CONESTOGA VALLEY SCHOOL DISTRICT

Preliminary Budget Notice and Act 1 Referendum Exception Notice

NOTICE is given that the Proposed Preliminary Budget for the General Fund of Conestoga Valley School District for the 2012- 2013 fiscal year is available for public inspection at the school district offices, 2110 Horseshoe Road, Lancaster, Pennsylvania, and will be presented for adoption as a Preliminary Budget Proposal at a school board meeting to be held in the Gymnasium of the Smoketown Elementary School, 2426 Old Philadelphia Pike, Lancaster, Pennsylvania at 6:00 p.m. on January 17, 2012. The Preliminary Budget Proposal may be amended before adoption.

Pursuant to Act 1, the Pennsylvania Department of Education publishes an index 1.7% applicable to the School District. The School District real estate tax increase for the next fiscal year is limited to the index 1.7% unless the proposed tax rate is approved by voters pursuant to a referendum or the School District qualifies for an Act 1 exception. As a result of special circumstances covered by an Act 1 referendum exception, a tax rate of 1.6% increase above the index might be required to balance the School District budget for the next fiscal year. The tax to be levied is required to provide a quality education program as reflected in the School District Preliminary Budget.

The School District intends to seek approval from the Pennsylvania Department of Education or to the County Court as required by Act 1 for an exception allowing increase of the real estate tax as reflected in the School District Preliminary Budget. On written request by any School District resident or taxpayer, the School District will provide a copy of the referendum exception application.

Merle Esh, Secretary