

**Presentation Date:** February 11, 2025

# Elizabethtown Area School District

**25-26 Budget Presentation 3 - Feb**

**Audit - 23-24**

**Construction Review**

**2024-2025 ytd**

**&**

**Forecast/Comparison**

**Presented by:**

**Tom Strickler**

Chief Financial & Operations Officer



Every Student Graduates Ready to Live,  
Learn, and Thrive in a Global Community.



# Alignment to Board Goals

## Goal 1:

Create a 5-year financial plan to include all operations and education including renovation and instruction.

## Goal 2:

Promote and support broad opportunities and flexibility for individual learning while complying with core standards.

## Goal 3:

Identify and remove barriers to help students grow educationally, emotionally, and socially and for staff to thrive and succeed.



# Alignment to Pillars

**Pillar 1:** Student Learning

**Pillar 2:** Student Readiness

**Pillar 3:** Engaged, Well Rounded Students

**Pillar 4:** Well Being

**Pillar 5:** Effective Adults

**Pillar 6:** Community Connections

**Pillar 7:** Effective Systems

*Pillars highlighted in **GREEN** are relevant to the presentation*

# EASD School Board - 2025-2026 Budget Timeline



- January 14**     **Review 23-24 - Expense with 4 year trend**
- January 28**     **Fund Review & Detailed Large Expense History**
- February 11**     **23-24 Audit Presentation, 24-25 ytd, comparison, Construction**
- February 25**     **Revenue - 4 year trend & Governor's Proposed Budget information**
- March 11**     **25-26 - Budget and Asset Planning**
- March 25**     **25-26 - Budget with modifications**
- April 8**     **25-26 - Presentation 7**
- April 22**     **Adopt Preliminary Budget**
- April 23**     **Advertise Notice for 30 day Public review**
- May 23**     **Last Day of required Public Review**
- May 27**     **Approve Final Budget**
- June 10**     **No Budget Action**
- June 24**     **4 business days from end of fiscal year**



# AUDIT

2023-2024

# Budget to Actual (page 72)



Final Budget -

Budgeted Amounts

Favorable

Original

Final

Actual

(Unfavorable)

**Total non-instructional services**

1,249,917	1,249,917	1,384,874	(134,957)
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Capital outlay

7,000,000	7,000,000	79,537	6,920,463
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*<-- actual should consider the \$5.5 million transfer out to capital fund below.*

Debt service

-	-	4,714,367	(4,714,367)
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*<-- budget should consider the \$5,271,854 in transfer out budget below, as this is what was budgeted to be transferred to debt service fund.*

**Total expenditures**

78,659,923	78,659,923	78,739,506	<b>(79,583)</b>
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Budget - Debt To Cap Reserve Service

Other Financing Sources (Uses)

Transfers out

(5,271,854)	(5,271,854)	(5,500,000)
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(228,146)

*<-- The budget is budgeted debt payments. Actual debt payments are in debt service line above.*

*<-- The actual is transfer to capital fund. Budget is in capital outlay line above.*

**NOTE: Board approved \$2M in March, '24 and \$7M in May, '24 - Will move \$3.5 in 24-25 (Bond)**

# Budget to Actual (page 72)



	Budgeted Amounts			Favorable
	Original	Final	Actual	(Unfavorable)
<b>Net changes in fund balance</b>	\$ (6,971,510)	\$ (6,971,510)	\$ (5,075,751)	\$ 1,895,759
Fund Balance - July 1, 2023			16,296,627	
Fund Balance - June 30, 2024			<b>\$ 11,220,876</b>	

# Budget to Actual (page 72)



	Budgeted Amounts		Actual	Favorable
	Original	Final		(Unfavorable)
<b>Total revenues</b>	77,415,267	77,415,267	79,051,617	1,636,350
<b>Total expenditures</b>	78,659,923	78,659,923	<b>78,739,506</b>	(79,583)

**Totals including other financing items:**

<i>Total Revenue and Other Financing Sources</i>	77,460,267	77,460,267	79,164,118	1,703,851
<i>Total Expense and Other Financing Uses</i>	84,431,777	84,431,777	<b>84,239,869</b>	191,908
	(6,971,510)	(6,971,510)	(5,075,751)	1,895,759



## Audit Findings

During the audit, there were significant adjustments made subsequent to receiving the trial balances to begin the audit. These entries were both auditor identified adjusting entries and management identified adjusting entries. There were significant adjustments to the capital projects fund and the food service fund.

Cause and Effect: Due to personnel changes in the Business Office, some of the reconciliations, year-end accruals, and adjusting entries were not made prior to audit fieldwork, resulting in significant adjustments. When the closing process does not include all year-end accruals and adjusting entries, the accounting records do not provide the proper basis for preparation of financial statements.

## District Response

Corrective Actions Taken or Planned: The District accepts this finding. Due to turnover in the business office and the no previous cross training in the Finance office, the year-end close was not completed timely. Individual training and cross training has started and will continue in the future. With full staff and cross training, employees will be assigned to the year-end closing procedures to ensure timely completion and improved accuracy.

# Audit Findings - 1 of 2



## Food Service Fund

- Annual inventory is required
  - EASD stopped requiring this of management company
  - 24-25 audit - this was an item selected for review and audit
- ❖ Metz and EASD will review this item annually in July and submit with annual audit

# Audit Findings - 2 of 2



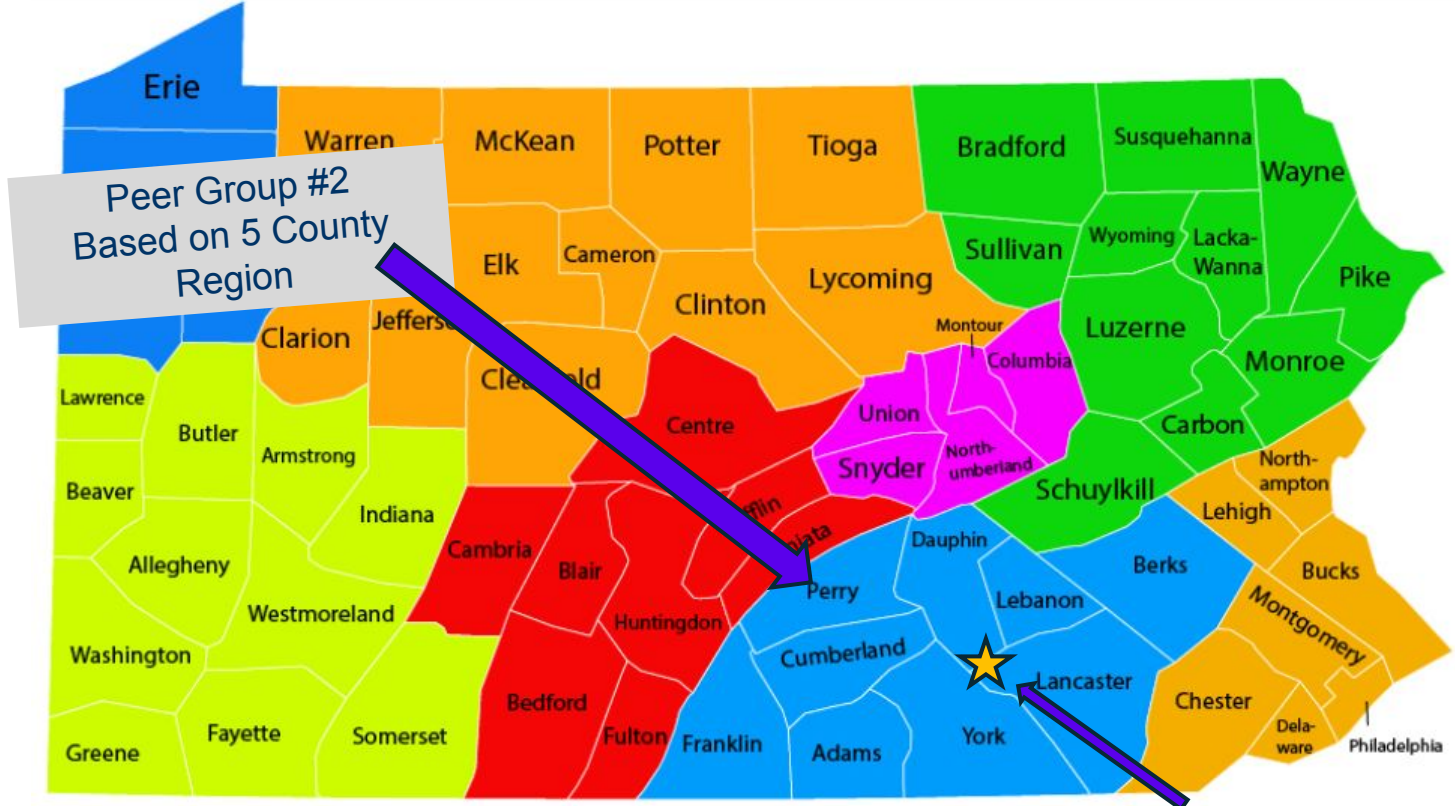
## Capital Projects Fund

- Payables must be recorded for work completed and not paid at year end
- Work completed, but not paid until completion of project (Retainage) is included in payables
- EASD included completed and not paid, did not included Retainage
- ❖ Training of staff regarding capital projects and retainage
- ❖ Previous capital project in EASD was completed in 2018 - new staff since then



# PEER Groups ?

GREAT LAKES AND ERIE	PENNSYLVANIA WILDS	SUSQUEHANNA VALLEY	NORTHEAST MOUNTAINS - POCONOS
PITTSBURGH - LAUREL HIGHLANDS	ALLEGHENY MTS & VALLEYS	PA DUTCH - AMISH COUNTRY	PHILADELPHIA - LEHIGH VALLEY



Elizabethtown Area SD



# Two Different Peer Groups

**Group One:** IU #13 peers based on enrollment and % low income

**Group Two:** Regional (5 county) peers based on enrollment, % low income, and % residential assessment

## Elizabethtown Area SD Peer Group #2



Counties: Cumberland, Dauphin, Lancaster, Lebanon, York  
Enrollment: 2,600 to 4,700  
% Low Income: 30% to 50%  
% Residential Assessment: 69.3% to 78.5%

<b>District</b>	<b>County</b>	<b>Enrollment</b>	<b>% Low Income</b>	<b>% Residential Assessed Value</b>
Cocalico	Lancaster	2,898	43.62%	72.0%
Donegal	Lancaster	2,793	47.83%	71.0%
Elizabethtown Area	Lancaster	3,661	40.62%	73.9%
Manheim Central	Lancaster	2,741	37.76%	70.0%
Mechanicsburg Area	Cumberland	4,671	38.54%	75.0%
Palmyra Area	Lebanon	3,518	31.24%	75.2%
South Western	York	4,378	38.56%	76.7%
Spring Grove Area	York	3,946	39.91%	78.5%
Warwick	Lancaster	3,790	35.78%	76.2%

# Elizabethtown Area SD Peer Group #1

Lancaster & Lebanon Counties

Enrollment: 2,661 to 4,661

Low Income: 31% to 51%



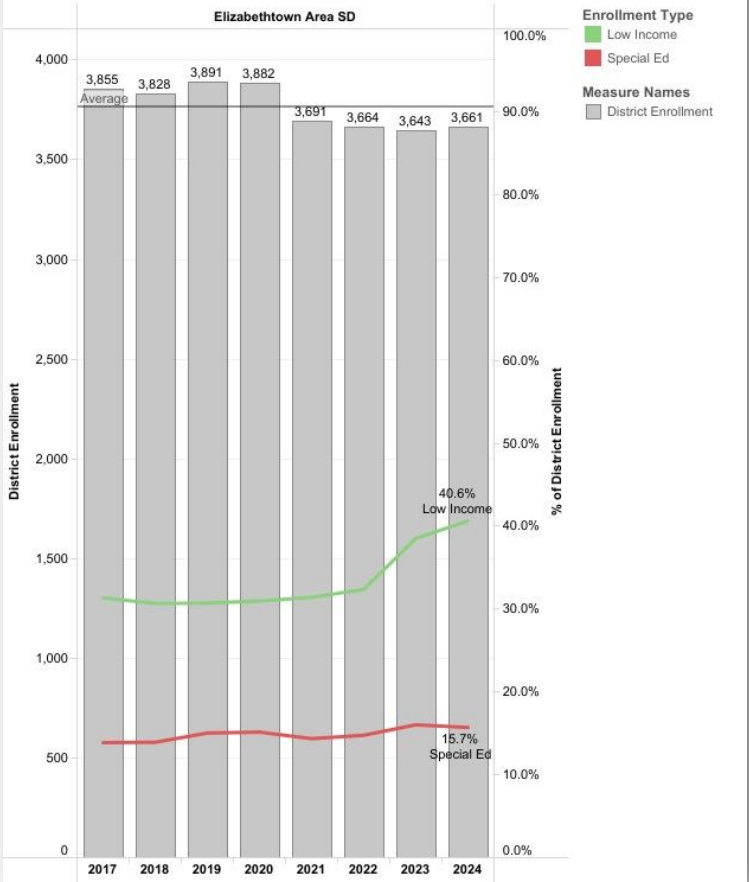
District	County	2024		Assessment % Residential
		Enrollment ↑	% Low Income Enrollment	
Eastern Lancaster Count...	Lancaster	2,678	47.68 %	64.2
Manheim Central SD	Lancaster	2,741	37.76 %	70.0
Donegal SD	Lancaster	2,793	47.83 %	71.0
Cocalico SD	Lancaster	2,898	43.62 %	72.0
Solanco SD	Lancaster	3,060	45.75 %	65.1
Palmyra Area SD	Lebanon	3,518	31.24 %	75.2
Elizabethtown Area SD	Lancaster	3,661	40.62 %	73.9
Warwick SD	Lancaster	3,790	35.78 %	76.2
Conestoga Valley SD	Lancaster	3,910	50.66 %	54.6
Ephrata Area SD	Lancaster	3,989	50.51 %	71.9

# Enrollment



## Enrollment Breakdown (District Level)

District(s): Elizabethtown Area SD  
Source: PA DOE Enrollment Data



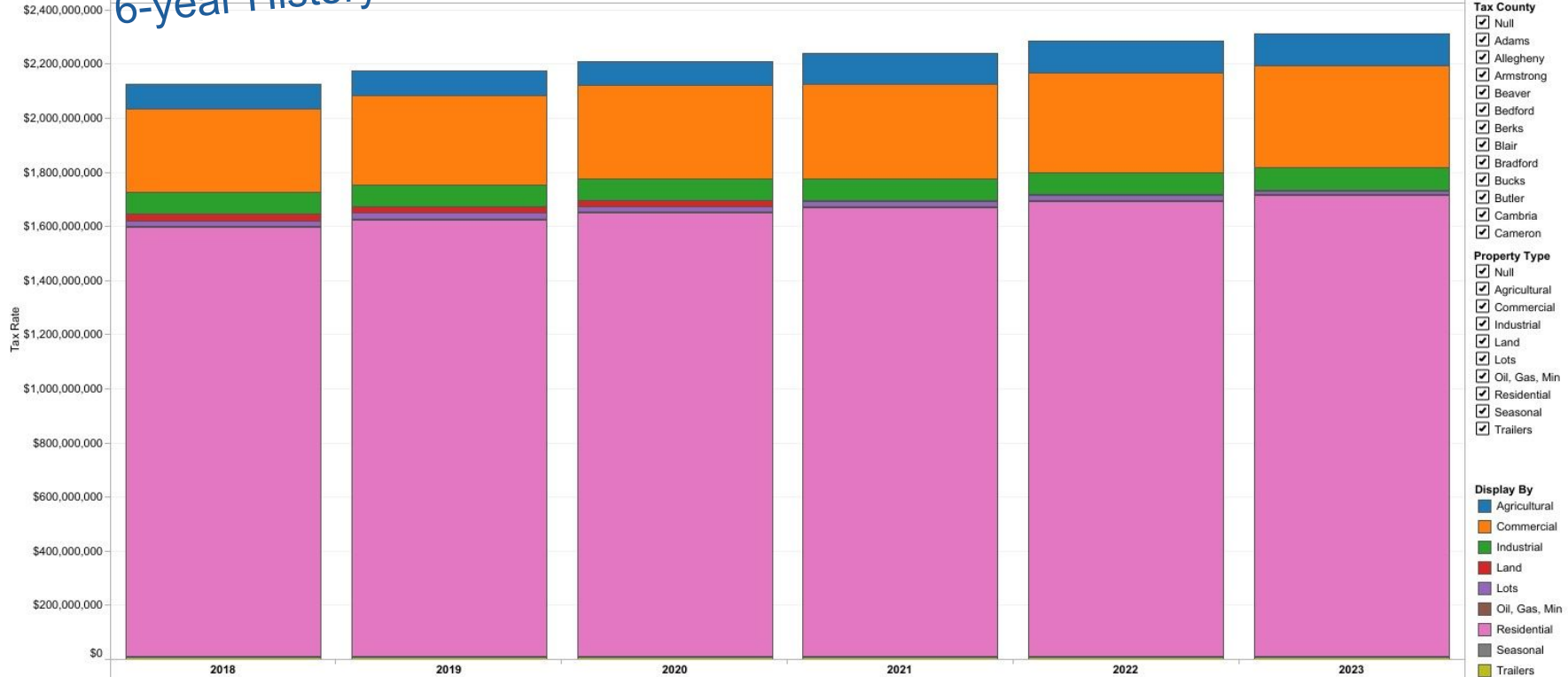
# Tax Information



EASD  
Assessed Value by Property  
Type  
6-year History

Assessed Value by Property Type  
Source: Pennsylvania State Tax Equalization Board...

Elizabethtown Area SD  
Lancaster







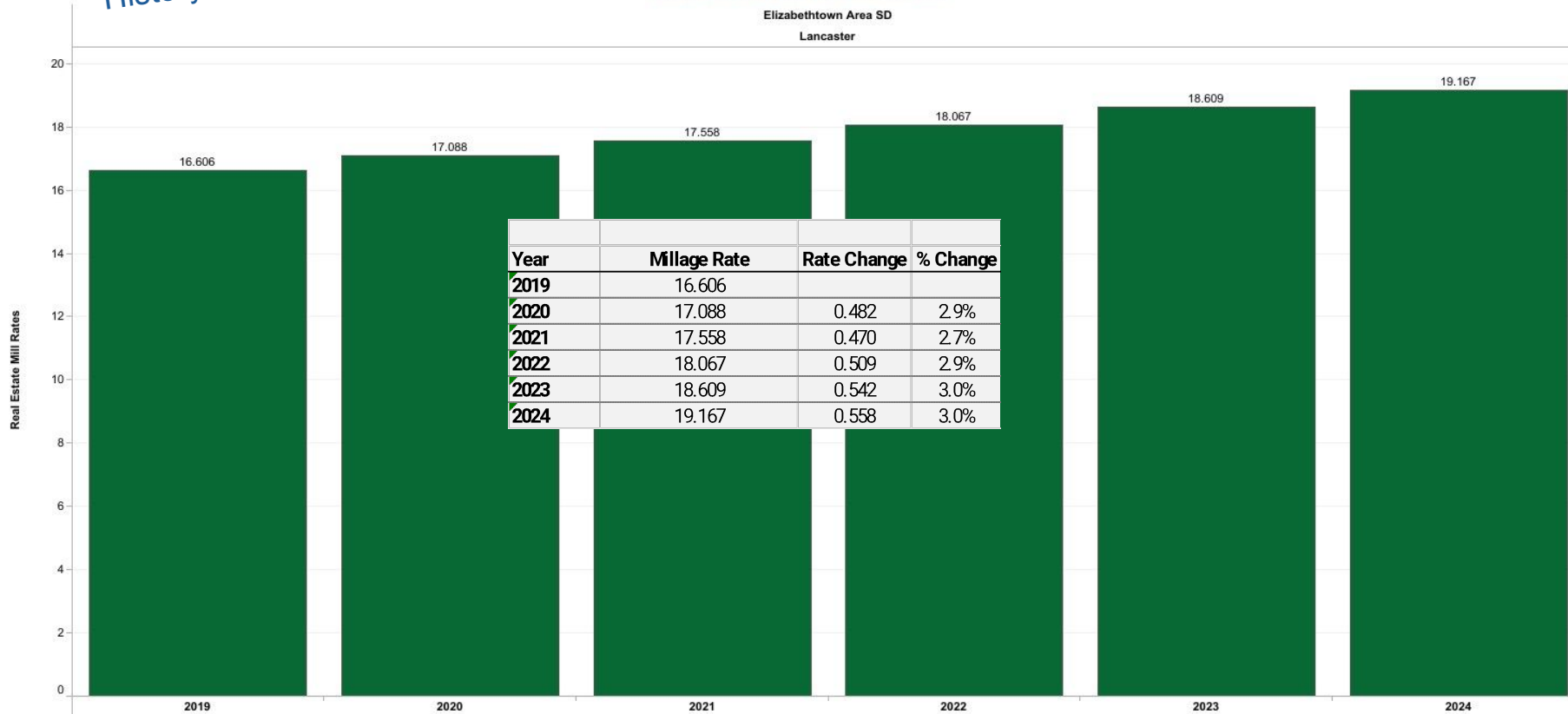


# EASD Millage Rate History

## Mill Rates

Source: Pennsylvania State Tax Equalization Board

Elizabethtown Area SD  
Lancaster

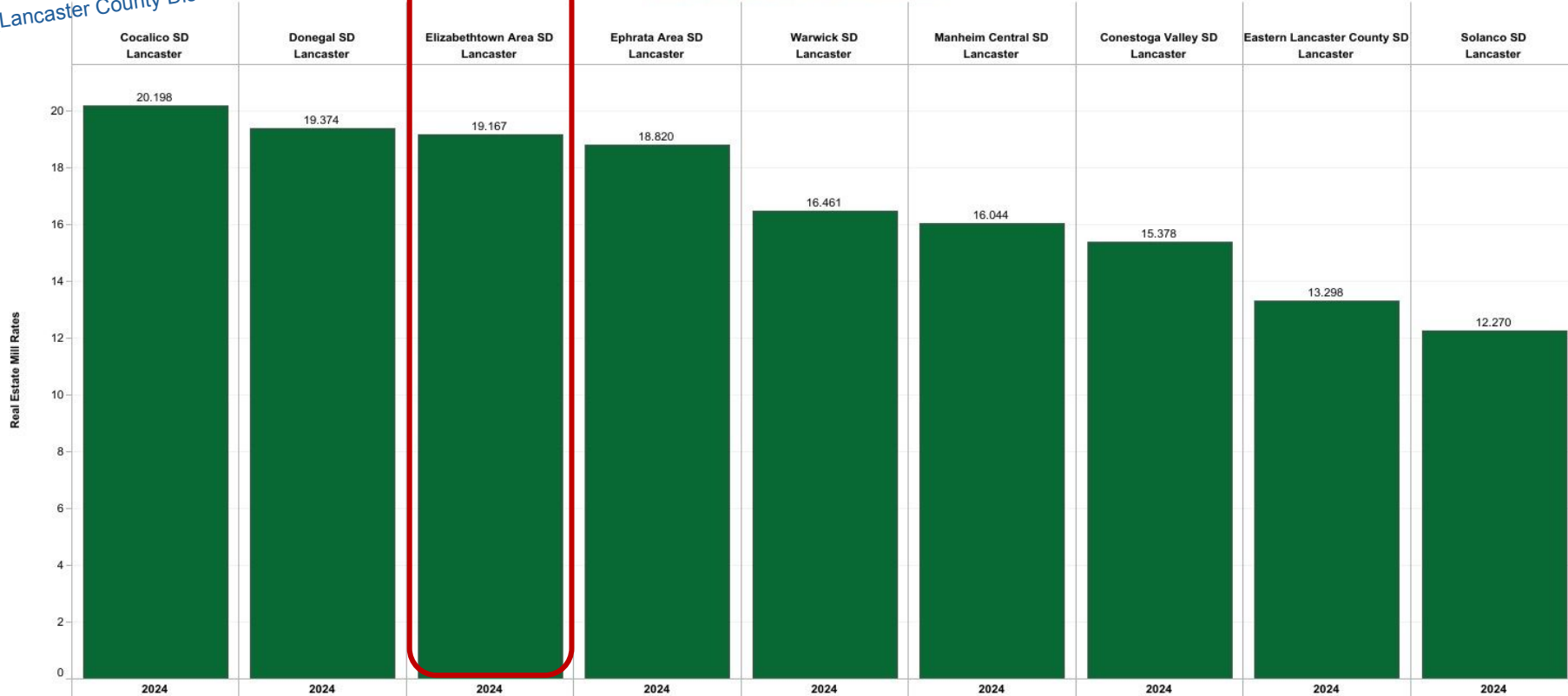


Peer Group #1  
Comparison  
Millage Rates  
(Lancaster County Districts Only)



Mill Rates

Source: Pennsylvania State Tax Equalization Board



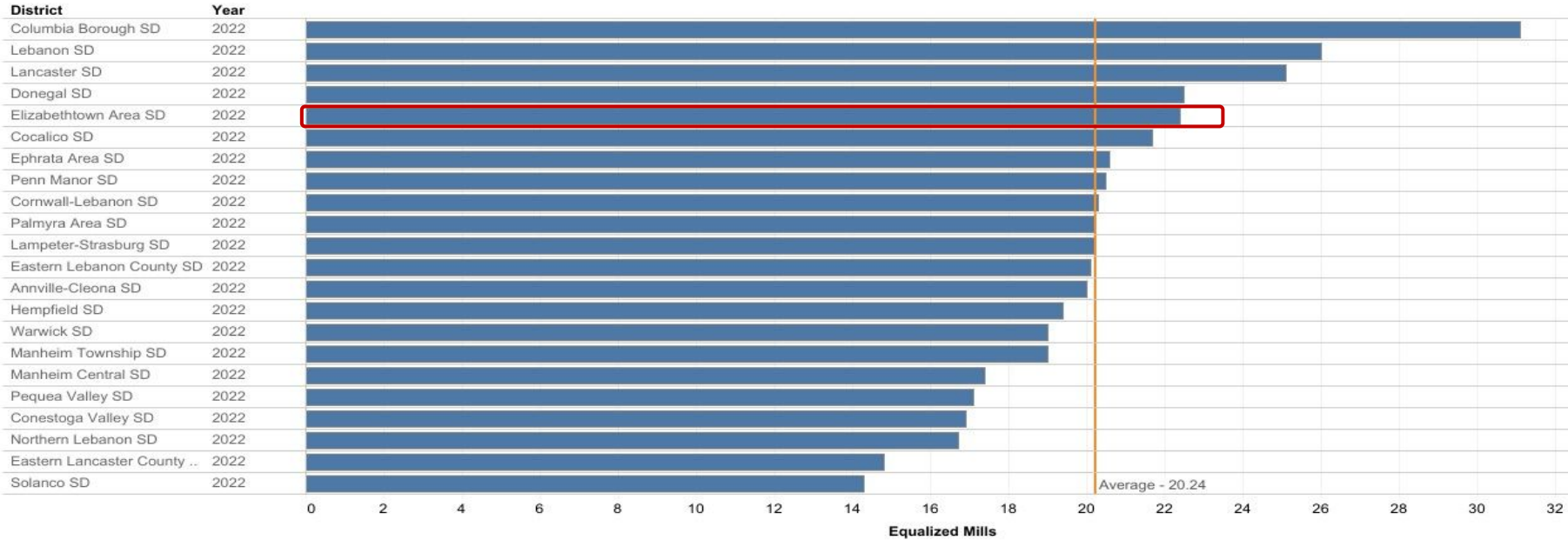


# Peer Group Comparison IU #13 School Districts Equalized Mills (Tax Effort)

## Equalized Mill Rate Comparison 2022

Source: Pennsylvania Department of Education

Note: Equalized Mills are determined by dividing a school district's total taxes collected by its total Market Value. Generally, high Equalized Mills represent a higher tax burden than low Equalized Mills.



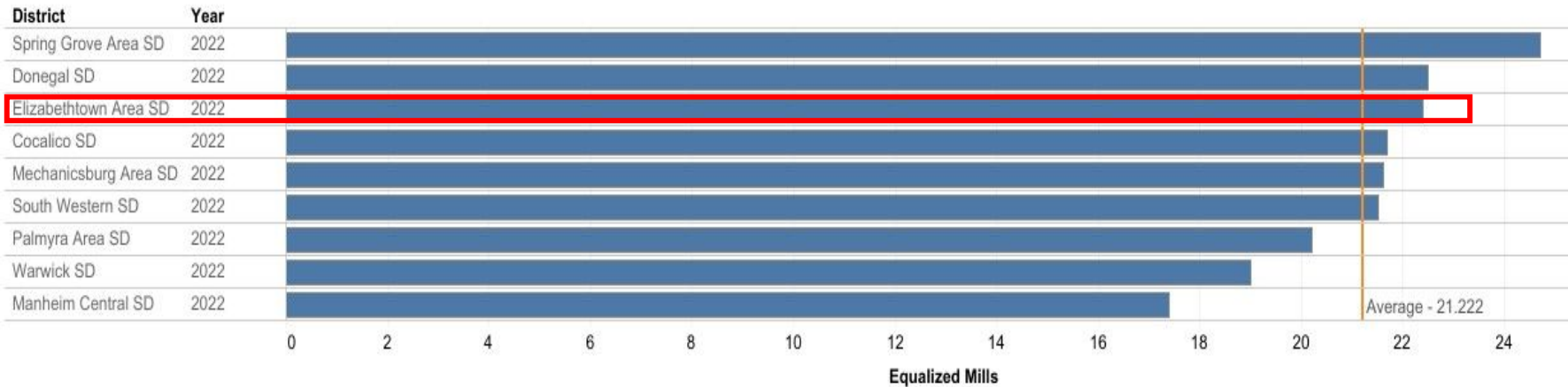


Peer Group #2  
Comparison  
Equalized Mills – Tax  
Effort

Equalized Mill Rate Comparison  
2022

Source: Pennsylvania Department of Education

Note: Equalized Mills are determined by dividing a school district's total taxes collected by its total Market Value. Generally, high Equalized Mills represent a higher tax burden than low Equalized Mills.





# PEER GROUP EXPENSE

# EASD History of Revenue, Expenses, and Fund Balance

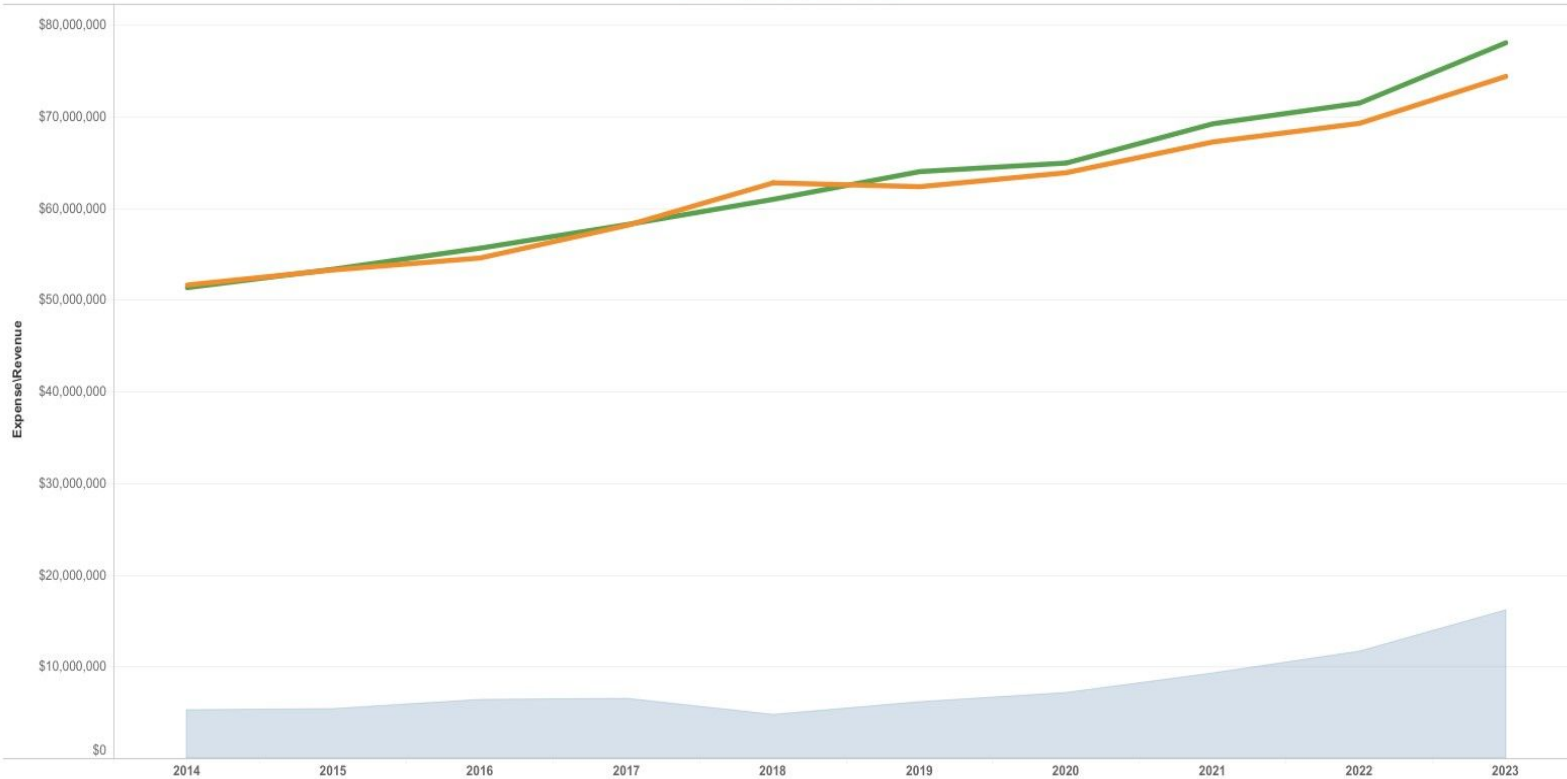


Revenue, Expenditures and Changes in Fund Balance

District: Elizabethtown Area SD  
Source: Pennsylvania Department of Education

District  
Elizabethtown Area SD

Year  
Multiple values



- Fund Name**
- 10 General Fund
  - 21 Student Sponsored Activity Fund
  - 23 Special Education Fund
  - 24 Special Education Transportation Fund
  - 25 Institutionalized Children
  - 26 State Funded Early Intervention (Hand..
  - 27 Athletic - School-Sponsored Extra Cur..
  - 28 Other Comptroller-Approved Special R..
  - 29 Other Comptroller-Approved Special R..
  - 30 Capital Projects Fund
  - 31 Capital Reserve Fund - 690
  - 32 Capital Reserve Fund - 1431
  - 39 Other Capital Projects Funds
  - 40 Debt Service Fund
  - 51 Food Service - Cafeteria Operations
  - 52 Child Care Operations
  - 58 Other Enterprise Funds
  - 60 Internal Service Fund
  - 90 PERMANENT FUNDS

- Expense By Fund
- Fund balance
- Revenue by Fund



Peer Group #1  
Comparison  
Total Expense per  
Student

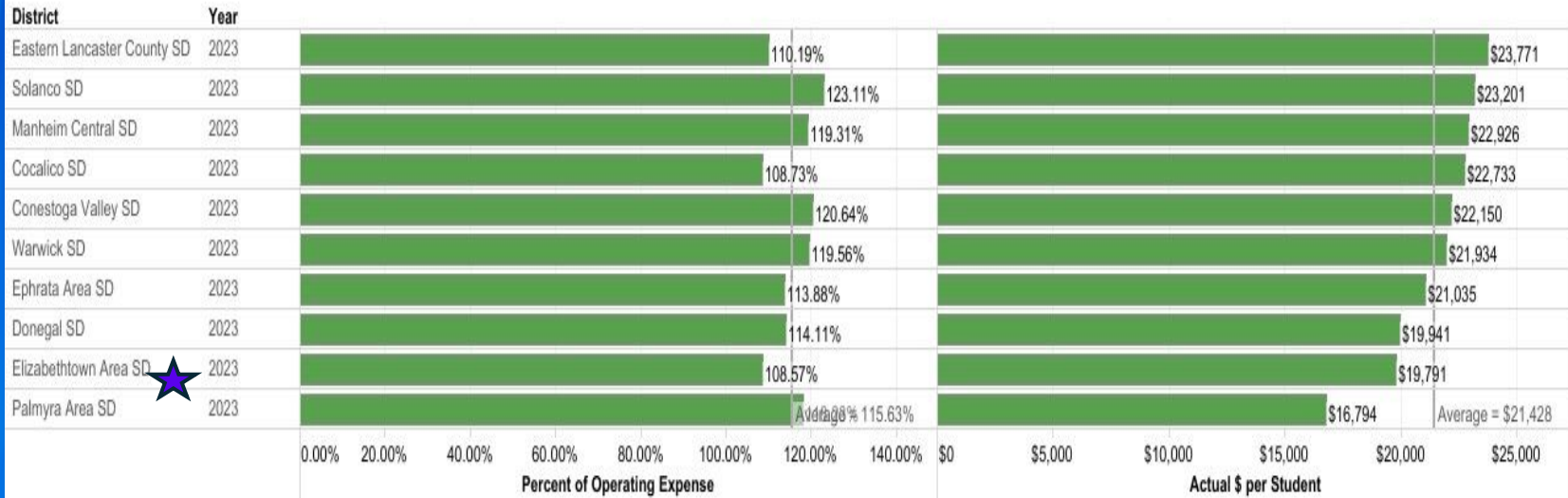
Line Item Spending Comparison

District(s): Eastern Lancaster County SD, Solanco SD, Manheim Central SD and 7 more

Source: Pennsylvania Department of Education

Notes: "Total Operating Expense" includes operating items from General Fund;

Actual \$ Per Student is calculated based on Average Daily Membership when available and regular enrollment when not available.



Display By

2023



# Peer Group #2 Comparison Total Expense per Student

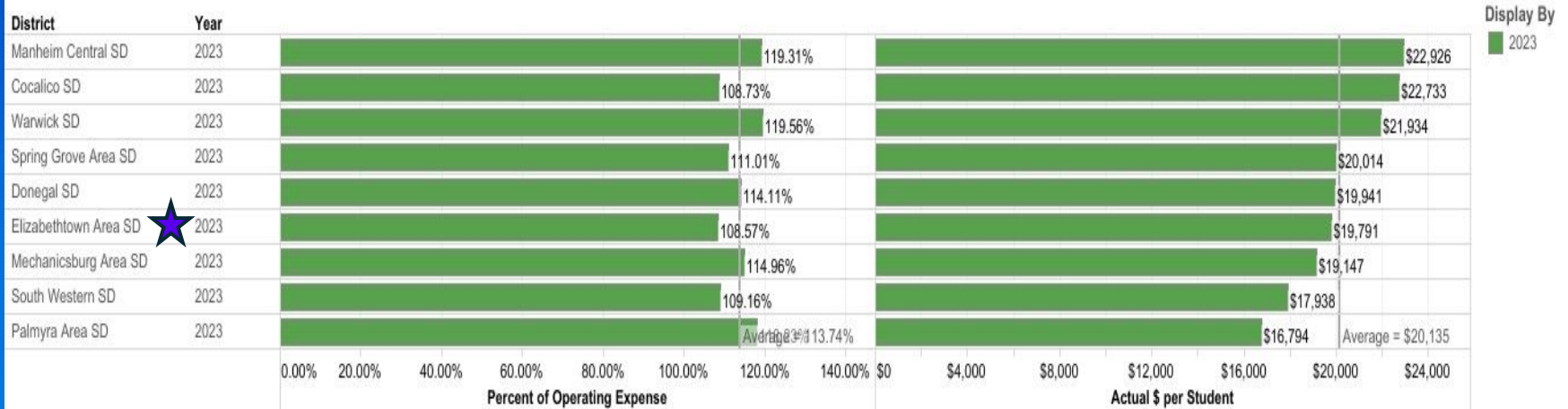
## Line Item Spending Comparison

District(s): Manheim Central SD, Cocalico SD, Warwick SD and 6 more

Source: Pennsylvania Department of Education

Notes: "Total Operating Expense" includes operating items from General Fund;

Actual \$ Per Student is calculated based on Average Daily Membership when available and regular enrollment when not available.

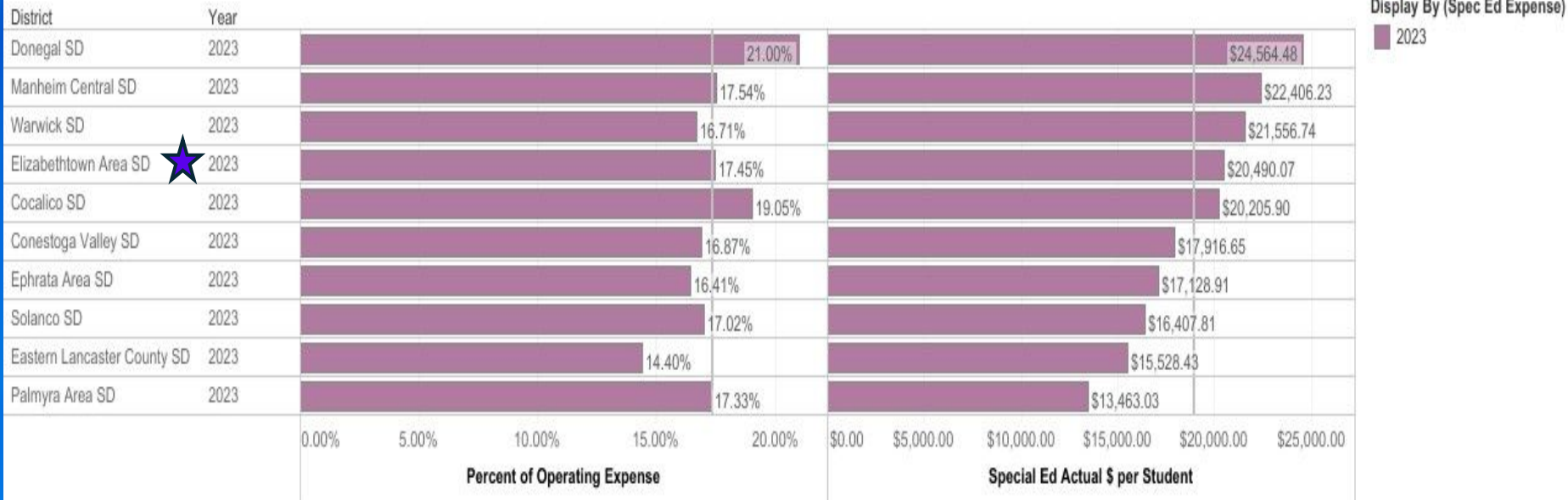




# Peer Group #1 Comparison Special Education Cost Per Student

## Special Education Cost per Student

Source: Pennsylvania Department of Education Enrollment and Annual Financial Report Data

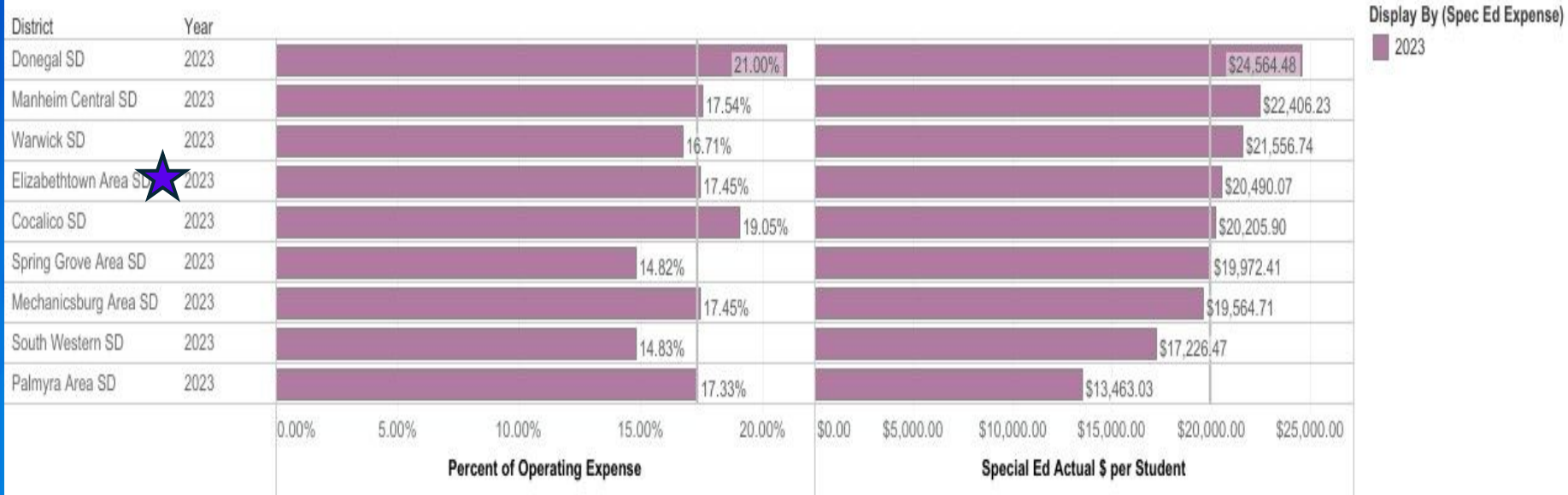




# Peer Group #2 Comparison Special Education Cost Per Student

## Special Education Cost per Student

Source: Pennsylvania Department of Education Enrollment and Annual Financial Report Data





# **Athletic Stadium Fieldhouse**

# Stadium / Fieldhouse



<b>FIELD HOUSE - ORIGINAL BIDS</b>	<b>\$ / SF</b>	
GENERAL CONSTRUCTION (eciConstruction)	\$271	\$4,878,000
HVAC CONSTRUCTION (Mann)	\$52	\$931,475
PLUMBING / FIRE PROTECTION (Midstate)	\$39	\$692,400
ELECTRICAL CONSTRUCTION (Hirneisen)	\$47	\$842,500
<b>SUBTOTAL</b>	<b>\$409</b>	<b>\$ 7,344,375</b>

<b>FIELD HOUSE - CHANGE ORDERS</b>	<b>\$ / SF</b>	
GENERAL CONSTRUCTION (eciConstruction)		-\$50,298
HVAC CONSTRUCTION (Mann)		-\$18,150
PLUMBING / FIRE PROTECTION (Midstate)		-\$12,505
ELECTRICAL CONSTRUCTION (Hirneisen)		-\$292
<b>SUBTOTAL</b>	<b>\$0</b>	<b>-\$81,245</b>

<b>SUBTOTAL STRUCTURE COST (1)</b>		<b>\$ 7,263,130</b>
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# Stadium / Fieldhouse



<b>CONSTRUCTION RELATED SOFT COSTS</b>		
CONSTRUCTION CONTINGENCY	0.00%	\$ -
CONSTRUCTION TESTING & INSPECTION	LS	\$ 74,383
CLASSIFIED CONSTRUCTION CONTINGENCY	0.00%	\$ -
REGULATORY AGENCY FEES	LS	\$ 104,182
UTILITY TAP FEES - PPL	LS	\$ 7,015
UTILITY TAP FEES - SEWER	LS	\$ 2,017
WEB-BASED CONSTRUCTION ADMINISTRATION	LS	\$ 3,780
DEP DEMOLITION NOTICE		\$ 300
ASBESTOS MONITORING	0.00%	\$ -
COMMISSIONING (INCL. IN TESTING)	0.00%	\$ -
CONSTRUCTION MANAGER FEES (Fidevia)		\$ 127,400
<b>TOTAL</b>		<b>\$ 319,077</b>
<b>TOTAL CONSTRUCTION COSTS (2)</b>		<b>\$ 12,328,753</b>

# Stadium / Fieldhouse



ORIGINAL CONTRACT	
FIELDTURF	\$4,136,168
STADIUM SOLUTIONS	\$458,100
	\$4,594,268

CHANGE ORDERS	
FIELDTURF	\$140,626
STADIUM SOLUTIONS	\$11,652
	\$152,278
<b>TOTAL (3)</b>	<b>\$4,746,546</b>

# Stadium / Fieldhouse



<b>ADDITIONAL SOFT COSTS</b>		
CRA - CONSTRUCTION PHASE FEE (Crabtree)		\$ 78,031
CIVIL ENGINEER (ELA Group)	LS	\$ 305,000
SITE SURVEY (LGS Surveyors)	LS	\$ -
GEOTECH INVESTIGATION	LS	\$ -
CODE REVIEW ALLOWANCE	LS	\$ -
BUILDER'S RISK INSURANCE	LS	\$ 15,298
REIMBURSE/ PRINTING		\$ -
FINANCING	LS	\$ -
FF&E (Furniture, Fixtures & Equipment)	LS	\$ 409,856
TOTAL		\$ 808,185
<b>TOTAL CONSTRUCTION (4)</b>		<b>\$ 13,136,938</b>

# Stadium / Fieldhouse



September 26, 2023

January 28, 2025

<b>Field House Building (Bid Project)</b>		
General Construction Contract	\$4,878,000	\$4,827,702
HVAC Construction Contract	\$931,475	\$913,325
Plumbing Construction Contract	\$692,400	\$679,895
Electrical Construction Contract	\$842,500	\$842,208
Total Contracts	\$7,344,375	\$7,263,130
<b>Construction Related Soft Costs</b>		
Testing & Inspections, Permit Fees, Constr. Mgr.	\$723,569	\$319,077
<b>Project Related Soft Costs</b>		
Design Fees, Geotechnical Investigation, Insurance, FF&E	\$1,069,200	\$808,185
<b>Total Field House Building</b>	<b>\$9,137,144</b>	<b>\$8,390,322</b>
<b>Field Work (Cooperative Purchasing)</b>		
FieldTurf Contract		
<b>Total Field Work</b>	<b>\$4,781,933</b>	<b>\$ 4,746,546</b>
<b>Total Project Budget</b> <b><u>UNDER BUDGET \$ 782,139</u></b>	<b>\$ 13,919,077</b>	<b>\$ 13,136,938</b>



# Questions?

For more information on this presentation, contact:

Tom Strickler

[tom\\_strickler@etownschools.org](mailto:tom_strickler@etownschools.org)

## **Our Mission:**

Every Student Graduates  
Ready to Live, Learn, and  
Thrive in a Global Community