Souderton Area School District

A community where character counts SM

2026-27 Preliminary Budget

Finance Committee Meeting

January 14, 2026

School District Budget Math:
EXPENDITURES = REVENUES

LOCAL REVENUES

	2024-25 Actual $	2025-26 Final Budget	FY25 Collections thru Dec 2024	FY26 Collections thru Dec 2025	2026-27 Prelim. Budget
Total Local Revenue	*$116,849,079*	*$121,064,837*	*$106,338,825*	*$110,530,464*	*$130,224,302*
Current Real Estate Taxes	96,284,526	100,715,199	96,146,337	100,637,280	110,940,012*
Interim Real Estate Taxes	723,544	550,000	486,343	212,802	450,000
Public Utility Realty Taxes	96,502	95,000	96,502	0	95,000
Payments in Lieu	378,068	380,000	378,068	386,421	386,000
Per Capita Taxes	284,730	283,000	283,994	283,150	0
Earned Income Taxes	10,857,788	11,150,000	5,037,344	5,089,469	11,225,000
Real Estate Transfer Taxes	1,737,425	1,800,000	933,162	737,840	1,550,000
Delinquencies on Taxes Levied	761,069	869,000	163,322	298,872	850,000
Earnings on Investments	2,279,802	1,950,000	1,448,410	1,246,288	1,500,000

LOCAL REVENUES

	2024-25 Actual $	2025-26 Final Budget	FY25 Collections thru Dec 2024	FY26 Collections thru Dec 2025	2026-27 Prelim. Budget
Revenues from LEA Activities	510,745	581,501	370,968	352,432	562,100
Revenues from Pass-Through Funds	1,366,323	1,292,692	155,004	(82,309)	1,303,190
Rentals	96,403	140,000	34,898	32,897	105,000
Contributions & Donations	88,619	76,000	12,999	10,160	55,000
Tuition from Patrons	125,777	105,000	49,601	109,348	150,000
Services Provided	41,932	90,000	0	21,420	30,000
Revenue from Community Services Activities	661,262	635,445	558,241	681,901	674,000
Refunds and Other Miscellaneous Revenue	554,565	352,000	183,632	512,492	349,000

STATE REVENUES

	2024-25 Actual $	2025-26 Final Budget	FY25 Collections thru Dec 2024	FY26 Collections thru Dec 2025	2026-27 Prelim. Budget
Total State Revenue	*$37,450,290*	*$37,469,721*	*$14,113,559*	*$18,484,964*	*$37,799,772*
Basic Education Funding	12,342,703	12,483,873	5,207,442	5,271,741	12,518,011
CS Expenditure Subsidy	0	60,000	0	0	0
Tuition for Orphans Sub	45,878	150,000	0	0	50,000
Special Education Funding	4,245,506	4,264,593	1,831,776	1,908,543	4,241,213
Pupil Transportation Sub	2,278,479	1,836,000	475,266	683,544	1,836,000
Nonpublic and Charter School Pupil Transportation Subsidy	373,065	343,500	0	0	343,500
Rental and Sinking Fund Payments / Building Reimbursement Subsidy	769,072	49,905	723,701	47,227	49,950

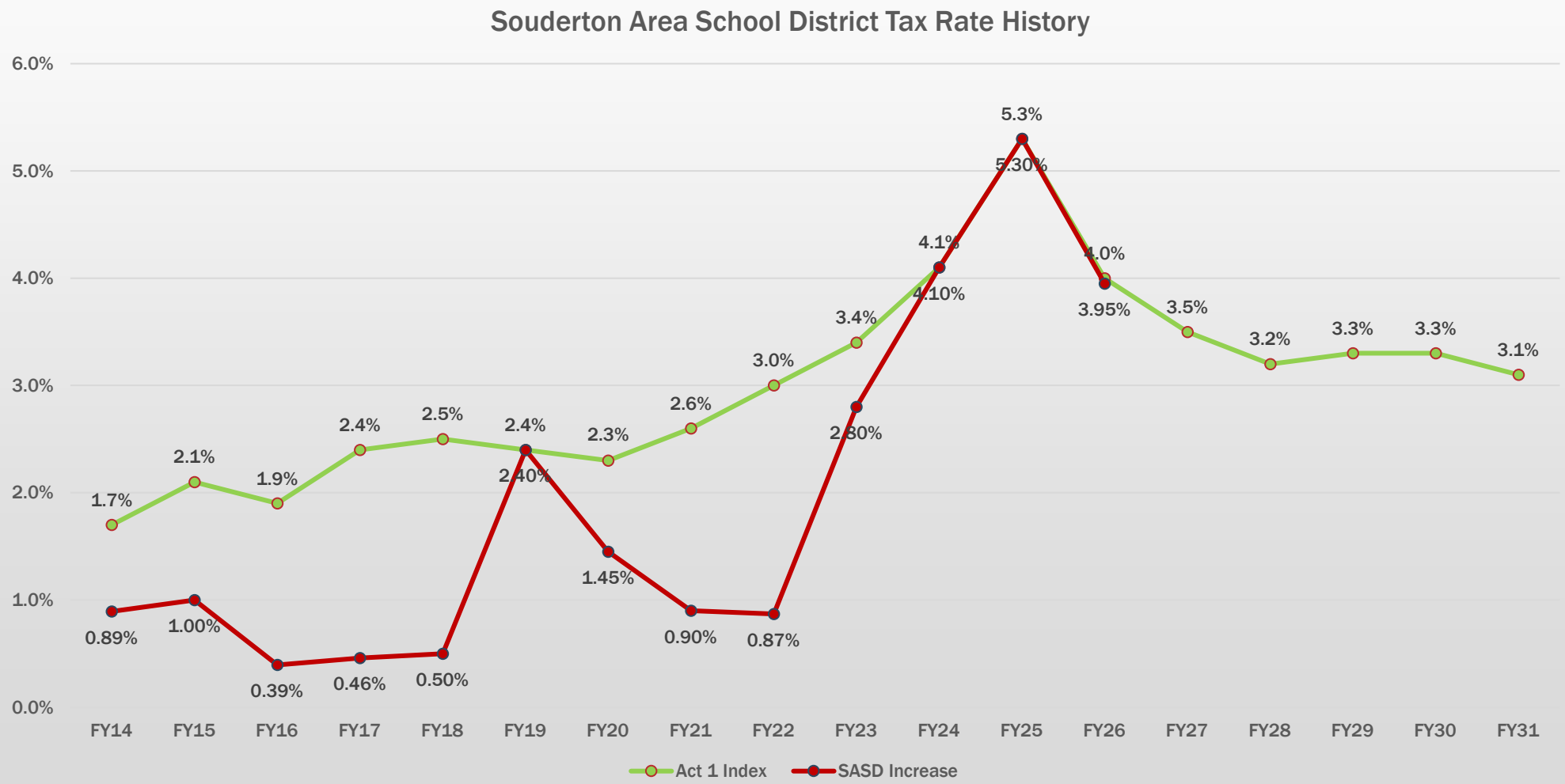
STATE REVENUES

	2024-25 Actual $	2025-26 Final Budget	FY25 Collections thru Dec 2024	FY26 Collections thru Dec 2025	2026-27 Prelim. Budget
Health Services (Medical, Dental, Nurse, Act 25)	0	134,000	119,503	117,898	130,000
State Property Tax Reduction Allocation	3,366,318	3,703,675	3,366,318	3,703,675	3,703,675
Ready to Learn Block Grant	0	524,477	0	0	574,477
State Share of Social Security and Medicare Taxes	2,195,496	2,560,058	328,072	1,097,017	2,646,936
State Share of Retirement Contributions	10,810,287	11,359,640	1,506,094	5,395,876	11,706,010

FEDERAL REVENUES

	2024-25 Actual $	2025-26 Final Budget	FY25 Collections thru Dec 2024	FY26 Collections thru Dec 2025	2026-27 Prelim. Budget
Total Federal Revenue	*$1,648,716*	*$1,215,200*	*$572,475*	*$73,396*	*$1,064,354*
8514 Title I	647,357	624,121	185,555	49,060	577,062
8515 Title II	118,540	124,569	19,391	9,380	127,055
8516 Title III	59,622	55,672	19,804	6,084	55,178
8517 Title IV	55,859	46,838	11,970	3,361	47,059
ESSER Funding	483,575	0	314,677	0	0
8810 School-Based Access Medicaid Reimbursement Program (SBAP)	250,000	359,000	0	0	250,000
8820 Medical Assistance Reimbursement	15,876	5,000	13,114	5,510	8,000

ACT 1 INDEX – 3.5% for 2026-27



Expenditures by Function (Instruction)

Major Expenditure Function	2024-25 Actual $	2025-26 Final Budget	2025-26 YTD	2026-27 Prelim. Budget
Total Expenditures - Instruction	*$97,588,254*	*$100,874,031*	*$43,049,873*	*$107,134,214*
Regular Programs	61,117,313	64,095,140	27,793,346	68,270,276
Special Programs	33,302,386	33,789,767	13,650,335	35,688,333
Vocational Education	1,858,252	1,755,000	983,678	1,855,500
Other Instructional Programs	1,166,945	1,098,051	559,697	1,181,143
Nonpublic School Programs	14,649	0	6,112	11,500
Adult Education Programs	128,709	136,073	56,704	127,462

* The Function describes the activities for which a service or material is acquired.

Expenditures by Function (Support Services)

Major Expenditure Function	2024-25 Actual $	2025-26 Final Budget	2025-26 YTD	2026-27 Prelim. Budget
Total Expenditures – Support Services	*$45,797,196*	*$47,011,594*	*$20,548,392*	*$48,299,366*
Support Services – Students	6,491,435	6,927,928	2,758,296	7,103,752
Support Services – Instructional Staff	5,177,898	5,435,539	2,158,890	5,694,847
Support Services – Administration	6,412,938	6,385,364	3,151,265	6,583,672
Support Services – Pupil Health	1,734,870	1,848,809	734,485	2,019,155
Support Services – Business	1,176,316	1,201,277	574,723	1,214,826
Operation And Maintenance Of Plant Services	11,733,869	11,962,307	5,356,996	12,269,750
Student Transportation Services	9,209,813	9,616,600	3,952,927	9,777,304
Support Services – Central	3,785,047	3,548,270	1,783,466	3,552,560
Other Support Services	75,011	82,500	77,345	83,500

* The Function describes the activities for which a service or material is acquired.

Expenditures by Function (Non-Instructional & Other Expenditures and Financing Uses)

Major Expenditure Function	2024-25 Actual $	2025-26 Final Budget	2025-26 YTD	2026-27 Prelim. Budget
Total Expenditures – Non-Instructional	*$2,282,219*	*$2,113,083*	*$1,039,610*	*$2,224,191*
Student Activities	2,247,684	2,080,583	1,039,610	2,184,691
Community Services	7,935	0	0	7,000
Scholarships and Awards	26,600	32,500	0	32,500
Major Expenditure Function	**2024-25 Actual $**	**2025-26 Final Budget**	**2025-26 YTD**	**2026-27 Prelim. Budget**
Total Expenditures – Other Expenditures	*$11,213,740*	*$9,785,734*	*$6,121,030*	*$11,430,790*
Debt Service / Other Expenditures and Financing Uses	11,213,740	8,235,734	6,060,009	10,680,790
Capital Reserve Transfer	0	800,000	0	0
Budgetary Reserve	0	750,000	0	750,000

* The Function describes the activities for which a service or material is acquired.

Expenditures by Object

Major Expenditure Object	2024-25 Actual $	2025-26 Final Budget	2025-26 YTD	2026-27 Prelim. Budget
Total Expenditures	*$157,020,257*	*$159,784,442*	*$71,314,468*	*$169,088,561*
Personnel Services - Salaries	64,584,740	66,986,083	25,150,684	70,007,231
Personnel Services - Benefits	40,345,100	41,111,956	19,319,211	43,788,485
Purchased Professional & Tech Services	7,470,643	7,776,680	2,475,990	7,626,891
Purchased Property Services	1,793,088	1,484,352	1,392,030	1,496,306
Other Purchased Services	23,491,340	23,293,545	11,461,843	24,908,218
Supplies	6,678,623	8,491,432	5,042,526	9,019,210
Property	1,204,252	543,668	276,313	484,000
Other Objects	2,980,044	5,375,706	2,385,870	7,511,492
Other Uses of Funds	8,472,426	4,721,020	3,810,000	4,246,728

* The Object Dimension is the service or commodity bought.

Special Education

Major Expenditure Object	2024-25 Actual $	2025-26 Final Budget	2025-26 YTD	2026-27 Prelim. Budget
Total Expenditures	*$33,302,386*	*$33,789,767*	*$13,650,335*	*$35,688,333*
Personnel Services - Salaries	13,575,710	13,890,321	5,120,632	14,657,531
Personnel Services - Benefits	7,887,549	7,959,234	3,738,587	8,812,751
Purchased Professional & Tech Services	4,643,211	5,160,881	1,341,032	4,797,500
Purchased Property Services	0	0	439	0
Other Purchased Services	6,983,381	6,527,276	3,289,173	7,177,031
Supplies	197,140	238,205	155,197	229,570
Property	0	0	0	0
Other Objects	12,396	13,850	5,275	13,950
Other Uses of Funds	0	0	0	0

* The Object Dimension is the service or commodity bought.

Benefits

Major Expenditure Object	2024-25 Actual $	2025-26 Final Budget	2025-26 YTD	2026-27 Prelim. Budget
Total Benefits Expenditures	*$40,345,100*	*$41,111,956*	*$19,319,211*	*$43,788,485*
Group Insurance – Contracted Provider	130,435	123,701	74,104	118,171
Social Security Contributions	4,728,211	5,120,116	1,833,465	5,293,872
PSERS Retirement Contributions	21,691,180	22,719,281	8,418,137	23,412,019
Tuition Reimbursement	219,974	230,000	43,923	230,000
Unemployment Compensation	9,294	18,352	1,158	11,205
Workers' Compensation	153,344	169,058	146,249	181,375
Group Insurance – Self Insurance	13,286,476	12,600,148	8,722,061	14,411,173
Other Current Employee Benefits	126,187	131,300	80,114	130,670

* The Object Dimension is the service or commodity bought.

FUTURE CONSIDERATIONS - REVENUES

- Monitor local revenues sources
  - Real estate tax collection %
  - Earned income and transfer taxes have not dropped off to date
  - Continue to look for allowable investments to maximize interest earnings
- Future state/federal funds
  - State Budget Proposal
  - Federal Programs Allocations
  - Tax Assessment Adjustments

FUTURE CONSIDERATIONS - EXPENDITURES

- Review positions and factoring of retirements
- Medical benefit trends
- Charter school costs – cyber enrollment changes
- Special education costs and individual student needs
- Five Year Forecast and Trend Analysis

Debt Service Local Effort & Future Capital Improvements

5 Year Actual's

- 2019-20 - $9,637,994
- 2020-21 - $9,307,856
- 2021-22 - $10,002,537
- 2022-23 - $11,317,475
- 2023-24 - $11,945,428
- 2024-25 - $11,038,987

5 Year Forecast

- 2025-26 - $8,235,734*
- 2026-27 - $10,196,643*
- 2027-28 - $10,481,085*
- 2028-29 - $10,481,424*
- 2029-30 - $10,482,329*
- Debt Service remains around $10.2M through 2047-48*

* Current Amortization, Budget Forecast is $10.8M Annually

2026-27 BUDGET OVERVIEW

	2024-25 Actual	2025-26 Prelim. Budget *	2025-26 Final Budget	2026-27 Prelim. Budget *
Revenues	$156,176,452	$158,397,088	$159,785,442	$169,088,428
Expenditures	157,020,257	164,166,755	159,784,442	169,088,561
Surplus(Deficit)	(843,805)	(5,769,667)	1,000	(133)**

	Millage Increase 2.0%	Millage Increase 2.5%	Millage Increase 3.0%	Millage Increase 3.5%
Total Revenues	$161,060,923	$161,582,934	$162,104,947	$162,627,251
Expenditures	169,088,561	169,088,561	169,088,561	169,088,561
Surplus(Deficit)	(8,027,638)	(7,505,627)	(6,983,614)	(6,461,310)

* As of 1/1/2026 Assessments, assumes 97% collection and flat homestead/farmstead allocation
** Exceeds Act 1 Index, Requires Approval of Referendum Exceptions

2026-27 Budget Calendar

Date	Event	Description
1/2/2026	Public Display of Preliminary Budget	Online & District Office
1/14/2026	Finance Committee Meeting	Preliminary Budget Presentation
1/22/2026	Board Meeting	Approve Preliminary Budget - N/A if Opt Out
2/11/2026	Finance Committee Meeting	Budget Update
3/11/2026	Finance Committee Meeting	Budget Update
4/15/2026	Finance Committee Meeting	Present Proposed Final Budget
4/30/2026	Board Meeting	Approve Proposed Final Budget
5/13/2026	Finance Committee Meeting	Budget Update
6/10/2026	Finance Committee Meeting	Present Final Budget
6/18/2026	Board Meeting	Approve Final Budget

2026-27 Act 1 Index – 3.5%

Administration recommends the adoption of a Preliminary Budget at the January Board Meeting