

For the Betterment of Our Children!



CHESTER UPLAND SCHOOL DISTRICT

2025-2026 Final Proposed Budget Presentation

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Business Administrator
May 22, 2025



- Progress
- Challenges
- Millage Rates
- Revenue Components
- State Budget
- Expense Components
- Summary

Moving in a Right Direction

THEN

- 2017-2021 BUDGET DEFICIT
- 2021 DELINQUENT (NO PAYMENTS) ON RECOVERY LOAN
- CHARTER SCHOOL REDIRECTION NEARLY EVERY BI-MONTHLY SUBSIDY
- 2022 OVER 4M YEAR END OUTSTANDING PAYABLES/180+ DAYS
- 2021 ENROLLMENT 2,754
- 2020 SUPPORT SERVICES 30M
- 2020 FACILITIES INVESTMENT 400TH
- 2021 TAX RATES: CITY 15.22 / BOROUGH & TOWNSHIP 15.73

NOW

- 2021-2025 BALANCE/SURPLUS BUDGET
- 2025 CURRENT ON RECOVERY TRANSITIONAL LOAN
- 2023-2025 AVERAGE ONE CHARTER SCHOOL REDIRECTION PER YEAR
- 2025 LESS THAN 1.5M YEAR END OUTSTANDING PAYABLES/< 60 DAYS OLD
- 2025 ENROLLMENT 3,200
- 2024 SUPPORT SERVICES 40M
- 2024 FACILITIES INVESTMENT 7.9M
- 2021 TAX RATES: CITY 14.37 / BOROUGH & TOWNSHIP 13.08

2025 Budget Challenges

- **ESSER DOLLARS**

- Curriculum
- Technology
- Support Services
- Capital Improvements
- Staff Retention Bonuses

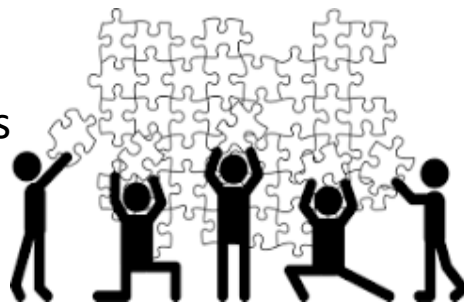
- **INCREASING COSTS**

- Electricity
- Natural Gas
- Other Utilities
- Supplies

- **7% INCREASE (4M) IN HEALTH BENEFITS**

- **15% INCREASE IN INSURANCE COSTS**

- **RECOVERY PLAN COMPLIANCE**



- **CHARTER SCHOOLS COST AND LITIGATION**

- **TIMING OF STATE AND FEDERAL FUNDING (80%)**

- PA State budget not passed until 6/30 and CUSD final budget due 6/30
- Federal Grants funding not finalized until after the budget
- **Volatility** of Federal Grants

- **CROZER MEDICAL CENTER**

- **PENDING CONTRACT NEGOTIATIONS**

- **PENDING LITIGATIONS FOR EIT**

- **COLLECTION RATIO 86%**

Millage Rate Factors

- Act 1 Index rate of increase – 6.3%
- Projected Revenue Need
- Assessment Values
- Market Values
- Homestead Exemption
- Collection Rate
- Weighted allocation per tax entity

Funding Needs

- \$2.2 million loss of revenue with the closure of Crozer Health
- Funds needed to support CUSD priorities
 - Teachers' contract
 - Building investments

Proposed 2025-2026 Millage Rates



Executive Summary	Budget
Projected Revenues Before Tax Increase	\$ 171,674,137
Projected Expenditures	\$ 174,442,588
Deficit before adjusting for collection rate	\$ (2,768,451)
Collection Rate (\$1 billed /collect .86 cents)	
Deficit Adjusted for Collection Rate	\$ (3,156,034)

Description	Chester City	Borough & Township	Balance
% of Deficit	65%	35%	
Deficit Dollars	\$2,062,775	\$1,093,259	\$3,156,034
24/25 Assessment Value	1,020,732,023	540,982,094	
Current Tax Rate	14.3700	13.0800	
Tax Rate to Cover Deficit	16.3909	15.1009	
Act 1 Index Maximum Rate	15.2753	14.2862	
Act 1 Index Maximum % increase	6.3%	6.3%	
Maxium Additional Revenue	\$924,068.70	\$652,532.60	\$1,576,601
Remaining Budget Deficit			\$1,579,433
% Increase to cover Deficit	14.1%	15.5%	

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Proposed 2025-2026 Millage Rates



Tax Entity	Chester City	Chester Township	Chester Upland
24/25 Millage Rate - Current	14.3700	13.0800	13.0800
25/26 Millage Rate - Next Year	15.2753	14.2862	14.2862
Increase	0.9053	1.2062	1.2062
% Increase (Act1 Index Maximum)	6.3%	6.3%	6.3%
Home Assessment Value	\$125,000	\$125,000	\$125,000
25/26 Annual Tax Amount	\$1,909.41	\$1,785.78	\$1,785.78
24/25 Annual Tax Amount	\$1,796.25	\$1,635.00	\$1,635.00
Annual Tax Increase	\$113.16	\$150.78	\$150.78

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State Budget



- Governor Shapiro has proposed a budget that would substantially increase funds for CUSD and other school districts
- The Commonwealth's subsidies will provide critical resources for CUSD
- Timing will be another important point as the legislature negotiates

	2024-25	2025-26	Increase
State Funding	Estimated	Proposed	
Basic Education Funding	\$106,807,572	\$107,552,413	\$744,842
Special Education Funding	\$7,899,656	\$8,035,559	\$135,902
Ready to Learn Block Grant Foundation	\$1,421,091	\$7,009,152	\$5,588,061
Adequacy Supplement	\$5,586,760	\$5,588,198	\$1,438
Cyber Charter School Reimbursement	\$1,258,670	\$0	(\$1,258,670)
Total	\$122,973,749	\$128,185,323	\$5,211,574

FINAL PROPOSED BUDGET 2025-26

3 MAJOR REVENUE SOURCES

Local \$22,231,193

- Current and Delinquent Real Estate Property Taxes
- Earned (Wage) Income Tax
- Transfer of Property Tax
- Other (Rebates, Reimbursements, miscellaneous)

State \$142,851,741

- Basic and Special Education Funding
- Reimbursements – medical, transportation, retirement, SNAP, IDEA)
- State Grants: Pre-K, Career, Ready to Learn, and Technology (CTE)

Federal \$7,780,221

- Grants
 - Title I
 - Title II
 - Title III
 - Title IV
 - DOJ Grant
- Reimbursements

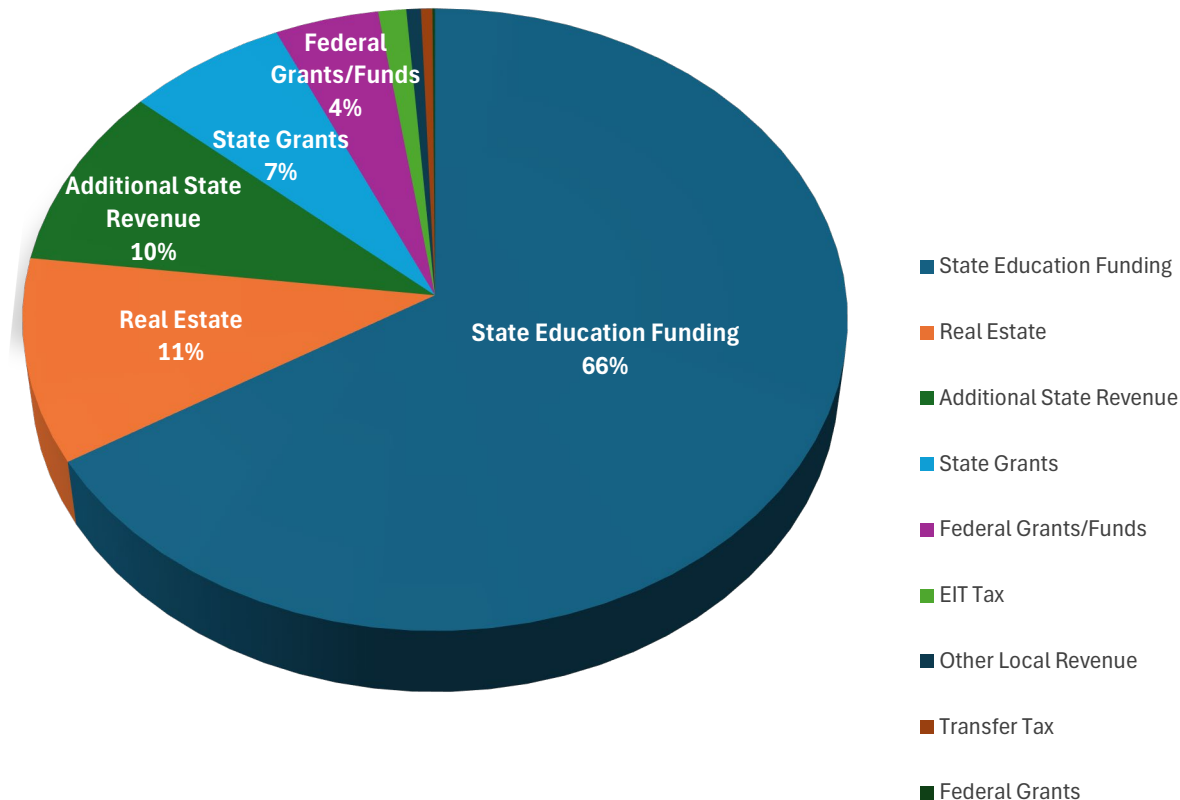
2025-2026 Revenue Components \$172,863,155



Revenue Components	Totals
State Education Funding	\$ 114,707,287
Real Estate	\$ 18,290,848
Additional State Revenue	\$ 16,419,631
State Grants	\$ 11,724,823
Federal Grants/Funds	\$ 7,595,008
EIT Tax	\$ 2,047,156
Other Local Revenue	\$ 1,058,189
Transfer Tax	\$ 835,000
Federal Grants	\$ 185,213

Total Revenue \$ **172,863,155**

2025-2026 Revenue Components



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TITLE I, II, III and IV

- **TITLE I - Improving Basic Programs**
 - Teacher's Salaries, Curriculum and Parent Engagement
- **TITLE II - Supporting Effective Instruction**
 - Recruitment and Retention of Staff – Professional Development
- **TITLE III - Language Instruction for English learners**
 - EL Teacher's professional development
 - Supplemental Translation Service
- **TITLE IV - Student Support and Academic Enrichment**
 - Music & Arts program
 - Elementary Schools Physical Education
 - Career Readiness

BUDGET 2025-2026

MAJOR EXPENDITURES

Charter Schools \$73,405,393

- **Brick and Mortar (B&M)**
 - 3,319 Students
- **Cyber**
 - 439 Students

Personnel \$52,480,901

- **Salaries**
- **Benefits** (includes retirement, medical, RX, life, dental, worker's comp, unemployment and FICA)

Debt and Obligations \$10,917,171

- **Obligations**
- **Long-term Debt**
 - **Bonds**
 - Principal
 - Interest
 - **Loan PDE**

BUDGET 2025-2026 MAJOR EXPENDITURES

Transportation \$7,597,700

- Continued costs of providing service

Student Support \$20,721,802

- Out of District Placement
- Nursing Services
- Special Programs
- Lincoln Center (Camelot)
- Medical Services
- Emotional Support Professional Services
- Art Therapy

Other \$9,319,621

- Utilities
- General Supplies
- Curriculum
- Maintenance and Operations for Buildings, Equipment and Vehicles
- Professional Development
- Legal & Accounting Services

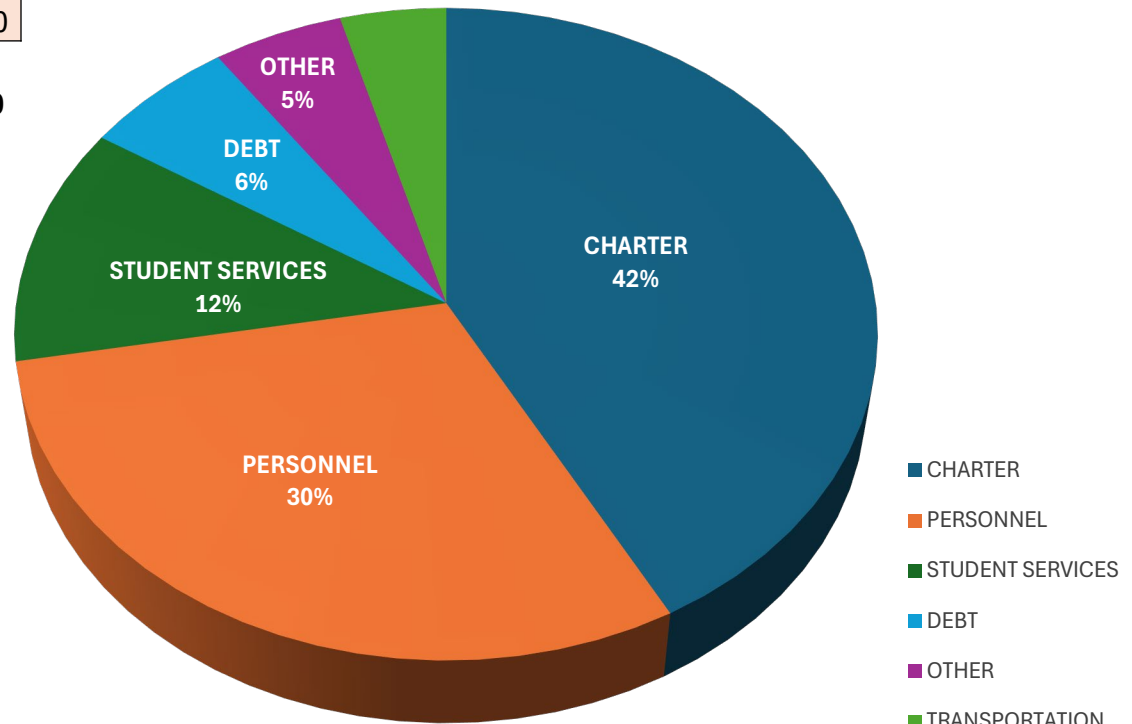
Expenditures \$174,442,588



Expenditures	Totals
CHARTER	\$ 73,405,393.00
PERSONNEL	\$ 52,480,901.00
STUDENT SERVICES	\$ 20,721,802.00
DEBT	\$ 10,917,171.00
OTHER	\$ 9,319,621.00
TRANSPORTATION	\$ 7,597,700.00

Total Expenditures **\$ 174,442,588.00**

2025-2026 Expenditures



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2025-2026 Major Expenditures Variances



EXPENDITURES	2024/2025 BUDGET	2025/2026 BUDGET	INCREASE / DECREASE	% CHANGE
CHARTER	\$ 63,500,000.00	\$ 73,405,393.00	\$ 9,905,393.00	16%
PASS DUE OBLIGATIONS	\$ 2,391,677.00		\$ (2,391,677.00)	-100%
DEBT	\$ 14,754,913.00	\$ 10,917,171.00	\$ (3,837,742.00)	-26%
OTHER	\$ 12,874,448.00	\$ 9,319,621.00	\$ (3,554,827.00)	-28%
TRANSPORTATION	\$ 10,812,585.00	\$ 7,597,700.00	\$ (3,214,885.00)	-30%

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CUSD 2025-2026 FINAL PROPOSED BUDGET



AT A GLANCE

2025-2026 REVENUE BUDGET

Revenue Components	2025/2026 BUDGET	% OF BUDGET
State Education Funding	\$ 114,707,287	66.36%
Real Estate	\$ 18,290,848	10.58%
Additional State Revenue	\$ 16,419,631	9.50%
State Grants	\$ 11,724,823	6.78%
Federal Grants/Funds	\$ 7,595,008	4.39%
EIT Tax	\$ 2,047,156	1.18%
Other Local Revenue	\$ 1,058,189	0.61%
Transfer Tax	\$ 835,000	0.48%
Federal Grants	\$ 185,213	0.11%

2025-2026 EXPENDITURE BUDGET

EXPENDITURES	2025/2026 BUDGET	% OF BUDGET
Charter Schools	\$ 73,405,393	42.08%
Personnel	\$ 52,480,901	30.08%
Student Services	\$ 20,721,802	11.88%
Debt	\$ 10,917,171	6.26%
Other	\$ 9,319,621	5.34%
Transportation	\$ 7,597,700	4.36%

Total Revenue \$ 172,863,155

Total Expenditures \$ 174,442,588

Deficit of (\$1,579,433)

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**ANY
QUESTIONS
COMMENTS
or CONCERNS?**



CUSD 2025-2026 FINAL PROPOSED BUDGET



THANK YOU!

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