



WEST SHORE
SCHOOL DISTRICT

2025-2026 Budget Projections

Presented April 10, 2025





Summary of Budget Revisions

Revenues		Difference
December 12, 2024	\$158,776,855	(\$9,817,348)
March 2025	\$158,776,855	(\$6,756,808)
Basic Ed Subsidy	\$198,252	
Special Ed Subsidy	\$255,607	
RTL Block Grant	\$731,148	
April 2025	\$159,961,862	(\$7,095,113)
Transportation Terminal Rent	\$90,000	
SS & PSERS Update	(\$271,909)	
\$159,779,953		(\$7,095,113)

Expenditures	
December 12, 2024	\$168,594,203
February & March 2025	\$168,594,203
Safety Budget Reductions	(\$755,500)
Build Improve to Cap Res	(\$735,610)
Misc Reductions	(\$343,183)
Curriculum Reductions	(\$15,200)
Maint/Facilities Reductions	(\$26,040)
April 2025	\$166,718,670
HMH Reading Materials	(\$295,285)
Transportation Contract	\$800,000
Allen Bond Borrowing	\$500,000
Worker's Comp Insurance	\$70,000
Special Ed Reductions	(\$433,906)
Staffing Update	(\$484,413)
\$166,875,066	



Zero Tax Increase

Budget gap = \$7,095,113

- To close the \$7M budget gap with zero tax increase:
 - Significant impact to District students and their academic futures:
 - Fewer course and program options
 - Larger class sizes
 - Decreased academic and behavioral support for students
 - Reduced supports for students' mental health
 - Significant impact to the District's long-term financial health:
 - Compounding effect of the loss of real estate revenue
 - Potential impact to the District's credit rating for future borrowing
 - Depletion of cash reserves
 - Inability to recover lost revenue and/or cash reserves



Programs Eliminated - Never Returned



Middle School World Language



Secondary Level
Family Consumer Science



Whitetail Environmental Center (WEC)



Program & Staff Considerations

* Zero Tax Increase

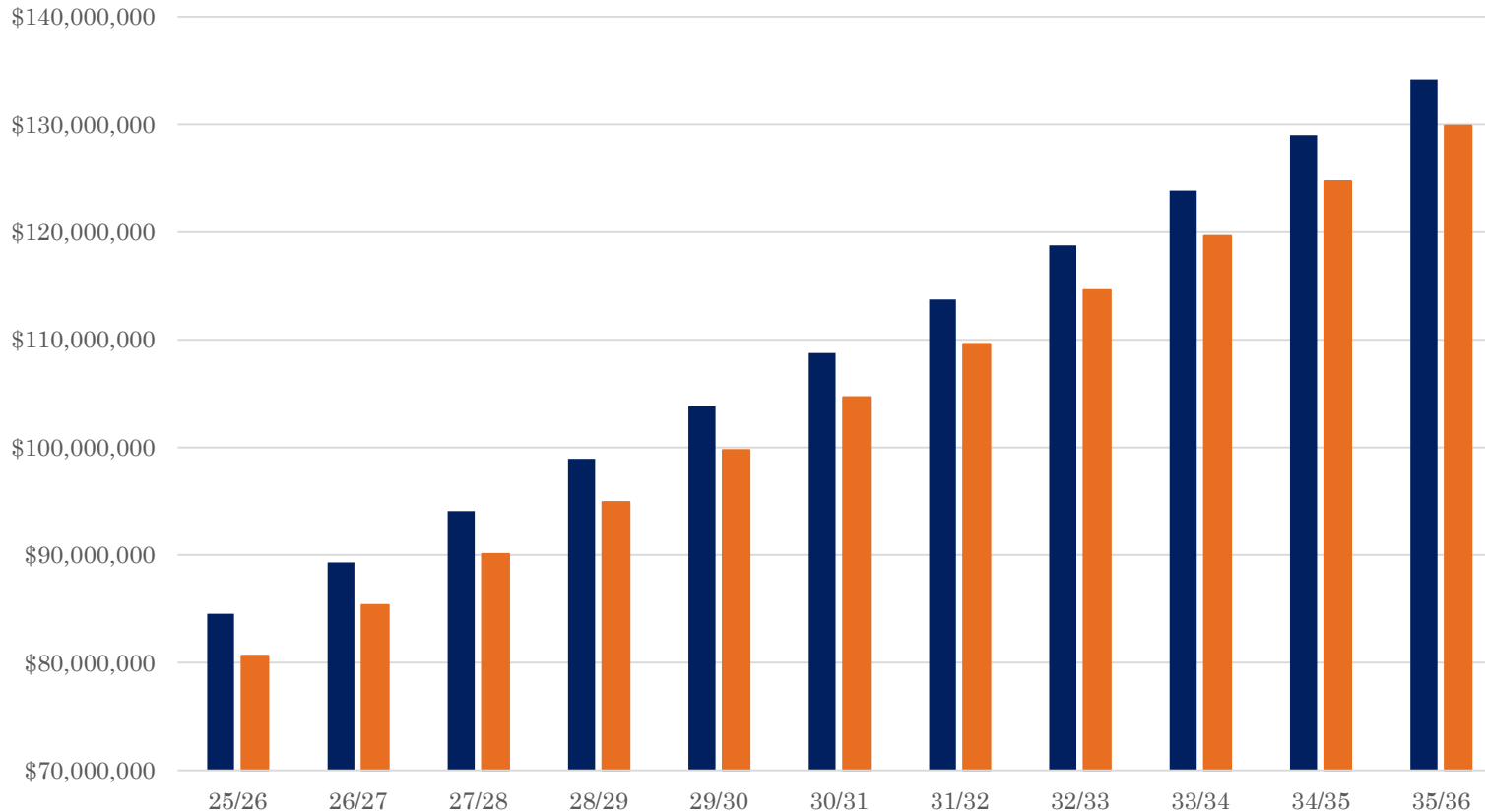
With a **zero tax increase** we would first consider non-required programming and staffing which could include:

- Student/Staff Supports
 - Reduce Work Calendars for support staff
 - School Resource Officers
 - School Security Guards
 - Dental Hygienist
 - Social Workers
 - School Counselors
 - School Psychologists
 - Behavior Specialists
 - West Shore Restore
 - West Shore Academy Program
 - Tech Instructional Advisors
 - Employee Assistance Program
 - Literacy Specialists
 - Math Coaches
 - Special Ed Instructional Advisors
- Academic Programming/Staffing
 - Music Program K-12
 - Art Program K-12
 - Library K-12
 - Kindergarten Acceleration Program (KAP)
 - BCIT (Business/Computer) Program
 - Tech Ed
 - ExCEL
 - JROTC Program
- Extra Curricular
 - Athletics 7-12
 - Math 24/Academic Bowl
 - FBLA
 - Theatre/Drama Program
 - Marching Band/Ensembles



Compounding Effect of Lost Real Estate Tax Revenue

* Zero Tax Increase



Not raising taxes to the index for 25/26 has compounding effect – loss of approx. \$45.1M over next 10 years.

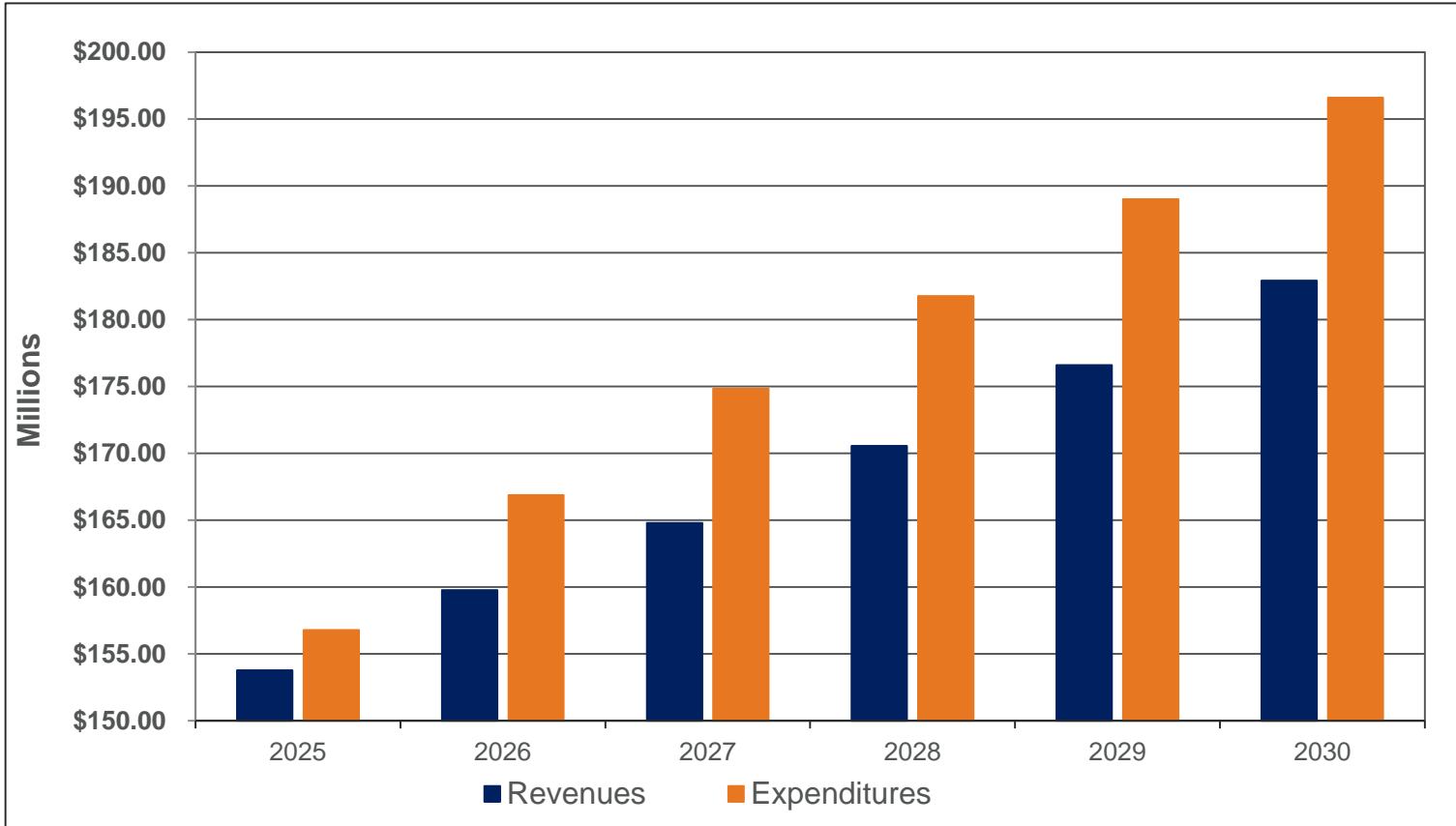
■ Taxes to index every year
■ Taxes to index years 26/27 through 35/36



A Growing Gap Between Revenues & Expenditures

* Zero Tax Increase

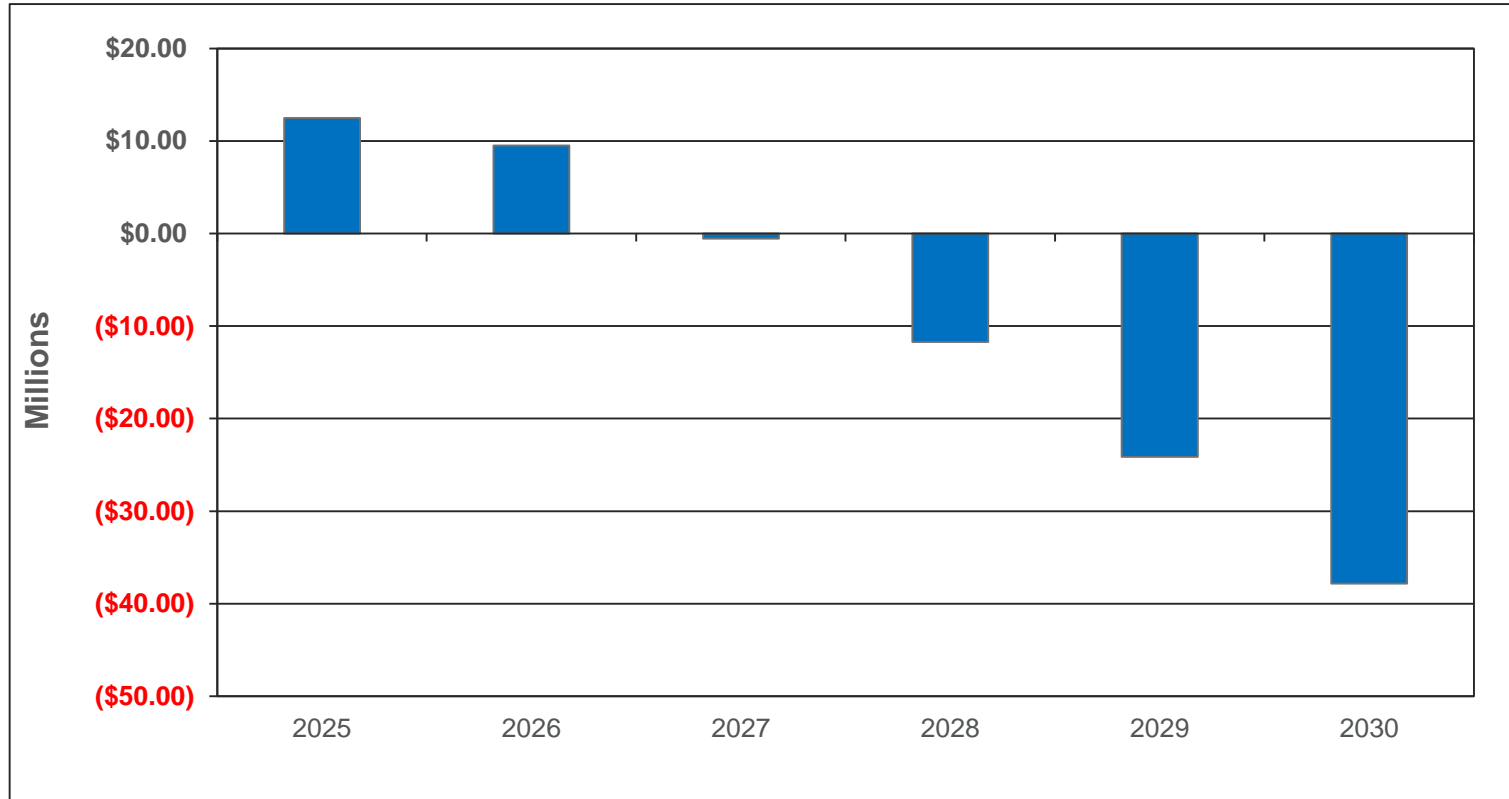
Revenue cannot keep up with the growth of the expenditures – the gap continues to widen over time.





Depletion of Reserves

* Zero Tax Increase



If the gap between revenue & expenditures cannot be closed, eventually the District will run out of reserves.



Zero Tax Increase Millage Rate Projections

County	2025-2026 Revenue Neutral	2024-2025 Rebalanced Mill Rate	Millage Increase	Percent Increase	Tax on \$100,000 Property	Inc. on \$100,000 Property	Tax on \$175,000 Property	Inc. on \$175,000 Property
Cumberland	14.3087	14.3078	0.0000009	0.01%	\$1,431	\$0.09	\$2,504	\$0.16
York	17.3725	17.3722	0.0000003	0.01%	\$1,737	\$0.03	\$3,040	\$0.05
					Tax on \$350,000 Property	Inc. on \$350,000 Property	Tax on \$500,000 Property	Inc. on \$500,000 Property
					\$5,008	\$0.32	\$7,154	\$0.45
					\$6,080	\$0.11	\$8,686	\$0.15

* Change in 25/26 Mill Rates are due to rebalancing and to maintain current real estate tax revenue



Zero Tax Increase Conclusions

Budget gap = \$7,095,113

- Reduce Expenditures
 - Cut Programs & Staff
- Use of Fund Balance
 - Reduces fund balance reserves
 - Creates Budget Gap for 26/27 Budget Year
- Increase Revenues

Due to the educational, organizational, and financial consequences, the Administration does not recommend this option.



Tax Increase to Full Index

Budget gap = \$7,095,113

- To close the \$7M budget gap with full tax increase (4.8%):
 - Raise real estate taxes to the index
 - Increases annual revenue by approx. \$3.9M
 - Options to close the remaining gap \$3.2M could include a combination of:
 - Use of Fund Balance
 - Reduces Fund Balance Reserves
 - Creates Budget Gap for 26/27 Budget Year
 - Reduced Expenses (Equipment, Resource Materials, Programs, and Staff)
 - Increased Revenues



Tax Increase to Full Index - Millage Rate Increase

County	2025-2026 Mill Rate	2024-2025 Rebalanced Mill Rate	Millage Increase	Percent Increase	Tax on \$100,000 Property	Inc. on \$100,000 Property	Tax on \$175,000 Property	Inc. on \$175,000 Property
Cumberland	14.993	14.3078	0.6852	4.79%	\$1,499	\$68.52	\$2,624	\$119.91
York	18.2034	17.3722	0.8312	4.79%	\$1,820	\$83.12	\$3,186	\$145.46
					Tax on \$350,000 Property	Inc. on \$350,000 Property	Tax on \$500,000 Property	Inc. on \$500,000 Property
					\$5,248	\$239.82	\$7,497	\$342.60
					\$6,371	\$290.92	\$9,102	\$415.60



Tax Increase to 2/3 Index

Budget gap = \$7,095,113

- To close the \$7M budget gap with an increase less than full index, the Administration has considered a two-third tax increase:
 - Raise real estate taxes to approximately 2/3 of index
 - Increases annual revenue by approx. \$2.6M
 - Options to close the remaining gap \$4.5M could include a combination of:
 - Use of fund balance reserves (up to \$3.1M)
 - Creates Budget Gap for 26/27 Budget Year
 - Reduce expenditures (up to \$1.4M)

• Defer Equipment Purchases	\$284,161
• Move Expenses to Cap Res	\$150,000
• Defer/Cancel Resources	\$234,216
• Staff Reduction Through Attrition	\$739,855

1 Nurse
1 Reading Specialist
2 Maintenance

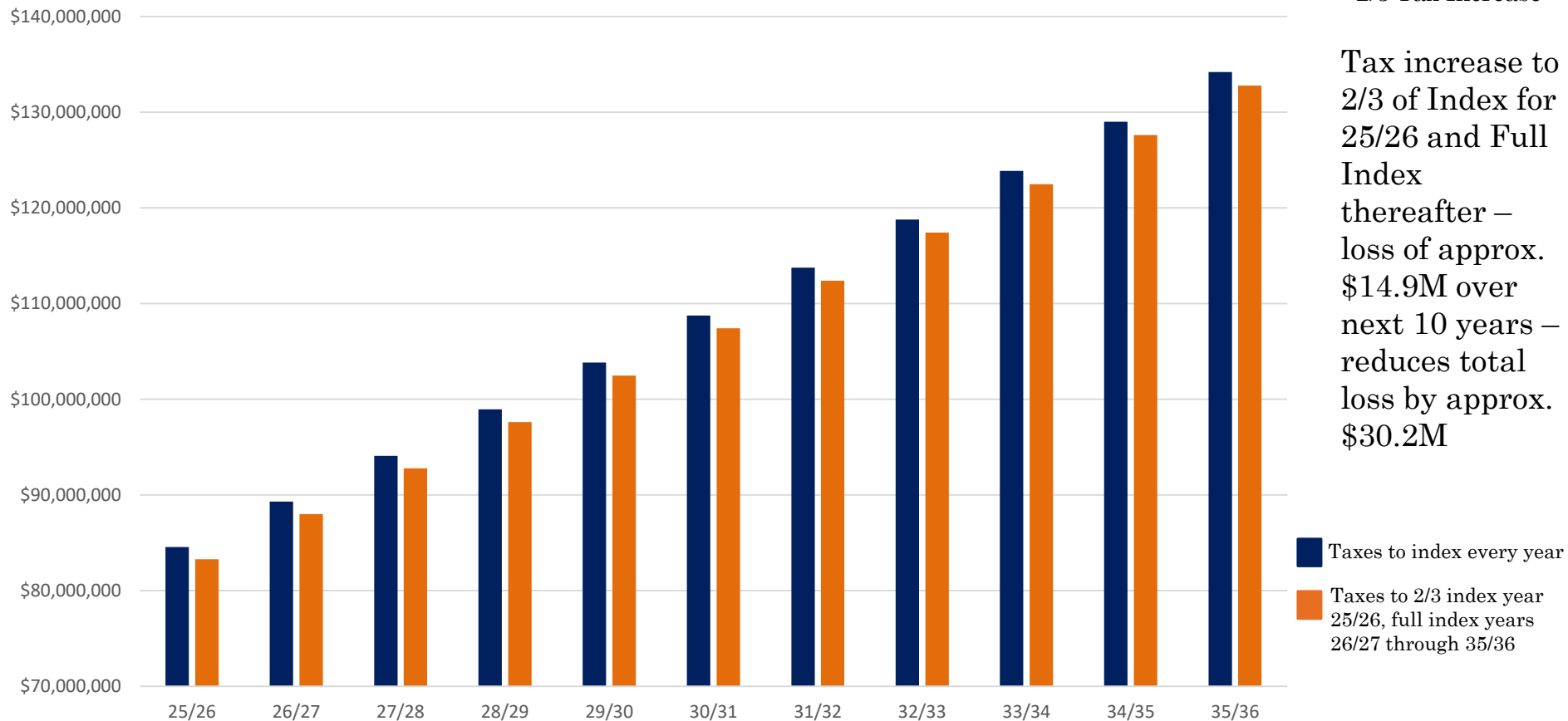
1 Kindergarten
1 4th Grade @ Fishing Creek
4 Aides (Secondary Level)



Compounding Effect of Lost Real Estate Tax Revenue

* 2/3 Tax Increase

Tax increase to 2/3 of Index for 25/26 and Full Index thereafter – loss of approx. \$14.9M over next 10 years – reduces total loss by approx. \$30.2M





Tax Increase to 2/3 Index - Millage Rate Increase

County	2025-2026 Mill Rate	2024-2025 Rebalanced Mill Rate	Millage Increase	Percent Increase	Tax on \$100,000 Property	Inc. on \$100,000 Property	Tax on \$175,000 Property	Inc. on \$175,000 Property
Cumberland	14.7661	14.3078	0.4583	3.21%	\$1,477	\$45.83	\$2,584	\$80.20
York	17.9278	17.3722	0.5556	3.20%	\$1,793	\$55.56	\$3,137	\$97.23
					Tax on \$350,000 Property	Inc. on \$350,000 Property	Tax on \$500,000 Property	Inc. on \$500,000 Property
					\$5,168	\$160.41	\$7,383	\$229.15
					\$6,275	\$194.46	\$8,964	\$277.80



Tax Increase to 2/3 Index - Projections

2025-2026 Expenditures

Preliminary Expenses	\$165,466,834
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2025-2026 Revenues

Preliminary Revenues	\$162,393,232
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Preliminary Proposed Deficit	\$3,073,602
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2024-2025 Capital Reserve Fund

Balance as of June 30, 2024	\$24,667,915
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2024-2025 Est. Expenditures	(\$3,081,225)
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Transfer from General Fund	\$2,000,000
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June 30, 2025 Estimated Balance Based on Current Info.	\$23,586,690
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2024-2025 General Fund

Balance as of June 30, 2024	\$23,812,671
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2024-2025 Budget Deficit	(\$3,009,922)
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2024-2025 Additional State Revenue	\$3,434,456
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Transfer to Capital Reserve	(\$2,000,000)
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Non-spend, Committed, Assigned	(\$9,738,236)
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June 30, 2025 Estimated Balance Based on Current Info.	\$12,498,969
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Pending Budgetary Factors

- Fuel Bid (bid opening April 30th)
- State Budget
- Assessed Values
- Future Staffing Needs
- Student Enrollment
- Federal Funding
- Inflationary Costs

* These factors are largely beyond the District's control and can impact the budget.



Administration Recommendation Tax Increase to 2/3 Index

Budget gap = \$7,095,113

- To close the \$7M budget gap with an increase less than full index, the Administration recommends a two-third tax increase:
 - Raise real estate taxes to approximately 2/3 of index
 - Increases annual revenue by approx. \$2.6M
 - Options to close the remaining gap \$4.5M could include a combination of:
 - Use of fund balance reserves (up to \$3.1M)
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1 Reading Specialist
2 Maintenance

1 Kindergarten
1 4th Grade @ Fishing Creek
4 Aides (Secondary Level)



Next Steps

Budget gap = \$7,095,113

Based on the information shared tonight, the Administration requests the Board of School Directors provides direction to prepare the proposed final budget.

West Shore Budget Timeline

- May 8, 2025
 - Adopt 2025-2026 proposed final budget
- June 12, 2025
 - Adopt 2025-2026 final budget