

A low-angle shot of three hands holding black graduation caps with yellow tassels against a clear blue sky. The hands are positioned at the top, middle, and bottom of the frame, each holding a cap. The caps are slightly tilted, and the tassels hang down. The overall composition is clean and celebratory.

Blackhawk Finance Update

April 2025

Agenda

Federal Update

State Update

State of Education (PASA)

Blackhawk Fiscal Update 2024-2025

Proposed Budget Update 2025-2026



Federal Update

Federal Funding

- Blackhawk Federal Dollars are approximately \$730,000. A reduction is anticipated and will plan accordingly.
- Any reduction will affect BH but it will not devastate us.

Break It Down For Me: What's At Stake?

- \$3.2b in **E-Rate** funding is on the chopping block at SCOTUS
- \$7.5 billion of **Medicaid** dollars are at risk with Medicaid cap proposal by House GOP
- \$14.3 billion in **IDEA**- no increase/no decrease.
- \$14.6b for **school meals** could decrease considerably as House GOP proposal would require every family to document household income when applying for FRLP
- \$16.5b in **Title I** could go down to \$12.5b re House GOP proposal





Teacher and School Personnel Shortage

- Enrollment in PA Educator Preparation Programs has increased by 56% between 2017-18 and 2022-23.
- The number of individuals completing educator preparation programs has increased by 17.5% since 2019-2020.
- Subsequently, the number of Instructional I and II certificates issued by PDE is also on the rise.
- Declines in the number of individuals becoming school administrators.
- In 2022-23, PDE awarded only 542 certificates Administrator I certificates – nearly 53% less than ten years ago.

State of Education Challenges Cont. Teaching Certificates

In STEM Fields Specifically....

	2010-2011 In-State	2021-2022 In- State
Biology 7-12	309	73
Tech PK-12	Subject Area	14
Chemistry 7-12	112	17
Computer Science 7-12		0
Earth and Space	59	10
General Science 7-12	115	21
Grades 4-8 Science	7	40
Math 7-12	624	116
Physics 7-12	51	9
Technology Ed PK-12	79	8

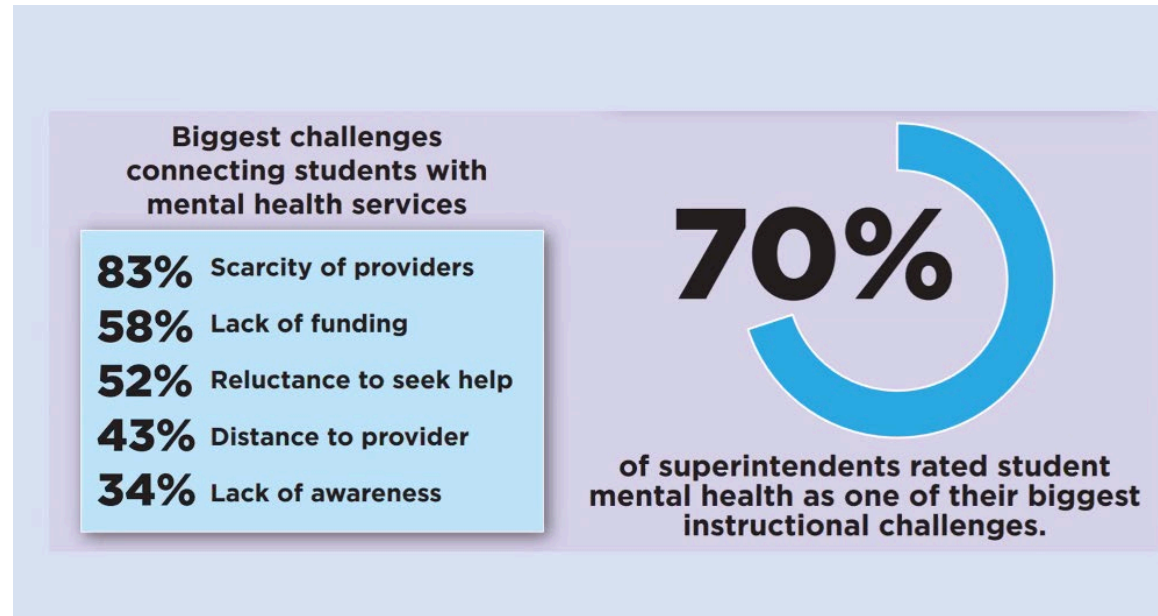
Activate Windows
Go to Settings to activate Windows.

How to Address Educator Shortages?

How do we fix this growing concern??

- Address Concerns in Teacher Certifications:
 - Grade Spans
 - General Certifications with Add-ons (example: Secondary Science, Secondary Mathematics)
 - Undergraduate Course Requirements that are not aligned to Teacher Certification (48 credits before in Teacher Certification Program)
 - Basic Skill Tests – Use Keystone or Basic Skill Course Proficiency
 - Local Recruitment Efforts – Grow Your Own Programs (target students, para-educators, parents, etc.)
 - Concentrate on Climate and Culture in your Schools!
- Activate Windows
Go to Settings to activate Windows.
- At Blackhawk we are reponding by:
 - Build Educator (teacher and administrative) capacity from within.
 - Students who want to go into the education field: How can we provide opportunities for them while at BH?

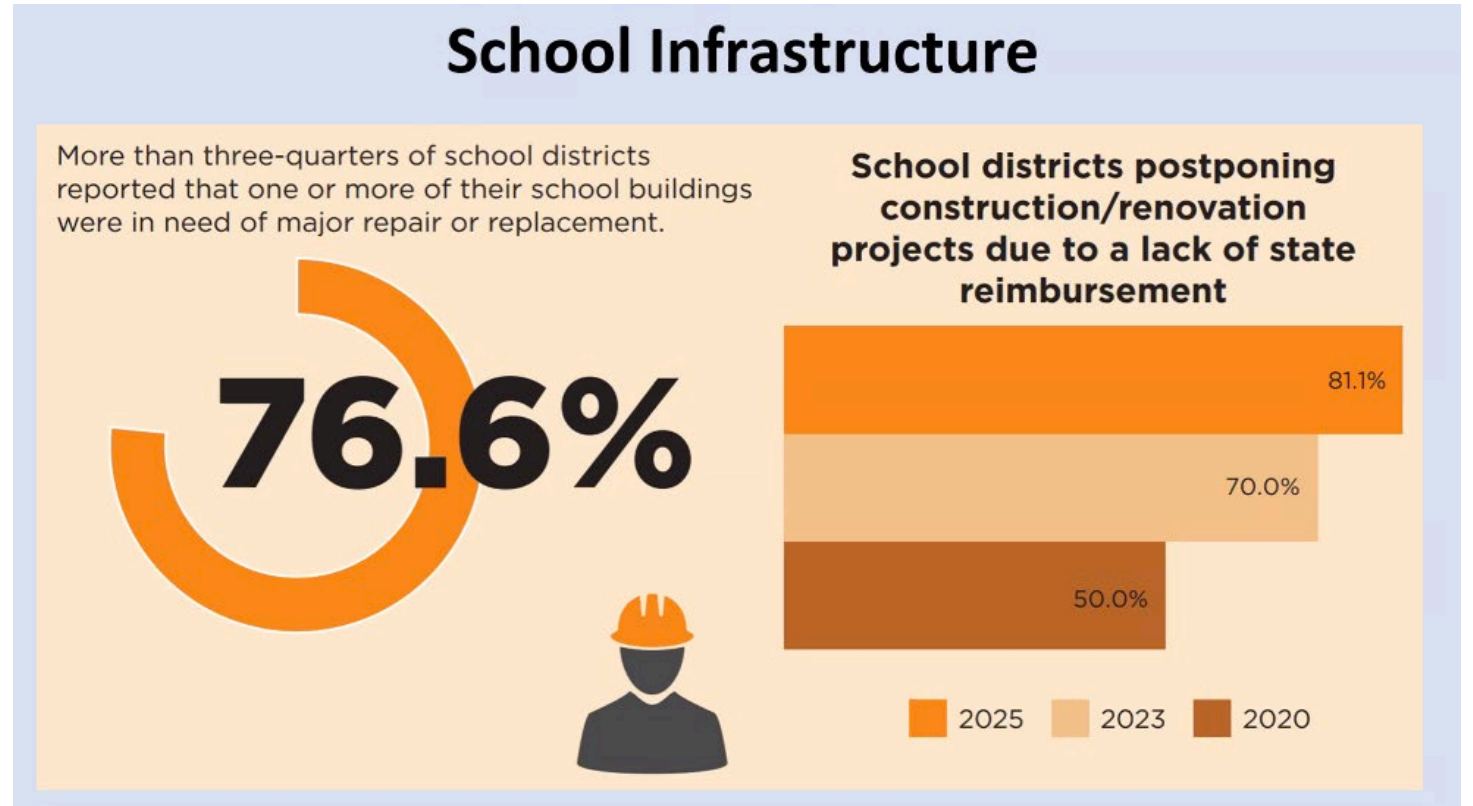
State of Education Challenges According to PASA



Resources BH provides:

- Director of Student Services
- Partnership: Western Area Services: in house therapist and counselors. Sessions offered during the school day and run through parent insurance (permissions required)
- Partnership: The Prevention Network
- 4 school counselors
- 2 School Nurses/2 Nurse para support
- 3 Resource Officers

State of Education Facility Infrastructure Challenges According to PASA



- BH will create a capital budget and facility plan to be proactive and address facility needs moving forward.

Charter Reform

Where Things Stand on Cyber Charter Reform



Mar 2025 –

House Education Committee considering hearings to discuss cyber charter issues.

Potential to run series of bills dealing with cyber charter school reform.

- BH currently pays \$1.1M in charter school tuition (cyber and brick and mortar)

Where Things Stand on Cyber Charter Reform

Feb 2025 –

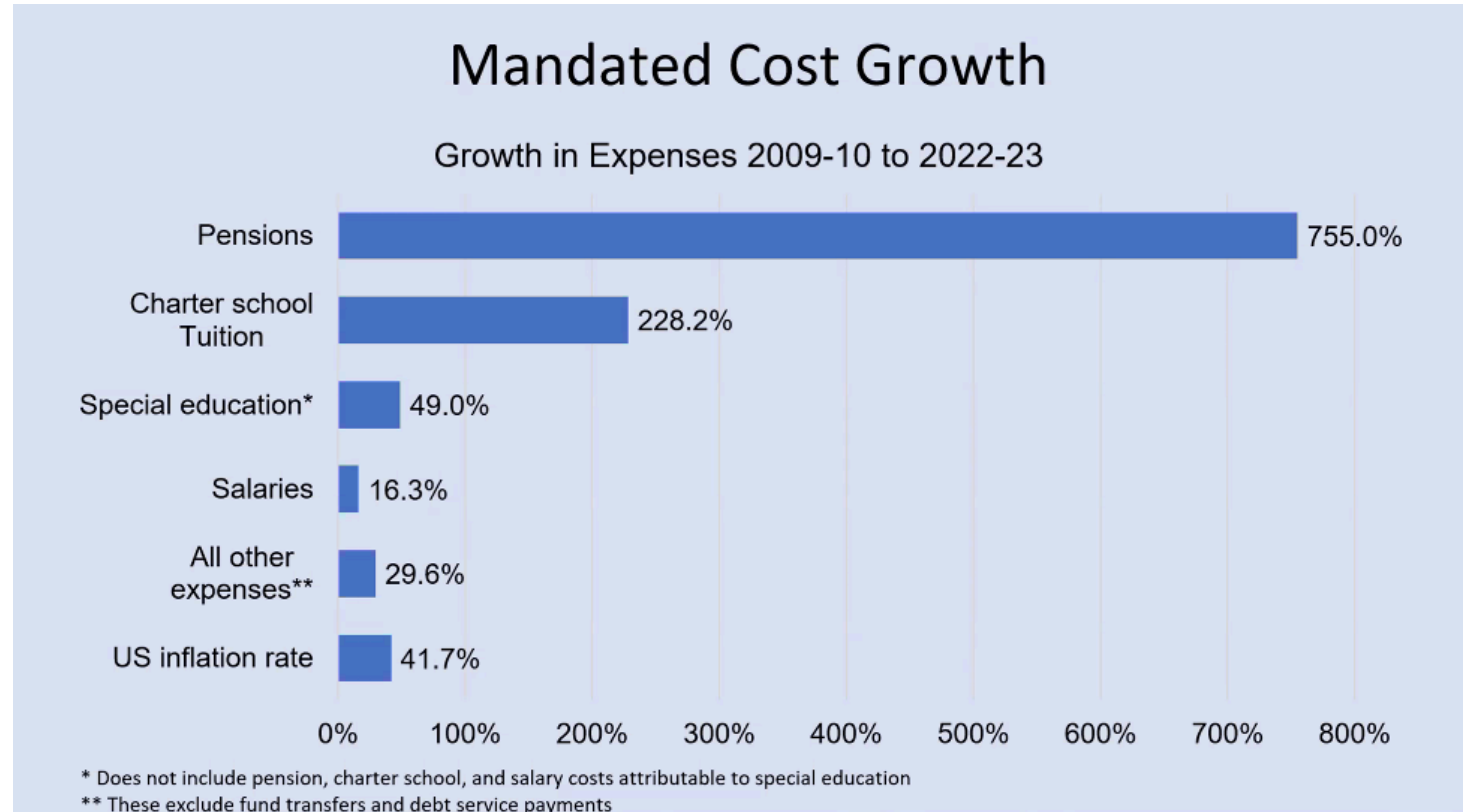
PA Auditor General releases results of audit of five cyber charter schools.

Several recommendations for reform to cyber charter school funding.



Unfunded Mandates

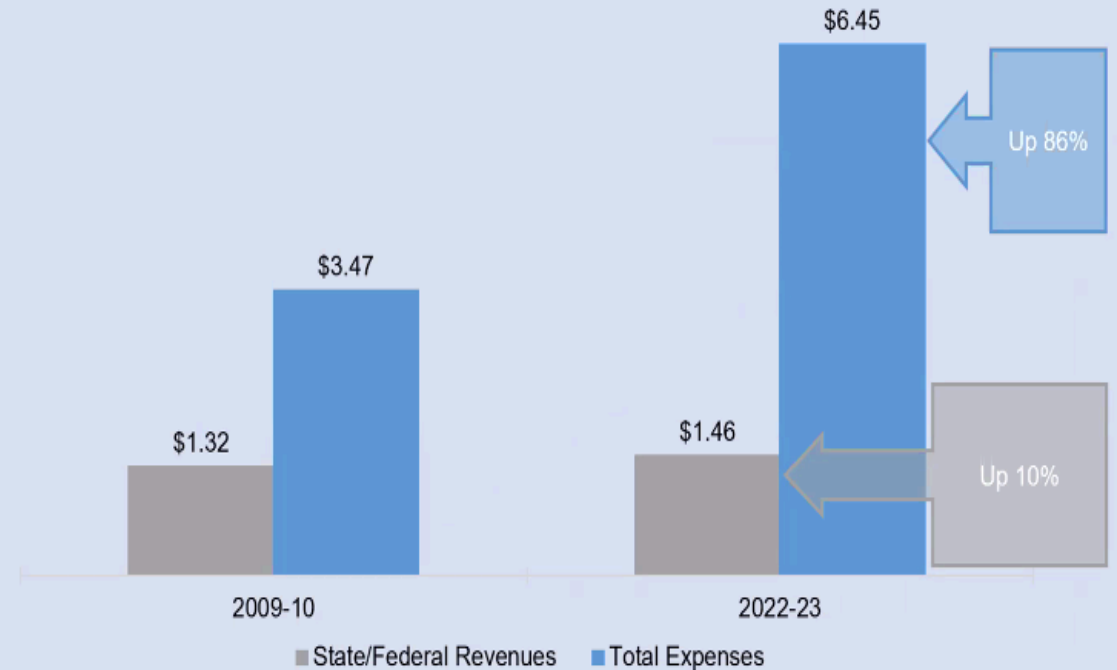
- Unfunded Mandate is a requirement instituted by the state or federal government that requires districts to take some type of action, but that action is not funded, resulting in a cost to the district.
- There are currently approximately 71 unfunded mandates from PDE .



State of Special Education

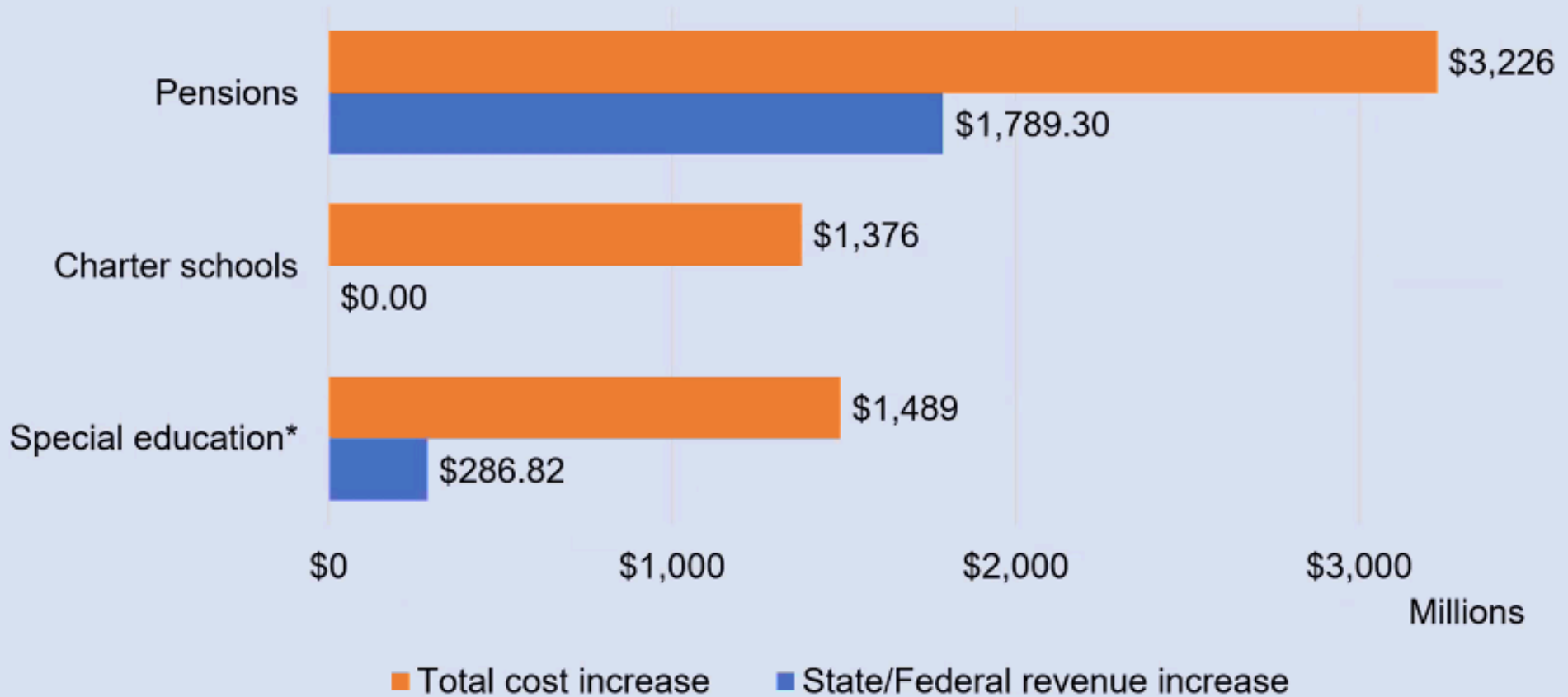
- IDEA Act of 1975, updated in 2000's. The Individuals with Disabilities Education Act is federal legislation that provides rights to individuals with disabilities.
- The federal government did not propose cutting or eliminating this Act.

Special Education Funding vs Expenses



Mandated Cost Gap

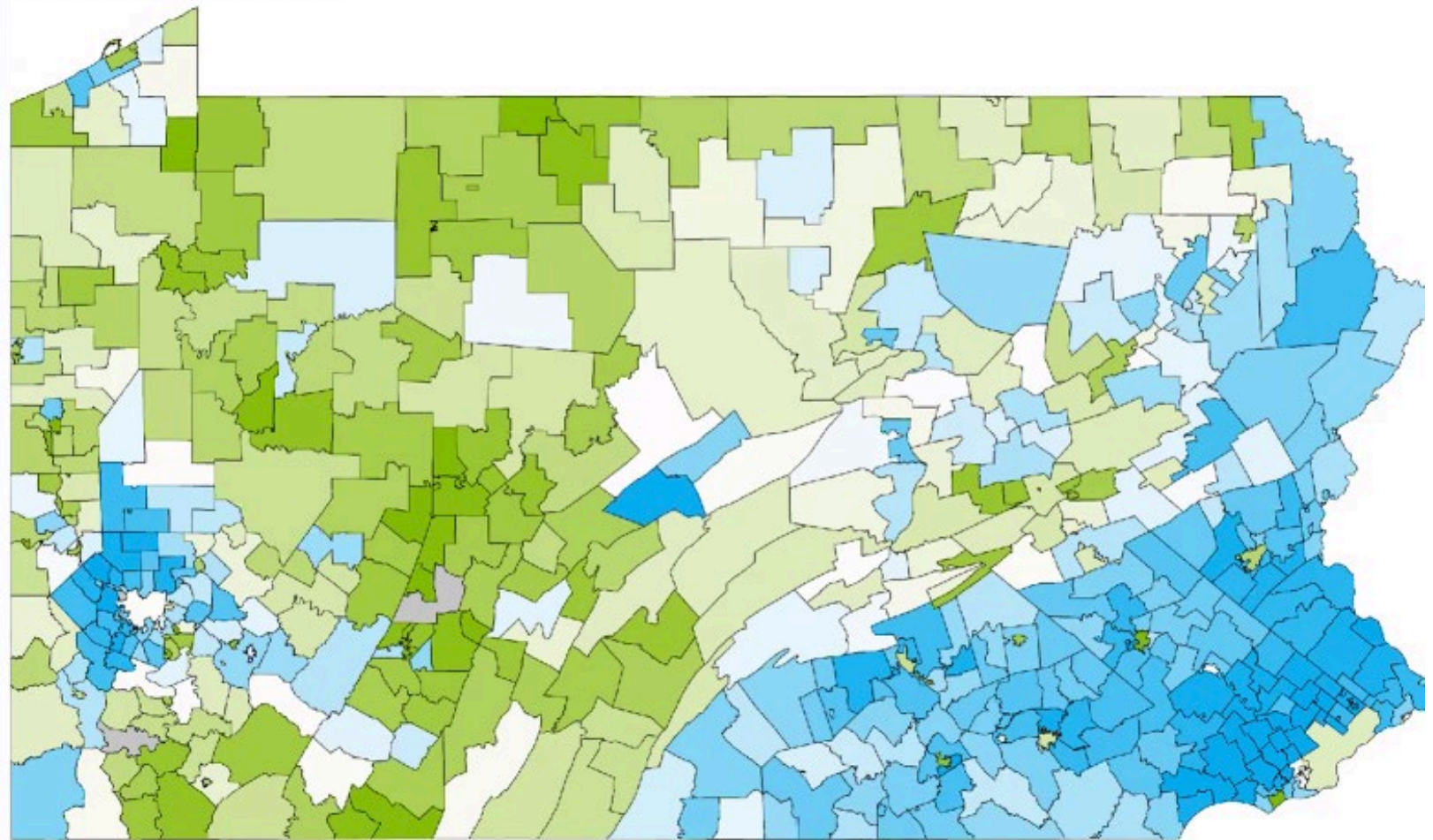
State/Federal Revenue vs Cost Increases



State Funding

Public
School
Funding in
Pa

State/Local Shares by School District



*Blue is Local, Green is State, and White is Federal funding source

Funding and its Impact on Blackhawk

- **Federal Funding:**
 - Pennsylvania public schools receive a relatively small percentage of their funding from the federal government, around 11%. **BLACKHAWK IS ABOUT 5% (TOTAL OF APPROX \$730,000)**
- **State Funding:**
 - The state contributes approximately 38% of K-12 education funding, which is lower than the national average of 48%.
- **Local Funding:**
 - The remaining funding, around 53%, comes from local sources, primarily through property taxes.
- **Disparities:**
 - This reliance on local funding creates significant disparities between wealthier and poorer school districts, as wealthier districts can raise more revenue through property taxes, leading to better funding for their schools.
 - For Example: School Districts with thriving commerce (a business corridor) do not have to rely upon homeowners only for local revenue. Consider Beaver, Montour, West Allegheny.

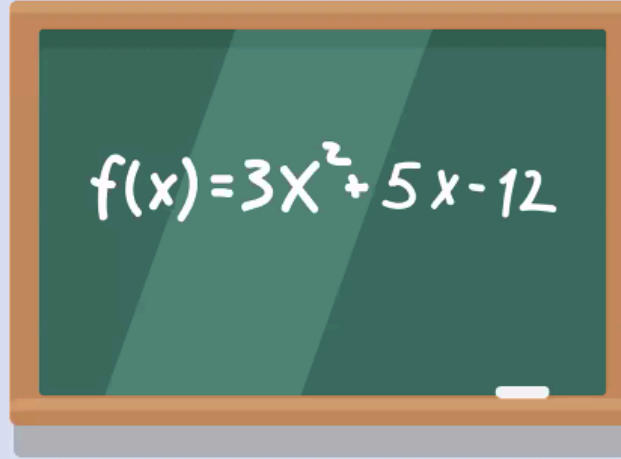
Pa Public Education Funding

- Underfunding:
 - Pennsylvania's school funding system has been criticized for being inadequate and inequitable, with some districts facing significant funding gaps.
- **Recent Developments:**
 - In 2023, the Commonwealth Court declared Pennsylvania's school funding system inequitable, **inadequate**, and unconstitutional, leading to discussions and actions to address the issue.



Adequacy Funding

Adequacy & Tax Equity Supplements



Adequacy uses

- High-quality academics
- Supportive learning environments
- Data-informed decisions and evidence-based best practices to improve outcomes
- Multitiered supports

Tax equity uses

- Mitigating/Preventing increases in property tax millage rates
- Supplementing home/farmstead exemptions
- Senior tax rebates
- Mitigating/Replacing lost revenues from assessment appeals (last 5 yrs)

- Adequacy Funding was established in 2024 as a result of a state supreme court case finding of unconstitutional funding in public schools.
- Adequacy Funding formula is dependent upon district millage.
 - For example: if the millage is too low the formula determines less funding as in theory by the state local funding can be increased to cover cost matters.

Millage Rates within the County 2024-25

District	Millage
Beaver	12.99
Rochester	12.75
Hopewell	11.99
Ambridge	11.95
New Brighton	11.66
Big Beaver Falls	11.50
Central Valley	10.26
Blackhawk	10.14
Southside	10.06
Western Beaver	9.97
Riverside	9.78
Freedom	9.5
Midland	5.9

BEF Funding

Basic Education Funding (BEF)



***\$75 Million
increase proposed***

- Last year's budget
 - Reset the "base" year for BEF funding.
 - Made other formula changes from BEF Commission reports.
- Proposed budget does NOT include a Hold Harmless supplement

Blackhawk Fiscal Update

What guides Blackhawk when making decisions...

- ***Mission: To empower all students to achieve their best every day in preparation for tomorrow.***
- ***Vision: To be model of excellence in a global community where our students thrive, our educators inspire, and our community grows stronger together.***



Cougar Core Values:

- C – Community – Support and give back to your community
- O – Ownership - Take responsibility for your actions and learning.
- U – Unity - Work together and support each other as a team.
- G – Growth - Strive to learn and improve every day.
- A – Achievement - Aim high and celebrate your accomplishments.
- R – Respect - Treat yourself, others, and the environment with care.
- S – Service - Give back to your school and community.

"Our Strong Partnership Benefits our Shared Community"

- Thank you to the School Board for your ongoing successful collaboration and continued investment in Blackhawk School District (BSD)
- BSD has put a tremendous effort into presenting a budget that falls as close to within budget guidance allowed by PDE.
- BSD has made notable gains in a positive trajectory, reducing the historic budget deficit.
- The partnership between the School Board and the district support programs which provide opportunities for our students. These are the course offering and programs that end up saving our community and parents money:
 - Advanced Placement and College in High School Courses: the reason why our high school students can enter college as the status of college sophomore or beyond
 - Students will be able to graduate and enter the workforce from certificated programs.

A large group of children, mostly of elementary school age, are gathered together, smiling and posing for a photo. They are holding various items representing different colleges and universities. In the top left, a girl holds a blue pennant for Creighton University. Next to her, a boy holds a large blue pennant for Thiel College. In the center, a boy holds a white cutout of a black hawk head. To the right, a girl holds a maroon bag with a white bison logo and the text 'WEST TEXAS A&M UNIVERSITY'. Another girl holds an orange bag with the PNC logo. In the foreground, a boy holds a red pennant for Grove City College, and a girl holds a yellow bucket hat with 'WILLIAMS' on it. A boy in the bottom right holds a black pennant for Westminster Bound. The children are dressed in casual clothing, and the background shows a school hallway with lockers and a chalkboard.

#Blackhawk Proud



All Rankings

- 🏆 #5,052 in National Rankings
- 🏆 #204 in Pennsylvania High Schools
- 🏆 #46 in Pittsburgh, PA Metro Area High Schools

Accolades and Rankings

- PSBA Great Schools Designation
- Best Community in Music Education
- 2024 Best High School Award: Newsweek



Took at Least One AP® Exam	33%
Passed at Least One AP® Exam	17%
Mathematics Proficiency	63%
Reading Proficiency	72%
Graduation Rate	95%



Strategic Plan Guides Blackhawk

The Blackhawk Strategic Plan shapes the work of the School Board and staff over five years (2025-2030)

All aspects of the strategic plan are purposefully calibrated to bring the Blackhawk mission and vision to life.

Strategic/ Comprehensive Plan Overarching Goals

01

Provide diversified educational opportunities to meet the needs of all Blackhawk students and prepare them for success in a regional and global society

02

Create safe and secure learning environments within the districts fiscal means

03

Support the well-being and social development of students and staff

04

Create a comprehensive communications plan to involve our community, families, and learners

Who is Blackhawk?

	Year 2024	Year 2023
Total Enrollment	2326	2353
Free and Reduced Percent	38%	36%
Special Education Percentage	18%	17%
504	7%	6%

Historical and Forecasting Information

"Study the past if you would define the future"-Confucius

What steps can we take in order to put BSD in a positive trajectory moving forward?

Historical Millage Rates and Budgets

Year	Millage	Budget/Actual (+/-)
2014-15	57.68	559k/(1.0M) Early retirement Incentive (2014-15)
2015-16	59.12	106k/1.0M (Northwestern Closure)
2016-17	63.99	127k/2.3M
2017-18	63.99	(208k)/1.1M
2018-19	66.00	(206k)/448k
2019-20	68.00	(275k)/2.1M (Covid Closure)
2020-21	68.00	(1.0M)/(1.5M)
2021-22	69.00	(343k)/(796k)
2022-23	69.10	(353k)/(115k)
2023-24	69.05	(1.8M)/(715k)
2024-25	10.14	(843k)/2.8M (healthcare fund transfer to general fund)

Millage Rates within the County 2024-25

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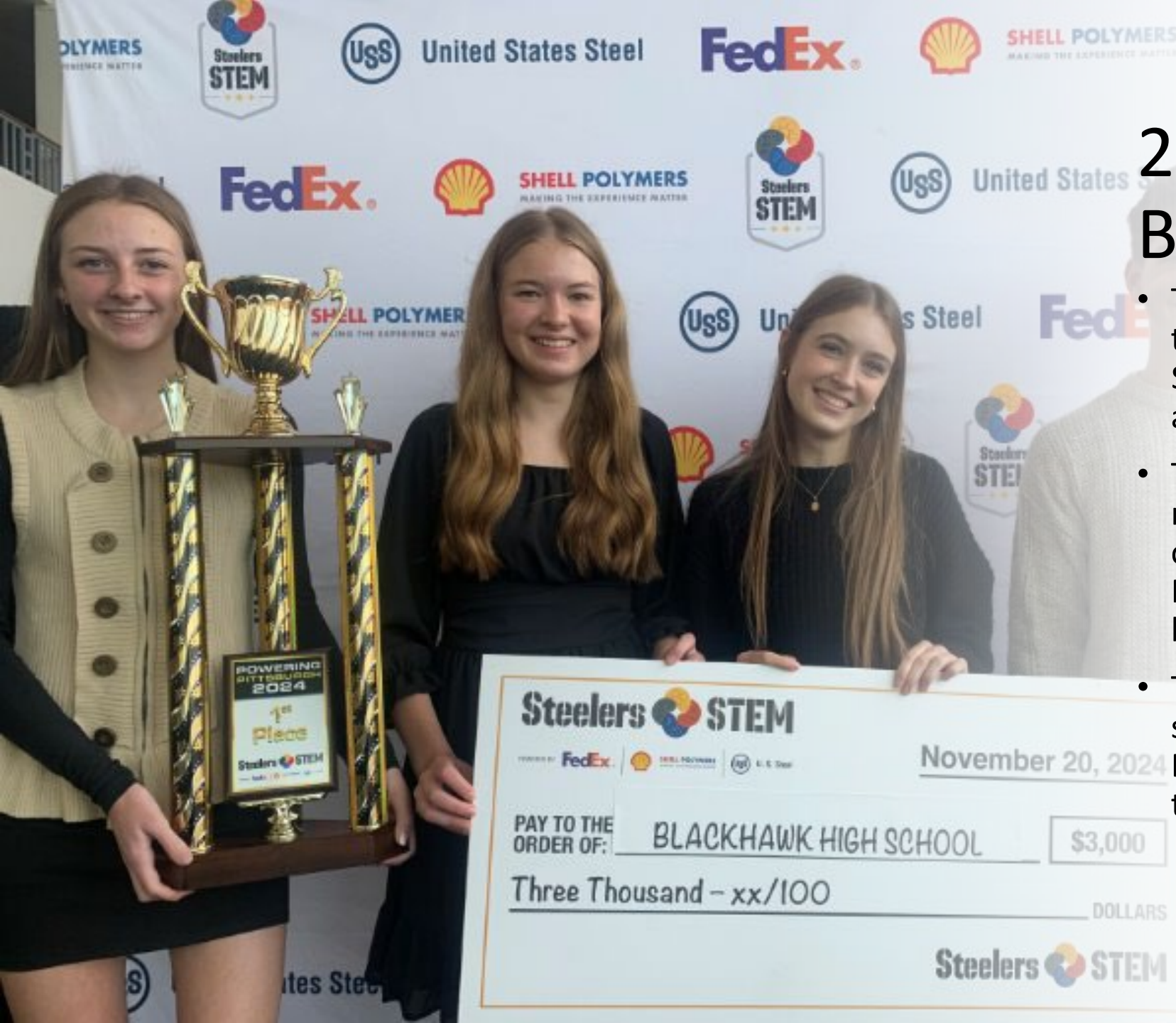
	2024-2025	2025- 2026	2026- 2027	2027- 2028	2028- 2029	2029- 2030	2030- 2031
Projected Total Expenditures	43,999,337	44,627,050	46,140,477	47,762,355	49,453,800	51,217,227	53,045,155
Projected Total Revenues	46,689,875	43,900,542	45,243,515	46,841,785	48,498,960	50,217,749	52,001,016
Projected Surplus/(Deficit)	*2,690,538	(726,508)	(896,962)	(920,570)	(954,840)	(999,478)	(1,044,139)
Projected Fund Balance		1,964,030	1,067,068	146,498	(808,342)	(1,807,820)	(2,851,959)

Projected Forecasting

- In attempt to demonstrate BSD fiscal health this forecasted table indicates if the district took NO OTHER fiscal measures, no other revenue occurred, etc.

** is due to a transfer of a 1.9 million from healthcare fund to general fund. This is a one-time savings.

2024-2025 Budget Update



2024-2025 Budget

- The 2024-2025 Budget was projected to have a deficit of approximately \$843k; however, the current forecast is a surplus of almost \$2.7M.
- This surplus creates a one (1) time recommended transfer (and creation) of \$1.9 million to the Capital Project Fund, which allocates specific board approved projects annually.
- This timely transfer and 1 time surplus assisted greatly as ESSER's (Covid Relief Funding) comes to a close.

2025- 2026 Estimates for the Capital Projects Fund

It is recommended that \$500,000 of the \$1.9M surplus transferred to the Capital Projects Fund be used in 2025-2026 including projects listed below.

Item	Cost Estimate	Funding
Parking Lot Sealing and Repair Highland	30,000	Capital Projects
Water Catch Basin High School	60,000	Capital Projects
Chiller at BIS	330,000	Capital Projects
Pool Lift	25,000	Access



2024-2025 Grants

- The District attempts to utilize grants to defer cost as possible.
- The approximate total of grants/donations awarded to the District in 2024-2025=Total \$2.2 million



2025-2026 Budget Update



BUDGETING TIMELINE

2025-2026 Budget Timeline



FALL PA districts receive their
Act 1 Index from the state.



DECEMBER A preliminary
budget is created based
upon previous school year revenues
and expenditures, budget manager
first draft submission due



JANUARY Second round
budgeting and excetions
voted on



FEBRUARY Watching state
budget and refining
district budget to stay
within revenues



MARCH-APRIL
Further refinement



MAY Preliminary Draft

JUNE Budget vote

2025-2026 Proposed Revenues



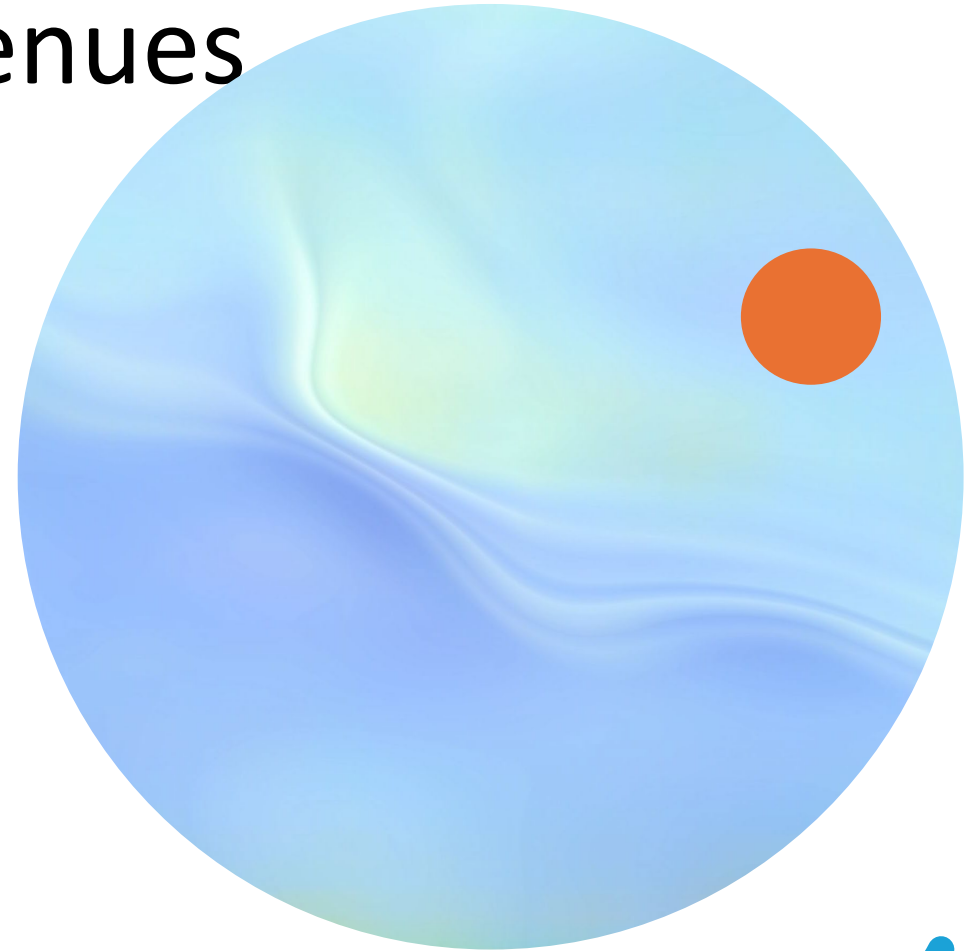
\$22,409,529 Local Revenue



\$21,136,066 State Revenue



\$354,947 Federal Revenue
(+ \$375,000 IDEA funds)



***IDEA Funds are coded as "pass through" funds through local funding*

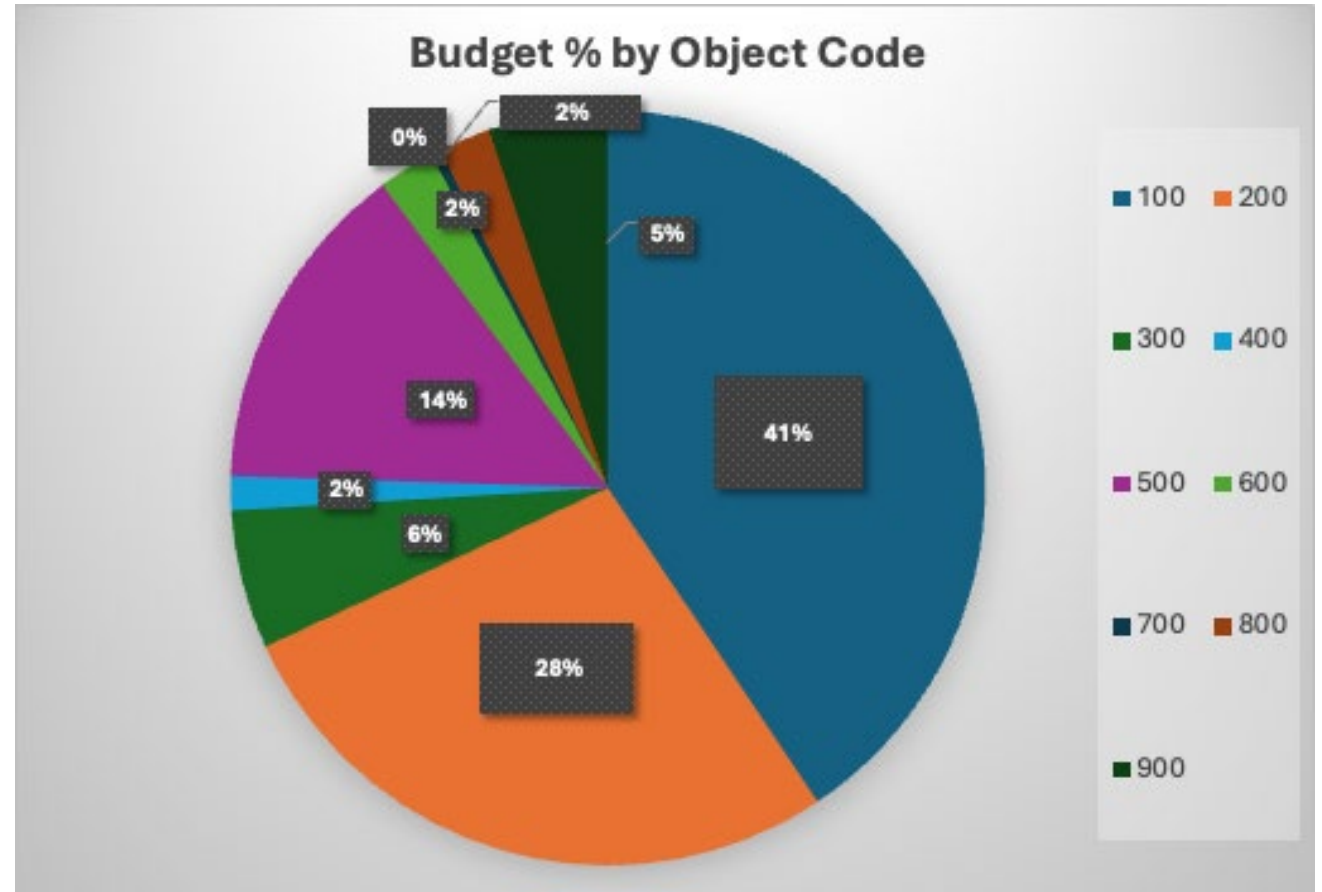
Act 1

- Act 1 established in 2006: Limited the amount school districts can raise millage to within a certain “index”. *Act 1 has played an important role in slowing property tax growth since 2006, limiting the growth to the Act 1 index, a factor calculated based on the annual increase in the statewide average weekly wage for the prior year, the increase in the Employment Cost Index for Elementary and Secondary Schools for the prior year and a school district’s local wealth. The Act 1 index is calculated each year by the PA Department of Education (PDE).*
- School Districts may apply to PDE for exceptions to go beyond the state set Act 1 index, these exceptions are for special education and pension relief.
- **In January of 2025 the district voted to not apply for exceptions and stay within the set allowable Act 1 Index.**

2025-2026 Proposed Expenditures

Object Codes

100 Personnel/Salaries
200 Benefits
300 Purchased Professional Services
400 Purchased Property Services
500 Other Purchased Services
600 Supplies
700 Property
800 Other Objects
900 Other Uses of Funds



Specific Areas of Evaluation

- **Healthcare**
 - District healthcare increased to 19% for the 2025-2026 school year.
 - The District participates in a county consortium which attempts to keep costs at a managed rate; unfortunately, the District is seeing these rates increase.
- **Evaluate and renegotiate committed contracted costs/ RFP (substitute services, insurance)**
 - Insurance approximately \$40,000/ year
 - Substitute staffing services 9% reduction/ year
- **Budget manager reductions**
 - 4% reduction from the 24-25 budget
- **Evaluation of staffing as an annual practice as diligent stewards of district finances**

Millage Options

	No index	To Act 1 Index (5.4)
Projected Revenue	\$42,970,931	\$43,900,542
Projected Expenditures	\$44,627,050	\$44,627,050
Projected Deficit	(\$1,656,119)	(\$726,508)

Act 1 Index

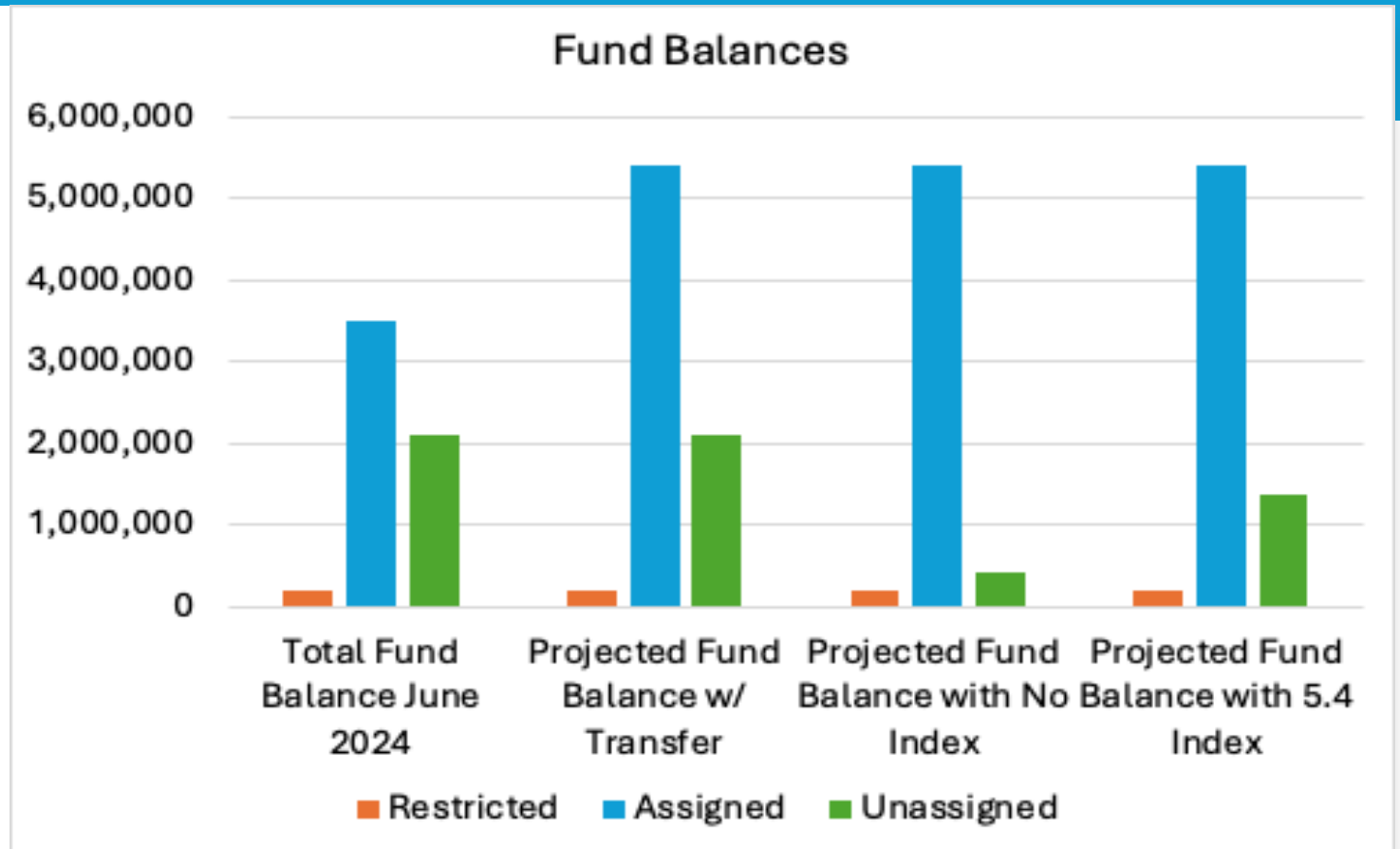
- Act 1 increase is a maximum of 5.4%
- Recommended Millage:
 - Beaver Millage: 10.68
 - Lawrence Millage: 23.70
- Increase of 5.325% = \$1,038,672 (gross)
\$929,611 (net)
 - Each 0.10 of one mil = \$172k

The Blackhawk Schol Board voted to stay within the state allocated Act 1 Index of 5.4% in January of 2025.

Act 1 Index of 5.4% is applied to the millage rate, not the assessed value of the property.

Projected Fund Balances

- Restricted (District athletic program improvements) - \$198,769
- Assigned - \$5.4M
 - Debt Service - \$1.5M
 - Capital Projects - \$1.9M
 - Cyber/Charter School - \$1M
 - Curriculum & Development - \$500k
- Unassigned - \$2,094,821





Millage options 2025-26

- Millage of 10.14=projected deficit of **\$1.6** (rounding whole numbers)
- Increase of 5.325% = Millage of 10.68 =projected deficit of **\$726,000**(rounding whole numbers)
 - *Other variations are options as well. For example, an increase of 2.6% would yield almost half of the revenue.*

Silver lining...

- The District will continue to monitor funds throughout the school fiscal year.
- **With the potential increase to state subsidies and fiscal diligence there is a very good chance that the district will balance the 2025-26 school year, if the Act 1 index is applied.**
- To err on the side of fiscal caution those subsidies have not been included in the proposed budget.

Proposed Increases to State Subsidies				
		Basic Education Funding	57,911	
		Special Education Funding	42,321	
		Ready to Learn Block Grant	392,616	
			492,848	

Slow and Steady Progress

	No index	To Act 1 Index 5.325	With Potential State Funding and Index
Projected Revenue	\$42,970,931	\$43,900,542	\$44,393,390
Projected Expenditures	\$44,627,050	\$44,627,050	\$44,627,050
Projected Deficit	(\$1,656,119)	(\$726,508)	(\$233,660)

Unprecedented increase to healthcare of additional 2% (bringing it to 19% total) equaled \$205k, without that healthcare increase the District would have budgeted with only the Index

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How does this affect property owners?

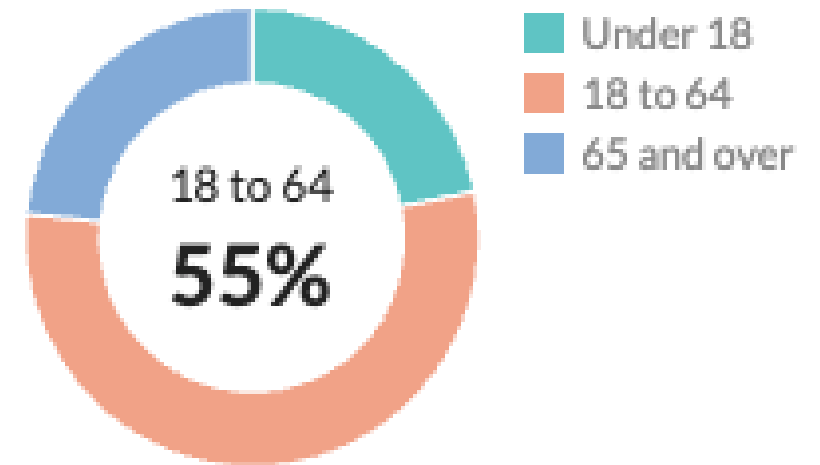
General Approximated Example

- Current Millage at 10.14
 - \$223,900.00 (median home value in Blackhawk as per CensusReporter.org) x .0101444 = **\$2271.33 annually in household school taxes**
- Millage with allowable PDE Act 1 Index to 5.4 (Very Specifically 5.325%)= 10.68
 - \$223,900.00 (median home value in Blackhawk) x .010688 = **\$2393.04 annually in projected household school taxes**
- **Approximate Monthly Difference of Act Index: \$10.14**
- * the millage rates may fluctuate after the 100th percentiles.

Tax Relief Information for qualifying community members

- Pennsylvania provides tax relief to senior citizens and to veterans.
- To access these opportunities:
- [Property Tax Relief for those 65 and older](#)
- [Disabled Veterans Relief](#)

Population by age category





What is next?

Continue to refine
our expenditures

Continue to
monitor and
evaluate our
revenues



In Closing

- PA code mandates that it is the duty of the Superintendent to prepare a budget with an estimate of the amount of money deemed to be needed to support the school district. This is commonly referred to as a “needs-based budget.”
- This budget request reflects our highest priorities and needed investments to support students and staff, and is responsive to our collective needs now and into the future.
- Blackhawk is grateful for the support that the school board and community provide to our students, staff, and schools.

Budget Timeline

Finance Presentation: Budget
update 24-25 and Preliminary
Budget 25-26

April
10

Newspaper Advertisement:
Proposed Budget Adoption
Notice and Vote

May
9

May
8

Finance Presentation: Budget
update 24-25 and Preliminary
Budget 25-26

June
12

Finance Presentation:
Budget update 24-25 and
Preliminary Budget 25-26
Adoption of Final Budget