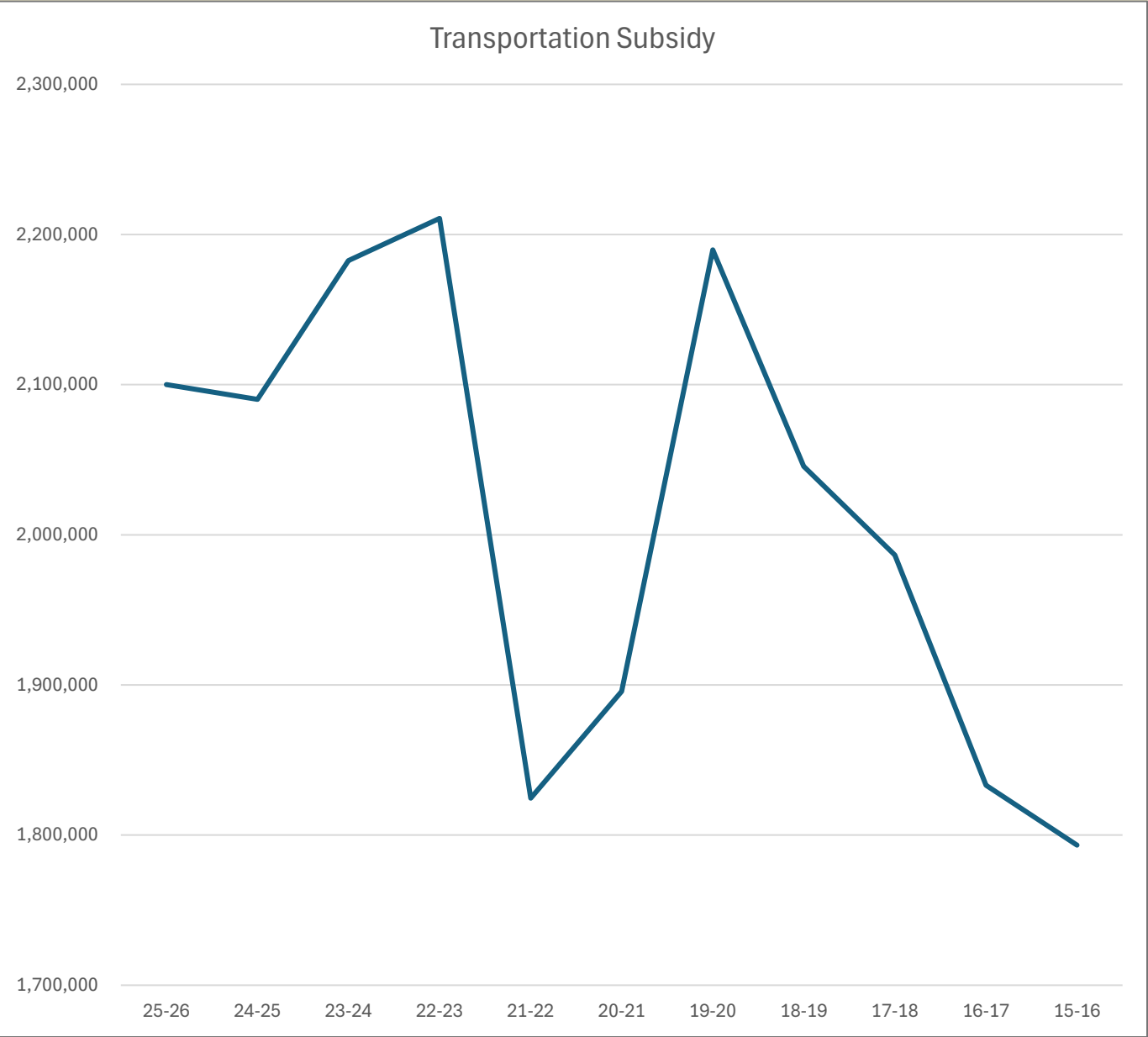
Fiscal Year	Basic Education Subsidy	Annual Change	Annual % Change
25-26	12,761,790	151,288	1.2% Estimated
24-25	12,610,502	296,805	2.4%
23-24	12,313,697	1,002,547	8.9%
22-23	11,311,150	647,352	6.1%
21-22	10,663,798	328,960	3.2%
20-21	10,334,838	(9)	0.0%
19-20	10,334,847	186,400	1.8%
18-19	10,148,447	51,040	0.5%
17-18	10,097,407	77,843	0.8%
16-17	10,019,564	275,336	2.8%
15-16	9,744,228		

SPECIAL EDUCATION SUBSIDY



Fiscal Year	Special Education Subsidy	Annual Change	Annual % Change	
25-26	2,604,092	41,555	1.6%	Estimated
24-25	2,562,537	121,035	5.0%	
23-24	2,441,502	67,944	2.9%	
22-23	2,373,558	104,772	4.6%	
21-22	2,268,786	68,234	3.1%	
20-21	2,200,552	(46)	0.0%	
19-20	2,200,598	51,198	2.4%	
18-19	2,149,400	5,865	0.3%	
17-18	2,143,535	(84,141)	-3.8%	
16-17	2,227,676	12,126	0.5%	
15-16	2,215,550			

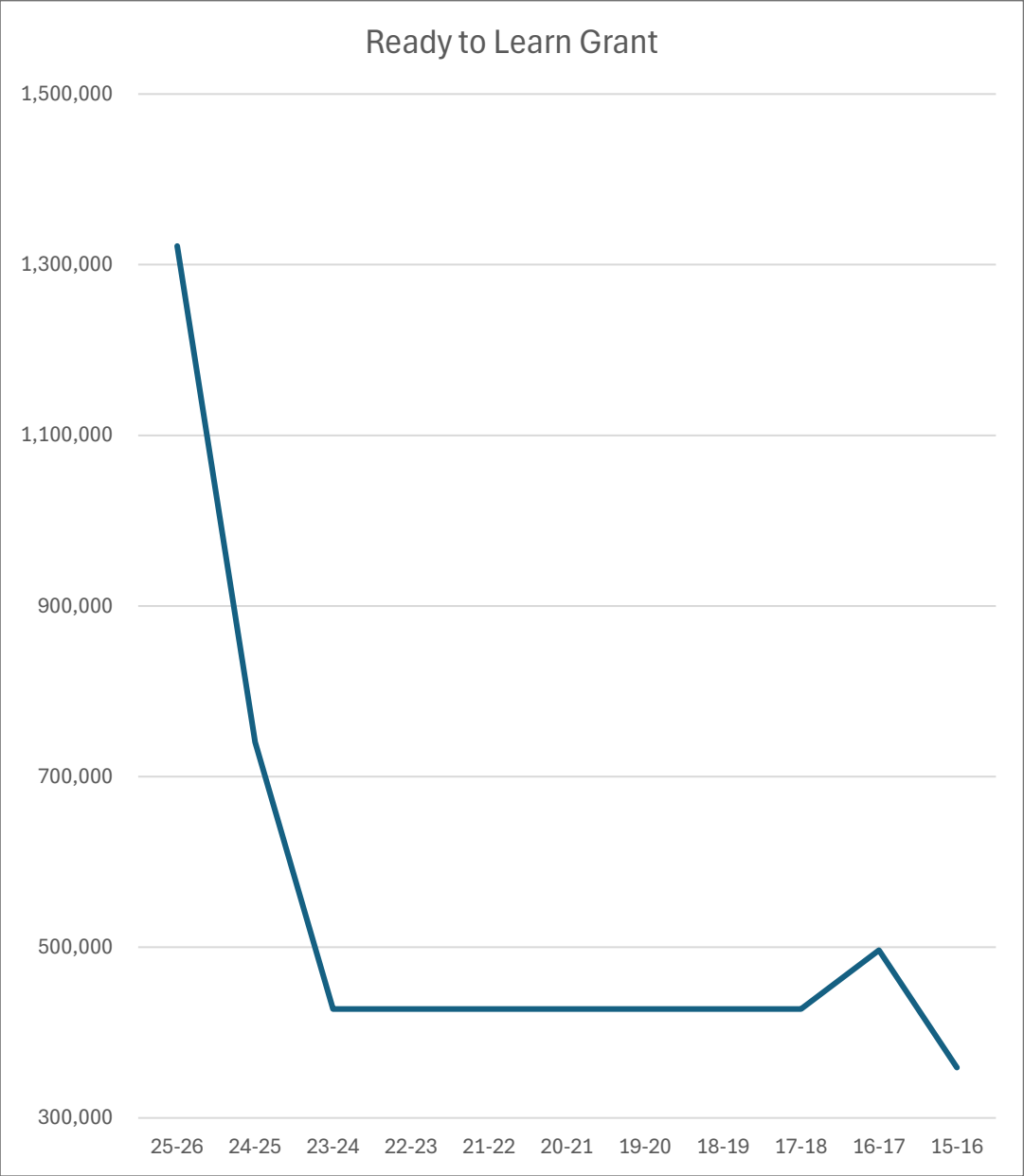
TRANSPORTATION SUBSIDY



Fiscal Year	Transportation Subsidy	Annual Change	Annual % Change	
25-26	2,100,000	9,763	0.5%	Estimated
24-25	2,090,237	(92,331)	-4.2%	
23-24	2,182,568	(28,181)	-1.3%	
22-23	2,210,749	386,151	21.2%	
21-22	1,824,598	(71,172)	-3.8%	
20-21	1,895,770	(294,032)	-13.4%	
19-20	2,189,802	144,119	7.0%	
18-19	2,045,683	59,121	3.0%	
17-18	1,986,562	153,323	8.4%	
16-17	1,833,239	39,937	2.2%	
15-16	1,793,302			

Expect new transportation software to identify efficiencies, reduce costs and increase subsidy.

READY TO LEARN GRANT



Fiscal Year	Ready to Learn	Annual Change	Annual %			
25-26	1,321,834	581,432	78.5%	Estimated	Adequacy Supplement	
24-25	740,401	312,686	73.1%		Adequacy Supplement	
23-24	427,715	-	0.0%			
22-23	427,715	-	0.0%			
21-22	427,715	-	0.0%			
20-21	427,715	-	0.0%			
19-20	427,715	-	0.0%			
18-19	427,715	-	0.0%			
17-18	427,715	(68,698)	-13.8%			
16-17	496,413	137,396	38.3%			
15-16	359,017					

	23-24	24-25	25-26
RTL Foundation	\$295 million	\$295 million	\$820 million
RTL Adequacy	N/A	\$493 million (348)	\$526 million (500)
RTL Tax Equity	N/A	\$32 million (50)	\$32 million (50)
TOTAL RTL	\$295 million	\$820 million	\$1.38 billion

Recipient School District **MUST** Approve 'OPT OUT' Resolution for 2026-27 Fiscal Year

- Funds received 2025-26 contain restriction for 2026-27 year

Eligible Use:

- High Quality Academic Programs
- Programs/Activities that Foster Supportive Learning Environments
- Programs that Promote Data-Informed Decision to Improve Educational Outcomes
- Programs that Provide Multitiered Supports
- Potential Funding to Pay Cyber School Tuition

Recipient School District **MUST** Approve 'OPT OUT' Resolution for 2025-26 Fiscal Year

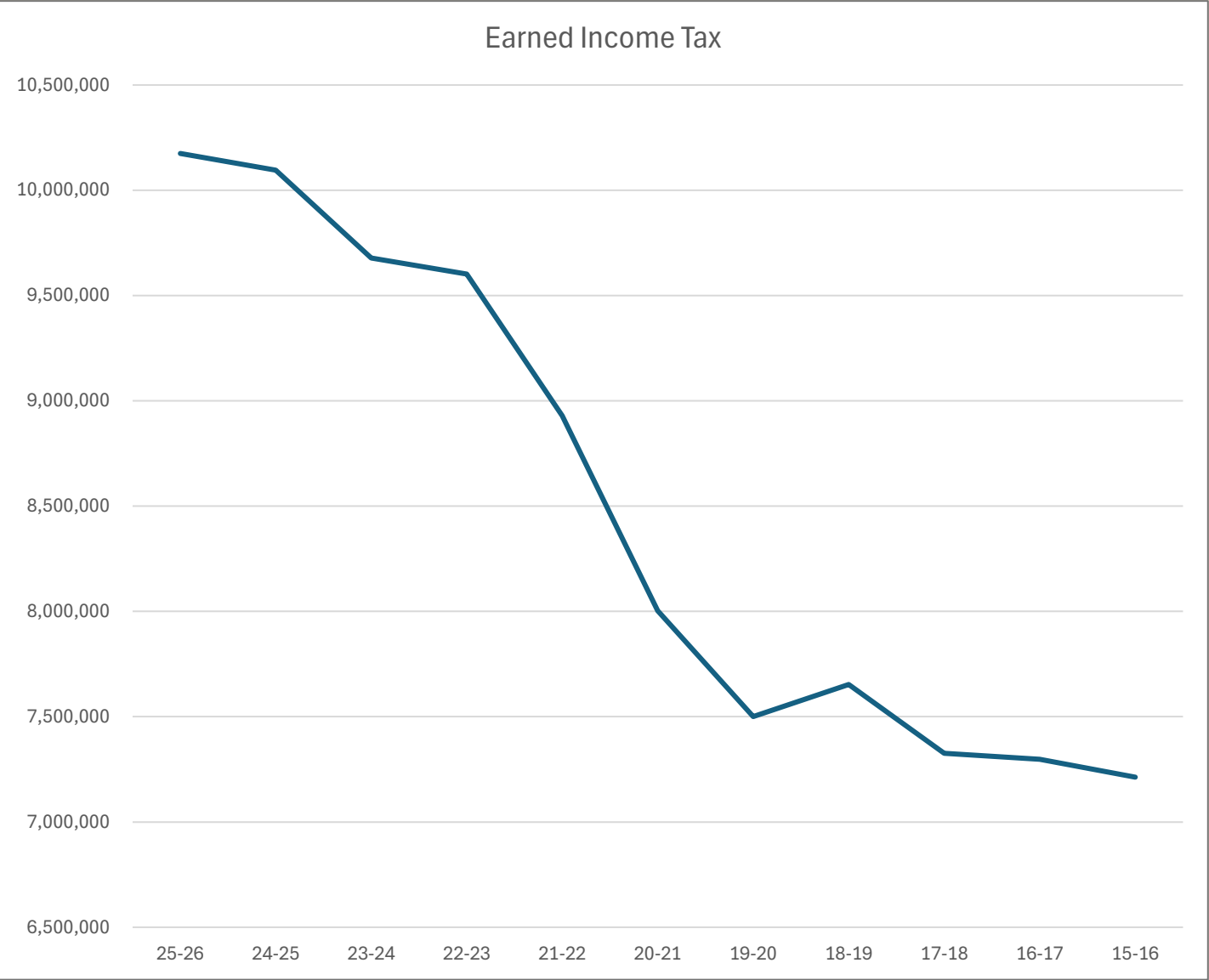
- Funds received 2025-26 contain subsequent year restriction

Solanco DID NOT receive Tax Equity funding – 50 recipients

Eligible Use:

- Mitigate or Prevent Millage Rate Increase
- Supplement Homestead/Farmstead Exclusion
- Establish, Maintain, Expand Senior Tax Rebates
- Replace Loss of Tax Revenue from Property Tax Assessment Appeal Court Decision
- Reduce Debt

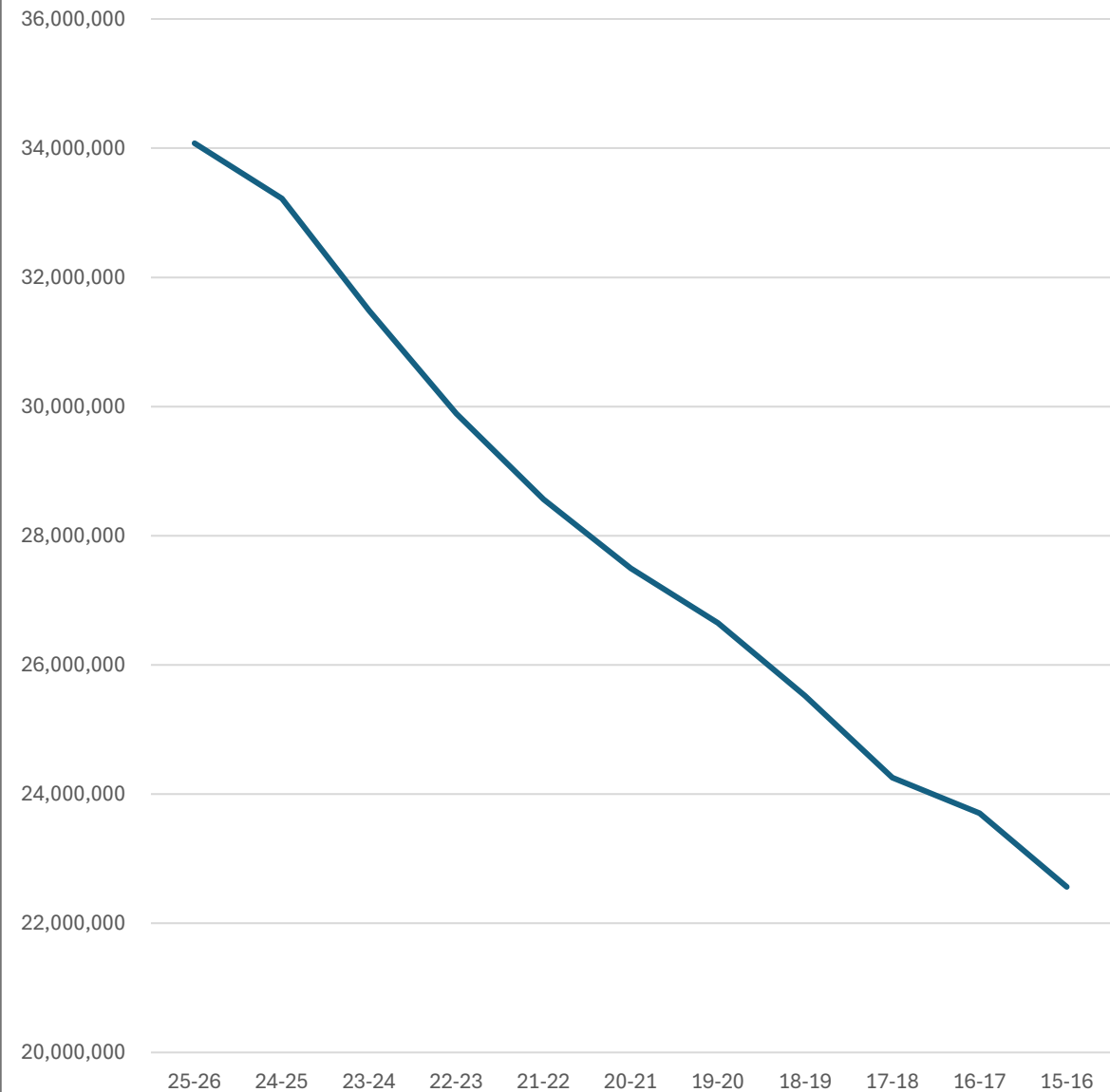
EARNED INCOME TAX



Fiscal Year	Earned Income Tax	Annual Change	Annual % Change
25-26	10,175,000	79,437	0.8% <i>Estimated</i>
24-25	10,095,563	417,416	4.3%
23-24	9,678,147	76,448	0.8%
22-23	9,601,699	672,173	7.5%
21-22	8,929,526	926,388	11.6%
20-21	8,003,138	503,047	6.7%
19-20	7,500,091	(152,684)	-2.0%
18-19	7,652,775	326,824	4.5%
17-18	7,325,951	28,036	0.4%
16-17	7,297,915	84,999	1.2%
15-16	7,212,916		

PROPERTY TAXES

Property Taxes (Current Real Estate, Interim, Delinquent Real Estate, Transfer)



Fiscal Year	Property Taxes	Annual \$ Change	Annual %	
25-26	34,076,601	854,423	2.6%	Estimated
24-25	33,222,178	1,736,606	5.5%	
23-24	31,485,572	1,594,267	5.3%	
22-23	29,891,305	1,325,254	4.6%	
21-22	28,566,051	1,072,572	3.9%	
20-21	27,493,479	843,255	3.2%	
19-20	26,650,224	1,129,424	4.4%	
18-19	25,520,800	1,264,737	5.2%	
17-18	24,256,063	551,741	2.3%	
16-17	23,704,322	1,141,092	5.1%	
15-16	22,563,230			

- 2026-2027 Act 1 Index – 3.5%
- Reduction of 0.5%
 - Proposed Preliminary Budget Millage Rate

2026-27 EXPENDITURE BUDGET

Payroll and Benefits

- SEA Agreement - Payroll per CBA
- Act 93 Personnel – Payroll per agreement
- Support Staff – Offer competitive salary & benefits

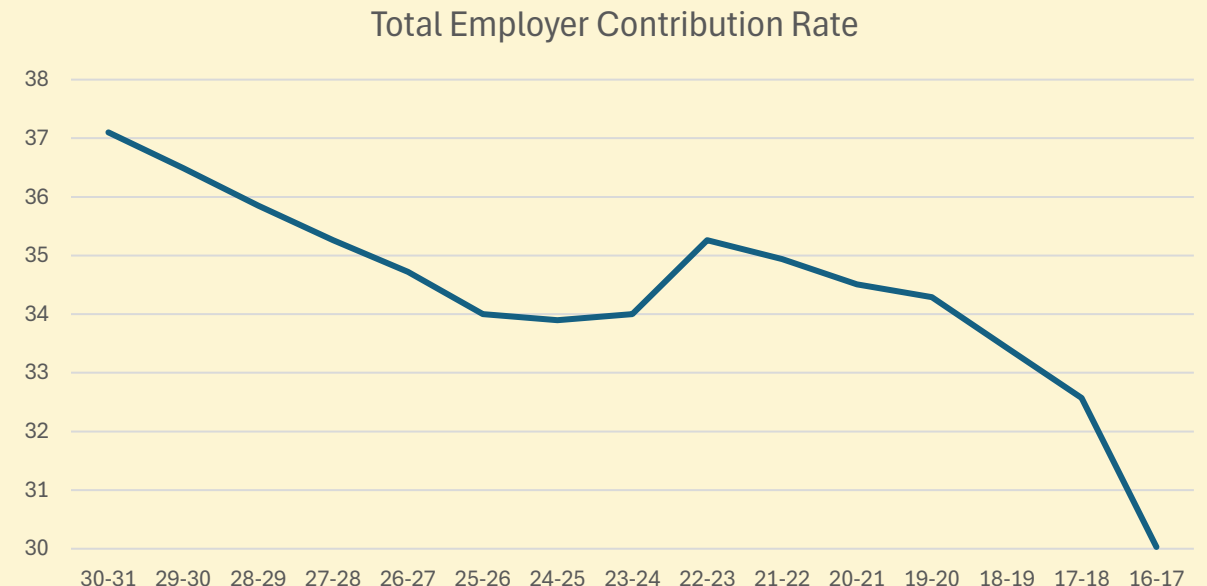
Fiscal Year Ending June	Total Employer Contribution Rate
30-31	37.10
29-30	36.49
28-29	35.85
27-28	35.26
26-27	34.72

Staff Professional Development / Tuition (column movement)

Contracted Personnel

Healthcare Costs – 1% Increase

Retirement – 34.0% to 34.72%



2026-27 EXPENDITURE BUDGET

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Technology Devices & System Controls – AI Impact

Charter School Tuition Reform

Utilities – Electric 20+% Increase

Transportation

HVAC & Water System Maintenance

Building Safety & Security Enhancements

Document Imaging

Ongoing Building Repairs



CURRENT FINANCIAL OVERVIEW

EXISTING DISTRICT FUNDS:

CAPITAL RESERVE FUND:
\$23,933,172

CONSTRUCTION FUND:
\$6,585,421

HOSPITALIZATION FUND:
\$4,404,271

UNEMPLOYMENT FUND:
\$265,876

GENERAL FUND COMMITMENTS:

FUTURE FACILITY REPAIR AND
IMPROVEMENT: \$3.5 MILLION

FUTURE FACILITY/TECHNOLOGY
SECURITY ENHANCEMENTS:

\$2 MILLION

FUTURE DEBT SERVICE:

\$1 MILLION

CURRENT OUTSTANDING DEBT (thru 4/1/2033): \$22,111,527

[Principal: \$18,864,500 and Interest: \$3,247,027]

QUESTIONS

