

# Finance Director Report

May 2026 Regular School Board Meeting

Shannon Baird

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There is a lot of moving educational funding legislation that may or may not make it across the finish line as they wrap up the 34th legislature and finalize the State FY27 Budgets. The District FY27 final proposed budget is also still being developed, and will be brought before the board on June 8th. The District is building its budget on the statutory \$6,660 BSA as well as the current funding formula.

## FY27 Borough Funding

The Borough has built into their Budget \$3.25 Million for School Operating. Assuming a likely increase in State funding, this amount should be sufficient for the District in FY27.

## FY27 State Foundation Funding

Taking the Borough funding into consideration and adding seven more students to our projected enrollment, below are the projected ending fund balances of a few State funding possibilities.

<b>FY27 State Foundation Funding</b>				
<b>BSA</b>	<b>State Foundation Funding</b>	<b>Budget Surplus / (Deficit)</b>	<b>Ending Fund Balance</b>	<b>Equivalent Change in BSA</b>
<b>\$6,660</b>	\$ 6,594,245	\$ (474,652)	\$ 709,877	\$0 increase to BSA
<b>\$6,960</b>	\$ 6,967,766	\$ (101,131)	\$ 1,083,398	\$300 increase to BSA
<b>\$7,057</b>	\$ 7,088,538	\$ 19,641	\$ 1,204,170	\$397 one-time
<b>\$7,118</b>	\$ 7,164,487	\$ 95,590	\$ 1,280,119	\$458 one-time
Student Count of 453.75, with an intensive count of 20				
<i>FY26 State Funding \$7,021,201 for Reference</i>				

HB 261, would alter the K-12 Public Education Funding Formula. It seems unlikely it'll make it across the finish line, but parts or all of it could be added to HB 28, an "Omnibus" Education Bill, that may have a greater chance of making it through, providing additional funds. There are other bills that would amend different factors within the funding formula as well, and time will tell if those become law and what the effective dates are.

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## FY27 State Energy Relief Funding

- What is built into the State Operating Budget is 29.1 Million in School Energy Relief. Prorated out by FY25 actual energy expenses, Petersburg would receive \$177,202. [HB 263](#)
- Under [HB 28](#) the State would reimburse districts annually for a three year average of energy costs, taking the first three years of the prior four years to average. If under funded during budget appropriations, the funding would be prorated. For example, in FY27 that would be an average of FY23-FY25, which comes to \$570,533. If HB 28 passes, this would take effect for FY28.