

CONESTOGA VALLEY SCHOOL DISTRICT

Final Budget for General Fund Approval Resolution

RESOLVED, by the Board of School Directors of Conestoga Valley School District, as follows:

1. The proposed Final Budget of the School District for the 2025 - 2026 fiscal year on form PDE-2028 as presented to the School Board is adopted as a Final Budget for the School District General Fund in the amount of \$95,040,729.

FINAL GENERAL FUND BUDGET

Fiscal Year 2025-2026

General Fund Budget Approval**Date of Adoption of the General Fund Budget:**

President of the Board - Original Signature Required

Date

Secretary of the Board - Original Signature Required

Date

Chief School Administrator - Original Signature Required

Date

Anthony Spataro

(717)397-2421

Extn :0006

Contact Person

Telephone

Extension

anthony_spataro@conestogavalley.org

Email Address

CERTIFICATION OF ESTIMATED ENDING FUND BALANCE
FROM 2025-2026 GENERAL FUND BUDGET

24 PS 6-688

(10/2010)

SCHOOL DISTRICT : Conestoga Valley SD	COUNTY : Lancaster	AUN : 113361703
--	-----------------------	--------------------

No school district shall approve an increase in real property taxes unless it has adopted a budget that includes an estimated, ending unreserved undesignated fund balance (unassigned) less than the specified percentage of its total budgeted expenditures:

Total Budgeted Expenditures	Fund Balance % Limit (less than)
Less Than or Equal to \$11,999,999	12.0%
Between \$12,000,000 and \$12,999,999	11.5%
Between \$13,000,000 and \$13,999,999	11.0%
Between \$14,000,000 and \$14,999,999	10.5%
Between \$15,000,000 and \$15,999,999	10.0%
Between \$16,000,000 and \$16,999,999	9.5%
Between \$17,000,000 and \$17,999,999	9.0%
Between \$18,000,000 and \$18,999,999	8.5%
Greater Than or Equal to \$19,000,000	8.0%

Did you raise property taxes in SY 2025-2026 (compared to 2024-2025)?

Yes☒

No☐

If yes, see information below, taken from the 2025-2026 General Fund Budget.

Total Budgeted Expenditures	\$95040740
Ending Unassigned Fund Balance	\$5824829
Ending Unassigned Fund Balance as a percentage (%) of Total Budgeted Expenditures	6.12%

The Estimated Ending Unassigned Fund Balance is within the allowable limits.

Yes☒

No☐

I hereby certify that the above information is accurate and complete.

SIGNATURE OF SUPERINTENDENT	DATE
-----------------------------	------

DUE DATE: AUGUST 15, 2025

FOR PUBLIC INSPECTION OF 2025-2026 PROPOSED BUDGET

24 PS 6-687(a)(1)

(03/2006)

School District Name : Conestoga Valley SD	County : Lancaster	AUN Number : 113361703
---	-----------------------	---------------------------

Section 687(a)(1) of the School Code requires the president of the board of school directors of each school district to certify to the Department of Education that the proposed budget was prepared, presented and will be made available for public inspection using the uniform form prepared and furnished by the Department of Education.

I hereby certify that the above information is accurate and complete.

SIGNATURE OF SCHOOL BOARD PRESIDENT 	DATE 05/15/25
---	------------------

DUE DATE: IMMEDIATELY FOLLOWING
ADOPTION OF PROPOSED
FINAL GENERAL FUND BUDGET

<u>Val Number</u>	<u>Description</u>	<u>Justification</u>
1010	Budget Approval Date is required before submission on Contact Screen and cannot be a future date.	
8060	Ending Fund Balance Entry and Budgetary Reserve: If 5900 Budgetary Reserve is not equal to 0, a justification must be entered below.	Reserve is for emergencies
8080	Ending Fund Balance Entry and Budgetary Reserve: If 0850 Estimated Ending Unassigned Fund Balance is not equal to 0, a justification must be entered below.	Unassigned Fund Balance is less than 8% of budgeted expenditures
8150	Ending Fund Balance Entry and Budgetary Reserve: If 0830 Committed Fund Balance is not equal to 0, a justification must be entered below.	Represents fund balance committed for PSERS stabilization, health savings accounts, Future debt service obligations and personnel costs

<u>ITEM</u>	<u>AMOUNTS</u>	
Estimated Beginning Unreserved Fund Balance Available for Appropriation and Reserves Scheduled For Liquidation During The Fiscal Year		
0810 Nonspendable Fund Balance	100,000	
0820 Restricted Fund Balance		
0830 Committed Fund Balance	4,012,681	
0840 Assigned Fund Balance	3,750,000	
0850 Unassigned Fund Balance	6,934,867	
Total Estimated Beginning Unreserved Fund Balance Available for Appropriation and Reserves Scheduled For Liquidation During The Fiscal Year		<u>\$14,697,548</u>
Estimated Revenues And Other Financing Sources		
6000 Revenue from Local Sources	66,815,919	
7000 Revenue from State Sources	25,058,668	
8000 Revenue from Federal Sources	1,799,493	
9000 Other Financing Sources	25,000	
Total Estimated Revenues And Other Financing Sources		<u>\$93,699,080</u>
Total Estimated Fund Balance, Revenues, and Other Financing Sources Available for Appropriation		<u>\$108,396,628</u>

LEA : 113361703 Conestoga Valley SD

	<u>Amount</u>
REVENUE FROM LOCAL SOURCES	
6111 Current Real Estate Taxes	54,760,143
6112 Interim Real Estate Taxes	537,143
6113 Public Utility Realty Taxes	55,000
6140 Current Act 511 Taxes - Flat Rate Assessments	275,000
6150 Current Act 511 Taxes - Proportional Assessments	7,622,067
6400 Delinquencies on Taxes Levied / Assessed by the LEA	600,000
6500 Earnings on Investments	1,525,000
6700 Revenues from LEA Activities	100,000
6800 Revenues from Intermediary Sources / Pass-Through Funds	921,566
6910 Rentals	110,000
6920 Contributions and Donations from Private Sources	75,000
6940 Tuition from Patrons	10,000
6960 Services Provided Other Local Governmental Units / LEAs	25,000
6990 Refunds and Other Miscellaneous Revenue	200,000
REVENUE FROM LOCAL SOURCES	\$66,815,919
REVENUE FROM STATE SOURCES	
7111 Basic Education Funding-Formula	8,517,513
7160 Tuition for Orphans Subsidy	109,000
7271 Special Education funds for School-Aged Pupils	2,226,838
7292 Pre-K Counts	880,000
7311 Pupil Transportation Subsidy	1,348,848
7312 Nonpublic and Charter School Pupil Transportation Subsidy	110,110
7320 Rental and Sinking Fund Payments / Building Reimbursement Subsidy	287,054
7330 Health Services (Medical, Dental, Nurse, Act 25)	91,000
7340 State Property Tax Reduction Allocation	1,232,420
7360 Safe Schools	91,553
7505 Ready to Learn Block Grant	1,771,246
7532 Ready to Learn-Adequacy Supplement	711,188
7810 State Share of Social Security and Medicare Taxes	1,410,961
7820 State Share of Retirement Contributions	6,270,937
REVENUE FROM STATE SOURCES	\$25,058,668
REVENUE FROM FEDERAL SOURCES	
8514 Title I - Improving the Academic Achievement of the Disadvantaged	1,320,146
8515 Title II - Preparing, Training, and Recruiting High Quality Teachers and Principals	173,761

2025-2026 Final General Fund Budget		Estimated Revenues and Other Financing Sources: Detail
LEA : 113361703 Conestoga Valley SD		
Printed 6/11/2025 11:23:18 AM		Page - 2 of 2
	<u>Amount</u>	
REVENUE FROM FEDERAL SOURCES		
8516 Title III - Language Instruction for English Learners and Immigrant Students	54,085	
8517 Title IV - 21st Century Schools	101,501	
8810 School-Based Access Medicaid Reimbursement Program (SBAP) Reimbursements (Access)	150,000	
REVENUE FROM FEDERAL SOURCES	\$1,799,493	
OTHER FINANCING SOURCES		
9400 Sale of or Compensation for Loss of Fixed Assets	25,000	
OTHER FINANCING SOURCES	\$25,000	
TOTAL ESTIMATED REVENUES AND OTHER SOURCES	93,699,080	

Act 1 Index (current): 4.0%

Calculation Method:	Rate	
Approx. Tax Revenue from RE Taxes:	\$54,760,143	
Amount of Tax Relief for Homestead Exclusions	<u>\$1,232,420</u>	
Total Approx. Tax Revenue:	\$55,992,563	
Approx. Tax Levy for Tax Rate Calculation:	\$57,636,720	
	Lancaster	Total
<hr/>		
2024-25 Data		
a. Assessed Value	\$3,549,252,373	\$3,549,252,373
b. Real Estate Mills	15.7620	
I. 2025-26 Data		
c. 2023 STEB Market Value	\$3,623,307,152	\$3,623,307,152
d. Assessed Value	\$3,567,489,700	\$3,567,489,700
e. Assessed Value of New Constr/ Renov	\$0	\$0
<hr/>		
2024-25 Calculations		
f. 2024-25 Tax Levy	\$55,943,316	\$55,943,316
(a * b)		
2025-26 Calculations		
g. Percent of Total Market Value	100.00000%	100.00000%
II. h. Rebalanced 2024-25 Tax Levy	\$55,943,316	\$55,943,316
(f Total * g)		
i. Base Mills Subject to Index	15.7620	
(h / a * 1000) if no reassessment		
(h / (d-e) * 1000) if reassessment		
<hr/>		
Calculation of Tax Rates and Levies Generated		
j. Weighted Avg. Collection Percentage	97.08505%	97.08505%
k. Tax Levy Needed	\$57,636,720	\$57,636,720
(Approx. Tax Levy * g)		
I. 2025-26 Real Estate Tax Rate	16.1561	
(k / d * 1000)		
III. m. Tax Levy Generated by Mills	\$57,636,720	\$57,636,720
(l / 1000 * d)		
n. Tax Levy minus Tax Relief for Homestead Exclusions		\$56,404,300
(m - Amount of Tax Relief for Homestead Exclusions)		
o. Net Tax Revenue Generated By Mills		\$54,760,143
(n * Est. Pct. Collection)		

Act 1 Index (current): 4.0%

Calculation Method:	Rate	
Approx. Tax Revenue from RE Taxes:	\$54,760,143	
Amount of Tax Relief for Homestead Exclusions	<u>\$1,232,420</u>	
Total Approx. Tax Revenue:	\$55,992,563	
Approx. Tax Levy for Tax Rate Calculation:	\$57,636,720	
	Lancaster	Total

Index Maximums		
p. Maximum Mills Based On Index (i * (1 + Index))	16.3924	
q. Mills In Excess of Index (if (l > p), (l - p))	0.0000	
r. Maximum Tax Levy Based On Index (p / 1000 * d)	\$58,479,718	\$58,479,718
IV. s. Millage Rate within Index? (If l > p Then No)	Yes	
t. Tax Levy In Excess of Index (if (m > r), (m - r))	\$0	\$0
u. Tax Revenue In Excess of Index (t * Est. Pct. Collection)	\$0	\$0

Information Related to Property Tax Relief		
V. Assessed Value Exclusion per Homestead	\$11,172.00	
Number of Homestead/Farmstead Properties	6828	6828
Median Assessed Value of Homestead Properties		\$194,000

Act 1 Index (current): 4.0%

Calculation Method:	Rate
Approx. Tax Revenue from RE Taxes:	\$54,760,143
Amount of Tax Relief for Homestead Exclusions	<u>\$1,232,420</u>
Total Approx. Tax Revenue:	\$55,992,563
Approx. Tax Levy for Tax Rate Calculation:	\$57,636,720
	Lancaster
	Total

State Property Tax Reduction Allocation used for: Homestead Exclusions	\$1,232,420	Lowering RE Tax Rate	\$0	\$1,232,420
Prior Year State Property Tax Reduction Allocation used for: Homestead Exclusions	\$0			\$0
Amount of Tax Relief from State/Local Sources				\$1,232,420

2025-2026 Final General Fund Budget				Local Education Agency Tax Data			
LEA : 113361703 Conestoga Valley SD				REAL ESTATE, PER CAPITA (SEC. 679), EIT/PIT (ACT 1), LOCAL ENABLING (ACT 511)			
Printed 6/11/2025 11:23:23 AM				Page - 1 of 1			
CODE							
6111 <u>Current Real Estate Taxes</u>							
<u>County Name</u>	<u>Taxable Assessed Value</u>	<u>Real Estate Mills</u>	<u>Tax Levy Generated by Mills</u>	<u>Amount of Tax Relief for Homestead Exclusions</u>	<u>Tax Levy Minus Homestead Exclusions</u>	<u>Percent Collected</u>	<u>Net Tax Revenue Generated By Mills</u>
Lancaster	3,567,489,700	16.1561	57,636,720			97.08505%	
Totals:	3,567,489,700		57,636,720	- 1,232,420	= 56,404,300	X 97.08505%	= 54,760,143
				<u>Rate</u>	<u>Estimated Revenue</u>		
6120	<u>Current Per Capita Taxes, Section 679</u>			\$0.00	0		
6140	<u>Current Act 511 Taxes – Flat Rate Assessments</u>			<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6141	Current Act 511 Per Capita Taxes			\$0.00	\$0.00	0	0
6142	Current Act 511 Occupation Taxes – Flat Rate			\$0.00	\$0.00	0	0
6143	Current Act 511 Local Services Taxes			\$10.00	\$0.00	275,000	275,000
6144	Current Act 511 Trailer Taxes			\$0.00	\$0.00	0	0
6145	Current Act 511 Business Privilege Taxes – Flat Rate			\$0.00	\$0.00	0	0
6146	Current Act 511 Mechanical Device Taxes – Flat Rate			\$0.00	\$0.00	0	0
6149	Current Act 511 Taxes, Other Flat Rate Assessments			\$0.00	\$0.00	0	0
Total Current Act 511 Taxes – Flat Rate Assessments						275,000	275,000
6150	<u>Current Act 511 Taxes – Proportional Assessments</u>			<u>Rate</u>	<u>Add'l Rate (if appl.)</u>	<u>Tax Levy</u>	<u>Estimated Revenue</u>
6151	Current Act 511 Earned Income Taxes			0.500%	0.000%	6,283,200	6,283,200
6152	Current Act 511 Occupation Taxes			0.000	0.000	0	0
6153	Current Act 511 Real Estate Transfer Taxes			0.500%	0.000%	990,000	990,000
6154	Current Act 511 Amusement Taxes			2.000%	0.000%	348,867	348,867
6155	Current Act 511 Business Privilege Taxes			0.000	0.000	0	0
6156	Current Act 511 Mechanical Device Taxes – Percentage			0.000%	0.000%	0	0
6157	Current Act 511 Mercantile Taxes			0.000	0.000	0	0
6159	Current Act 511 Taxes, Other Proportional Assessments			0	0	0	0
Total Current Act 511 Taxes – Proportional Assessments						7,622,067	7,622,067
Total Act 511, Current Taxes							7,897,067
Act 511 Tax Limit -->				3,623,307,152	X	12	43,479,686
				Market Value		Mills	(511 Limit)

Tax Function	Description	Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index	Index	Additional Tax Rate Charged in:		Percent Change in Rate	Less than or equal to Index
		2024-25 (Rebalanced)	2025-26				2024-25 (Rebalanced)	2025-26		
6111	<u>Current Real Estate Taxes</u>									
	Lancaster	15.7620	16.1561	2.51%	Yes	4.0%				
	<u>Current Act 511 Taxes – Flat Rate Assessments</u>									
6143	Current Act 511 Local Services Taxes	\$10.00	\$10.00	0.00%	Yes	4.0%				
	<u>Current Act 511 Taxes – Proportional Assessments</u>									
6151	Current Act 511 Earned Income Taxes	0.500%	0.500%	0.00%	Yes	4.0%				
6153	Current Act 511 Real Estate Transfer Taxes	0.500%	0.500%	0.00%	Yes	4.0%				
6154	Current Act 511 Amusement Taxes	2.000%	2.000%	0.00%	Yes	4.0%				

LEA : 113361703 Conestoga Valley SD

Printed 6/11/2025 11:23:25 AM

<u>Description</u>	<u>Amount</u>
1000 Instruction	
1100 Regular Programs - Elementary / Secondary	40,286,240
1200 Special Programs - Elementary / Secondary	15,227,882
1300 Vocational Education	1,341,023
1400 Other Instructional Programs - Elementary / Secondary	282,229
1500 Nonpublic School Programs	78,943
1800 Pre-Kindergarten	850,850
Total Instruction	\$58,067,167
2000 Support Services	
2100 Support Services - Students	3,216,347
2200 Support Services - Instructional Staff	3,511,635
2300 Support Services - Administration	4,603,222
2400 Support Services - Pupil Health	924,693
2500 Support Services - Business	1,028,121
2600 Operation and Maintenance of Plant Services	7,193,716
2700 Student Transportation Services	4,229,643
2800 Support Services - Central	2,117,725
2900 Other Support Services	45,000
Total Support Services	\$26,870,102
3000 Operation of Non-Instructional Services	
3200 Student Activities	1,807,790
3300 Community Services	17,501
3400 Scholarships and Awards	1,000
Total Operation of Non-Instructional Services	\$1,826,291
4000 Facilities Acquisition, Construction and Improvement Services	
4000 Facilities Acquisition, Construction and Improvement Services	10,000
Total Facilities Acquisition, Construction and Improvement Services	\$10,000
5000 Other Expenditures and Financing Uses	
5100 Debt Service / Other Expenditures and Financing Uses	50,000
5200 Interfund Transfers - Out	8,167,180
5900 Budgetary Reserve	50,000
Total Other Expenditures and Financing Uses	\$8,267,180
Total Estimated Expenditures and Other Financing Uses	\$95,040,740

LEA : 113361703 Conestoga Valley SD

Printed 6/11/2025 11:23:26 AM

<u>Description</u>	<u>Amount</u>
1000 Instruction	
1100 <u>Regular Programs - Elementary / Secondary</u>	
100 Personnel Services - Salaries	21,347,926
200 Personnel Services - Employee Benefits	13,149,556
300 Purchased Professional and Technical Services	189,552
400 Purchased Property Services	910,023
500 Other Purchased Services	3,041,135
600 Supplies	1,599,398
700 Property	39,120
800 Other Objects	9,530
Total Regular Programs - Elementary / Secondary	\$40,286,240
1200 <u>Special Programs - Elementary / Secondary</u>	
100 Personnel Services - Salaries	5,519,890
200 Personnel Services - Employee Benefits	3,396,486
300 Purchased Professional and Technical Services	2,716,671
500 Other Purchased Services	3,505,213
600 Supplies	83,135
800 Other Objects	6,487
Total Special Programs - Elementary / Secondary	\$15,227,882
1300 <u>Vocational Education</u>	
300 Purchased Professional and Technical Services	120,000
500 Other Purchased Services	1,221,023
Total Vocational Education	\$1,341,023
1400 <u>Other Instructional Programs - Elementary / Secondary</u>	
100 Personnel Services - Salaries	107,124
200 Personnel Services - Employee Benefits	42,437
300 Purchased Professional and Technical Services	85,000
500 Other Purchased Services	47,168
600 Supplies	500
Total Other Instructional Programs - Elementary / Secondary	\$282,229
1500 <u>Nonpublic School Programs</u>	
300 Purchased Professional and Technical Services	78,943
Total Nonpublic School Programs	\$78,943
1800 <u>Pre-Kindergarten</u>	
100 Personnel Services - Salaries	374,853
200 Personnel Services - Employee Benefits	160,652
300 Purchased Professional and Technical Services	12,369
500 Other Purchased Services	243,906
600 Supplies	59,070
Total Pre-Kindergarten	\$850,850
Total Instruction	\$58,067,167
2000 Support Services	
2100 <u>Support Services - Students</u>	

LEA : 113361703 Conestoga Valley SD

Printed 6/11/2025 11:23:26 AM

<u>Description</u>	<u>Amount</u>
100 Personnel Services - Salaries	1,884,984
200 Personnel Services - Employee Benefits	1,210,868
300 Purchased Professional and Technical Services	32,000
500 Other Purchased Services	2,200
600 Supplies	84,200
800 Other Objects	2,095
Total Support Services - Students	\$3,216,347
2200 <u>Support Services - Instructional Staff</u>	
100 Personnel Services - Salaries	1,677,189
200 Personnel Services - Employee Benefits	1,374,718
300 Purchased Professional and Technical Services	149,389
500 Other Purchased Services	95,038
600 Supplies	113,756
700 Property	101,000
800 Other Objects	545
Total Support Services - Instructional Staff	\$3,511,635
2300 <u>Support Services - Administration</u>	
100 Personnel Services - Salaries	2,577,944
200 Personnel Services - Employee Benefits	1,581,214
300 Purchased Professional and Technical Services	260,350
400 Purchased Property Services	3,000
500 Other Purchased Services	69,350
600 Supplies	73,489
800 Other Objects	37,875
Total Support Services - Administration	\$4,603,222
2400 <u>Support Services - Pupil Health</u>	
100 Personnel Services - Salaries	494,974
200 Personnel Services - Employee Benefits	374,387
300 Purchased Professional and Technical Services	4,650
500 Other Purchased Services	14,082
600 Supplies	36,100
800 Other Objects	500
Total Support Services - Pupil Health	\$924,693
2500 <u>Support Services - Business</u>	
100 Personnel Services - Salaries	565,473
200 Personnel Services - Employee Benefits	362,148
300 Purchased Professional and Technical Services	22,000
400 Purchased Property Services	2,000
500 Other Purchased Services	10,500
600 Supplies	64,600
800 Other Objects	1,400
Total Support Services - Business	\$1,028,121
2600 <u>Operation and Maintenance of Plant Services</u>	
100 Personnel Services - Salaries	297,973
200 Personnel Services - Employee Benefits	203,364

LEA : 113361703 Conestoga Valley SD

Printed 6/11/2025 11:23:26 AM

<u>Description</u>		<u>Amount</u>
300	Purchased Professional and Technical Services	315,150
400	Purchased Property Services	3,795,725
500	Other Purchased Services	518,595
600	Supplies	1,752,302
700	Property	228,107
800	Other Objects	82,500
Total Operation and Maintenance of Plant Services		\$7,193,716
2700 <u>Student Transportation Services</u>		
100	Personnel Services - Salaries	57,891
200	Personnel Services - Employee Benefits	35,331
300	Purchased Professional and Technical Services	78,725
500	Other Purchased Services	3,778,696
600	Supplies	279,000
Total Student Transportation Services		\$4,229,643
2800 <u>Support Services - Central</u>		
100	Personnel Services - Salaries	974,051
200	Personnel Services - Employee Benefits	529,957
300	Purchased Professional and Technical Services	373,087
400	Purchased Property Services	195,880
500	Other Purchased Services	7,100
600	Supplies	36,550
800	Other Objects	1,100
Total Support Services - Central		\$2,117,725
2900 <u>Other Support Services</u>		
500	Other Purchased Services	45,000
Total Other Support Services		\$45,000
Total Support Services		\$26,870,102
3000 Operation of Non-Instructional Services		
3200 <u>Student Activities</u>		
100	Personnel Services - Salaries	1,004,093
200	Personnel Services - Employee Benefits	446,170
400	Purchased Property Services	90,385
500	Other Purchased Services	116,442
600	Supplies	129,700
700	Property	20,000
800	Other Objects	1,000
Total Student Activities		\$1,807,790
3300 <u>Community Services</u>		
100	Personnel Services - Salaries	3,511
200	Personnel Services - Employee Benefits	1,186
600	Supplies	12,804
Total Community Services		\$17,501
3400 <u>Scholarships and Awards</u>		
600	Supplies	1,000

<u>Description</u>	<u>Amount</u>
Total Scholarships and Awards	\$1,000
Total Operation of Non-Instructional Services	\$1,826,291
4000 Facilities Acquisition, Construction and Improvement Services	
4000 <u>Facilities Acquisition, Construction and Improvement Services</u>	
400 Purchased Property Services	10,000
Total Facilities Acquisition, Construction and Improvement Services	\$10,000
Total Facilities Acquisition, Construction and Improvement Services	\$10,000
5000 Other Expenditures and Financing Uses	
5100 <u>Debt Service / Other Expenditures and Financing Uses</u>	
800 Other Objects	50,000
Total Debt Service / Other Expenditures and Financing Uses	\$50,000
5200 <u>Interfund Transfers - Out</u>	
900 Other Uses of Funds	8,167,180
Total Interfund Transfers - Out	\$8,167,180
5900 <u>Budgetary Reserve</u>	
800 Other Objects	50,000
Total Budgetary Reserve	\$50,000
Total Other Expenditures and Financing Uses	\$8,267,180
TOTAL EXPENDITURES	\$95,040,740

LEA : 113361703 Conestoga Valley SD

<u>Cash and Short-Term Investments</u>	<u>06/30/2025 Estimate</u>	<u>06/30/2026 Projection</u>
General Fund	17,531,418	16,129,462
Public Purpose (Expendable) Trust Fund		
Other Comptroller-Approved Special Revenue Funds		
Athletic / School-Sponsored Extra Curricular Activities Fund	305,000	305,000
Capital Reserve Fund - § 690, §1850		
Capital Reserve Fund - § 1431	7,000,000	7,000,000
Other Capital Projects Fund	25,000,000	25,000,000
Debt Service Fund		
Food Service / Cafeteria Operations Fund	2,900,000	2,500,000
Child Care Operations Fund		
Other Enterprise Funds		
Internal Service Fund	2,750,000	2,000,000
Private Purpose Trust Fund	200,000	200,000
Investment Trust Fund		
Pension Trust Fund		
Activity Fund	180,000	180,000
Other Agency Fund		
Permanent Fund		
Total Cash and Short-Term Investments	\$55,866,418	\$53,314,462

<u>Long-Term Investments</u>	<u>06/30/2025 Estimate</u>	<u>06/30/2026 Projection</u>
General Fund		
Public Purpose (Expendable) Trust Fund		
Other Comptroller-Approved Special Revenue Funds		
Athletic / School-Sponsored Extra Curricular Activities Fund		
Capital Reserve Fund - § 690, §1850		
Capital Reserve Fund - § 1431		
Other Capital Projects Fund		
Debt Service Fund		
Food Service / Cafeteria Operations Fund		
Child Care Operations Fund		
Other Enterprise Funds		
Internal Service Fund		
Private Purpose Trust Fund		
Investment Trust Fund		
Pension Trust Fund		
Activity Fund		
Other Agency Fund		

LEA : 113361703 Conestoga Valley SD

<u>Long-Term Investments</u>	<u>06/30/2025 Estimate</u>	<u>06/30/2026 Projection</u>
Permanent Fund		
Total Long-Term Investments		
TOTAL CASH AND INVESTMENTS	\$55,866,418	\$53,314,462

LEA : 113361703 Conestoga Valley SD

<u>Long-Term Indebtedness</u>	<u>06/30/2025 Estimate</u>	<u>06/30/2026 Projection</u>
General Fund		
0510 Bonds Payable	124,640,000	136,660,000
0520 Extended-Term Financing Agreements Payable	1,257,391	1,295,113
0530 Lease and Other Right-To-Use Obligations	31,850	
0540 Accumulated Compensated Absences	2,035,530	2,096,596
0550 Authority Lease Obligations	1,074,834	999,834
0560 Other Post-Employment Benefits (OPEB)	3,363,569	3,464,476
0599 Other Noncurrent Liabilities		
Total General Fund	\$132,403,174	\$144,516,019
Public Purpose (Expendable) Trust Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Public Purpose (Expendable) Trust Fund		
Other Comptroller-Approved Special Revenue Funds		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Other Comptroller-Approved Special Revenue Funds		
Athletic / School-Sponsored Extra Curricular Activities Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Athletic / School-Sponsored Extra Curricular Activities Fund		

<u>Long-Term Indebtedness</u>	<u>06/30/2025 Estimate</u>	<u>06/30/2026 Projection</u>
Capital Reserve Fund - \$ 690, \$1850		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Capital Reserve Fund - \$ 690, \$1850		
Capital Reserve Fund - \$ 1431		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Capital Reserve Fund - \$ 1431		
Other Capital Projects Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Other Capital Projects Fund		
Debt Service Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Debt Service Fund		

<u>Long-Term Indebtedness</u>	<u>06/30/2025 Estimate</u>	<u>06/30/2026 Projection</u>
Food Service / Cafeteria Operations Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Food Service / Cafeteria Operations Fund		
Child Care Operations Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Child Care Operations Fund		
Other Enterprise Funds		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Other Enterprise Funds		
Internal Service Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Internal Service Fund		

<u>Long-Term Indebtedness</u>	<u>06/30/2025 Estimate</u>	<u>06/30/2026 Projection</u>
Private Purpose Trust Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Private Purpose Trust Fund		
Investment Trust Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Investment Trust Fund		
Pension Trust Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Pension Trust Fund		
Activity Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Activity Fund		

<u>Long-Term Indebtedness</u>	<u>06/30/2025 Estimate</u>	<u>06/30/2026 Projection</u>
Other Agency Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Other Agency Fund		
Permanent Fund		
0510 Bonds Payable		
0520 Extended-Term Financing Agreements Payable		
0530 Lease and Other Right-To-Use Obligations		
0540 Accumulated Compensated Absences		
0550 Authority Lease Obligations		
0560 Other Post-Employment Benefits (OPEB)		
0599 Other Noncurrent Liabilities		
Total Permanent Fund		
Total Long-Term Indebtedness	\$132,403,174	\$144,516,019

<u>Short-Term Payables</u>	<u>06/30/2025 Estimate</u>	<u>06/30/2026 Projection</u>
General Fund	9,977,802	10,077,580
Public Purpose (Expendable) Trust Fund		
Other Comptroller-Approved Special Revenue Funds		
Athletic / School-Sponsored Extra Curricular Activities Fund	5,000	5,000
Capital Reserve Fund - § 690, §1850		
Capital Reserve Fund - § 1431		
Other Capital Projects Fund	1,065,706	532,853
Debt Service Fund		
Food Service / Cafeteria Operations Fund	80,000	80,000
Child Care Operations Fund		
Other Enterprise Funds		
Internal Service Fund	575,209	580,961
Private Purpose Trust Fund		
Investment Trust Fund		
Pension Trust Fund		
Activity Fund		
Other Agency Fund		
Permanent Fund		
Total Short-Term Payables	\$11,703,717	\$11,276,394
TOTAL INDEBTEDNESS	\$144,106,891	\$155,792,413

Account Description	Amounts
0810 Nonspendable Fund Balance	100,000
0820 Restricted Fund Balance	
0830 Committed Fund Balance	3,781,059
0840 Assigned Fund Balance	3,750,000
0850 Unassigned Fund Balance	5,824,829
Total Ending Fund Balance - Committed, Assigned, and Unassigned	\$13,355,888
5900 Budgetary Reserve	50,000
Total Estimated Ending Committed, Assigned, and Unassigned Fund Balance and Budgetary Reserve	\$13,505,888



**Conestoga Valley School District
Proposed Final Budget Report**

2025/2026

**Conestoga Valley School District
502 Mount Sidney Road
Lancaster, Pennsylvania 17606**

**Phone (717)397-2421
Fax (717)397-0442
www.conestogavalley.org**



MISSION

To educate all students to strive for personal excellence,
while becoming caring and contributing citizens
in a global community.

VISION

To inspire a collaborative learning community
where all individuals have equal opportunities
to achieve their fullest potential.

WE BELIEVE IN THE FOLLOWING FOUNDATIONS

- ★ Expecting a safe and respectful learning environment
- ★ Sustaining strong school-family relationships
- ★ Delivering a well-rounded educational program
- ★ Cultivating the diverse skills necessary for the 21st Century
- ★ Fostering an appreciation for life-long learning
- ★ Promoting the development of our core character traits
- ★ Investing in mutually beneficial community partnerships



**CONESTOGA VALLEY SCHOOL DISTRICT
PROPOSED FINAL BUDGET
2025 – 2026 BUDGET NARRATIVE**

In June 2006, the Taxpayer Relief Act, commonly known as Act 1, was signed into law. The Act was designed to control educational expenditures by limiting real estate tax increases. Under the law, a district's millage rate cannot be increased by more than the index as established annually by the Pennsylvania Department of Education and that index for 2025/2026 is 4.0% for Conestoga Valley. Districts may apply for referendum exceptions from this limit due to significant increases in costs in specific areas. The Conestoga Valley School District did not qualify for the PSESRS Retirement or Special Education exceptions for the 2025/2026 budget.

The district continued to work through a very difficult budgetary process again this year. The School Board and administration reduced expenditure requests from the preliminary budget by over 4,519,279. In addition, the Board has kept the budgetary increase as low as possible considering the economic challenges the residents are facing. The School Board is approaching this task through a very transparent process, by posting budgetary updates to their public agendas online, so that residents can understand their diligence and dedication to both the taxpayers and students at our school community.

The School Board asked the administration to identify potential reductions to minimize the tax increase for the 2025/2026 budget. Administration held meetings with each building department. The intent was to keep budgetary increases as low as possible considering the economic challenges the residents are facing. The resulting reductions included a variety of items including reductions in supplemental contracts, healthcare costs savings initiatives, and building/department budget cuts. However, to make an impact that would be significant, staffing, which is the largest cost driver, needed to be reviewed. From this review, the District continued its' process of equalizing class sizes by moving staff from one building to another and not replacing some staff. However, recognizing the changing dynamics and need for additional support, administration is adding additional staff in various curricular areas to meet those needs. The School Board has attempted to avoid furloughs or layoffs and to gain savings through attrition. Such reductions can only be realized through retirements, resignations or through movement of existing staff into those positions.

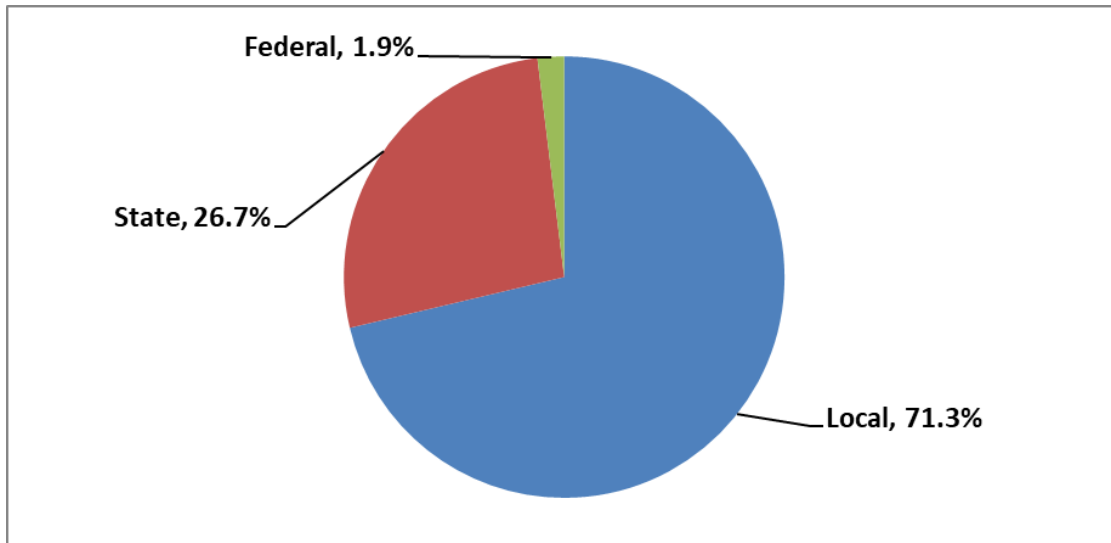
At the May 12, 2025, Board meeting, the School Board approved a Proposed Final Budget with a tax increase of 2.50%. For the average single-family residential homeowner, that translates into a tax increase of approximately \$85. However, the residential properties that were approved as Homesteads will receive approximately \$181 off their tax bill as the District expects to receive \$1,232,420 in State Property Tax Reduction revenue, a \$154,683 increase over the amount received in the previous year. That money goes to reduce the tax burden of residential taxpayers.

Total revenues for the 2025/2026 budget are \$93,699,080 which represents a 1.74% increase in revenues over the 2024/2025 budget. Total expenditures for the 2025/2026 budget are \$95,040,740 which represents a 2.09% increase over the 2024/2025 budget. Overall, budgeted expenditures exceed budgeted revenues by \$1,341,660 which will be covered by planned use of fund balance resulting in a remaining fund balance which is 14.16% of budgeted expenditures. The School Board has committed approximately \$3,781,059 the fund balance for future pension costs, health savings account, future debt obligations, savings from bond refinancing, and personnel costs.

The 2025/2026 proposed state education budget originally included an additional \$128,774 and \$117,068 for Conestoga Valley through the basic and special education subsidies. In addition, the proposed state education budget also included an adequacy investment which results in an additional \$1,422,376 to be allocated to the District. For conservative purposes, the District budgeted half of the allocated amount of the adequacy investment. This investment was to further provide resources to the students, make additional investments in the school facilities, special education funding, and mental health support. The amount budgeted for the District in the Proposed Final Budget reflects a “realistic conservative approach in determining the level of increase in funding for 2025/2026. The basic education subsidy is based on a formula which recognizes changes in the District’s demographics, such as enrollment growth, poverty, and English Language Learners. An increase in the amount of basic education subsidy allocated to a school district is impacted by the amount of such subsidy included in the Governor’s budget. The special education subsidy is based on a formula that considers various factors such as the cost to provide services for students based on the level of need broken into three categories of cost. This formula provides for a more equitable distribution of the subsidy. The actual dollar amount of any increase will not be known until the state calculates the formula factors.

The District also receives state subsidy to reimburse 50% of retirement costs incurred to the Pennsylvania School Employee Retirement System (PSERS). As the PSERS retirement rate is increasing in 2025/2026 from 33.90% to 34.00%, the reimbursement subsidy will increase by approximately \$393,703 because of the increase in the rate and salaries to the 2025/2026 budget. The District also receives a state subsidy to offset the cost of debt service payments for approved building projects. The subsidy calculation includes the amount of the debt service payment and the district’s aid ratio (wealth). The District’s 2025/2026 budgeted rental subsidy is increasing slightly from the 2024/2025 budget as current debt service payments eligible for the subsidy have increased. The Planning and Construction Program (PlanCon) which provides this reimbursement to districts is based on a specific percentage per project but is currently on a moratorium.

This pie graph shows the percentage of total revenues in the Proposed Final Budget derived from the various sources.



This chart summarizes the increases or decreases in revenue from the 2024/2025 budget as follows:

	2024-2025	2025-2026	INCREASE	PERCENTAGE
DESCRIPTION	BUDGET	BUDGET	(DECREASE)	CHANGE
Local Revenues	\$ 65,584,823	\$ 66,815,919	\$ 1,231,096	1.88%
State Revenues	22,421,221	\$ 25,058,668	2,637,447	11.76%
Federal Revenues	3,605,567	\$ 1,824,493	(1,781,074)	-49.40%
Other	488,698	\$ -	(488,698)	-100.00%
TOTAL REVENUES	\$ 92,100,309	\$ 93,699,080	\$ 1,598,771	1.74%

Several major reasons exist as to why the School Board feels a tax increase is justified. On the revenue side, growth in assessed values during the last several years because of assessment appeals and lack of natural market growth in the values continue to be stagnant. Revenue loss due to appeals cannot be made up. The proposed final budget projects a rate of natural growth for 2025/2026, to be about 0.20%. Despite the economic concerns, the real estate tax collection percentages have remained at approximately 98.5%. The Lancaster County Tax Collection Bureau has provided projections on how earned income tax revenue will be impacted. Based upon the current revenue trends, the earned income revenue budget for 2025/2026 is \$6,283,200, approximately \$14,000 lower than the 2024/2025 budgeted earned income. A combination of the Federal Reserve beginning to make interest rate cuts now that inflation is somewhat stabilizing and the use of the borrowing of additional funds for future projects has caused interest earnings to decrease by approximately \$158,000 over the 2024/2025 budget.

On the expenditure side, salary costs are increasing by \$1,786,185. The five-year contract with the education association negotiated in the spring of 2024 will not expire until June 30, 2029. Through this contract the District offers a high-deductible health care plan option to its employees. In this plan the employee assumes responsibility for health expenses up to a \$2,000 deductible (\$4,000 for a family plan). The District will provide a match of the employees' contributions of up to 50%. Employees will be able to reduce their premium costs by participating in an outcome-based wellness rewards program. The contract also calls for salary increases of approximately 4% each year.

Healthcare costs are slightly increasing by \$138,618 2.04% which has been mitigated over the recent years due to cost savings initiative implemented. in recent years. Retirement costs are increasing by \$767,406 or 6.52%. As mentioned previously, the mandated PSESRS rate is increasing from 33.90% in 2024/2025 to 34.00% in 2025/2026. The increase in salaries and staffing is resulting in an overall increase in the PSERS expense. The retirement rate is established by the Pennsylvania School Employee Retirement System (PSERS) and is expected to increase each year to an estimated rate of 39.94% of payroll in the 2034/2035 fiscal year which has had a tremendous impact on budgets. The School Board established a PSERS Rate Stabilization Fund to offset the significant increase that began taking effect in 2011/2012. The remaining amount of the fund balance committed for this Stabilization Fund is \$2,061,059.

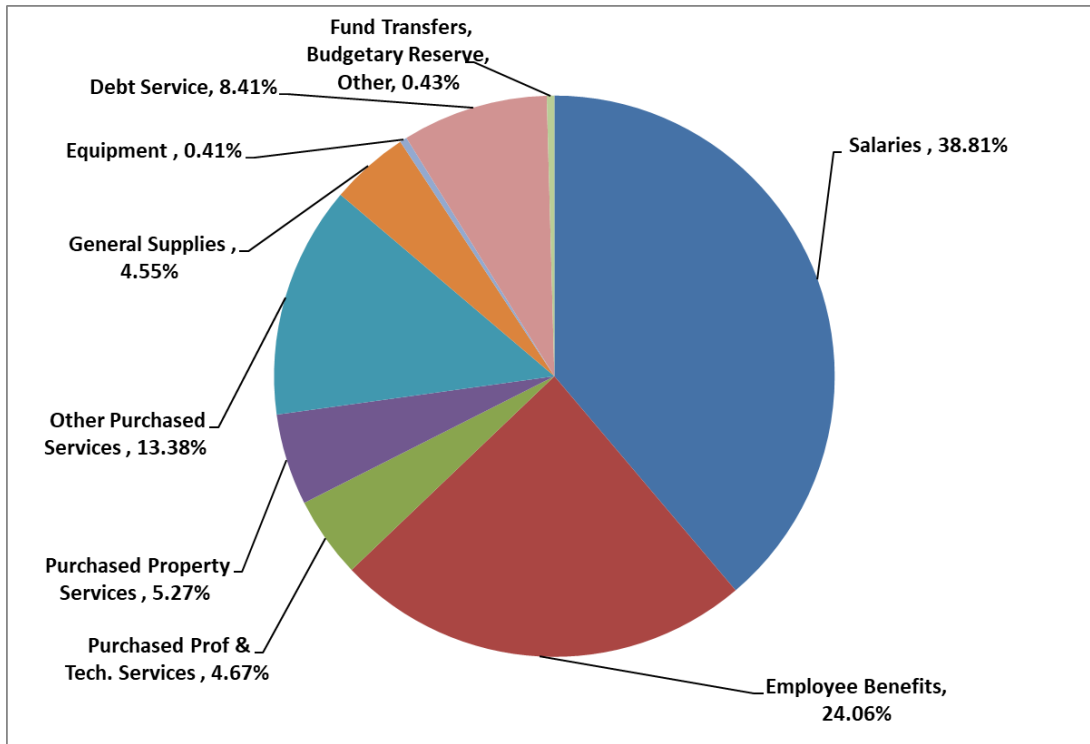
Special education continues to be a financial concern. As with other districts across the Commonwealth, the percentage of special education students compared to the total student population is increasing at a substantial pace. Special education enrollment represented 20.10% of the District's total enrollment in 2023/2024 compared to 15.60% ten years ago. The District has been able to implement various cost saving initiatives over the years including providing the special education services at the District instead of contracting with the local intermediate unit and/or local school districts to provide these services to contain costs. Under the guidance of the Assistant to the Superintendent for Pupil Services and the Director of Special Education, the District continues its multi-year plan to build capacity in a way that best fits student needs. An added benefit of this plan is that it is expected to result in lower costs.

Costs to support the Conestoga Valley Virtual Academy (CVVA) include not only the cost of technology to support such programs but curriculum and staffing costs. Cyber charter school tuition costs also have increased since the pandemic, however, there is a slight decrease in the number of students enrolled in cyber charter schools. The District continues to vigorously promote CVVA and the 2025/2026 budget continues to reflect that support.

With 3,698 projected students, the 2025/2026 budget cost per student is \$25,701, \$2,004 more than last year. This increase in cost per student is also reflective of the increase in costs to support online or remote.

Finally, rising costs of fuel, food, supplies, and utilities continue to put pressure on district expenditures.

The pie graph below shows the percentage of total expenditures in the Proposed Final Budget used for various functions:



The breakdown of significant increases or decreases from the 2024/2025 budget is as follows:

		2024-2025	2025-2026	INCREASE	PERCENTAGE
	<u>DESCRIPTION</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>	<u>CHANGE</u>
1xx	Salaries	\$ 35,101,678	\$ 36,887,874	\$ 1,786,196	5.09%
2xx	Employee Benefits	21,703,325	22,868,474	1,165,149	5.37%
3xx	Purch. Prof & Tech. Services	5,055,566	4,437,886	(617,680)	-12.22%
4xx	Purch. Property Services	5,148,423	5,007,014	(141,409)	-2.75%
5xx	Other Purchased Services	11,263,923	12,715,449	1,451,526	12.89%
6xx	General Supplies	4,051,256	4,325,604	274,348	6.77%
7xx	Equipment	323,268	388,227	64,959	20.09%
8xx	Other	134,016	143,032	9,016	6.73%
880	Refunds from Prior Yr's Receipts	50,000	50,000	-	0.00%
891	Budgetary Reserve	1,699,916	50,000	(1,649,916)	-97.06%
933	Fund Transfers-Other	170,000	170,000	-	0.00%
939	Fund Transfers-Debt Service	8,394,146	7,997,180	(396,966)	-4.73%
	TOTAL EXPENSE	\$ 93,095,517	\$ 95,040,740	\$ 1,945,223	2.09%

The District issued a fourth general obligation bond issue in the amount of \$45,560,000 which settled in May 2022. This bond issue is for the purpose of continued renovations to the remaining District buildings. While this necessitates a substantial increase in debt

service, as current debt is paid off, the structure and timing of new bond issues will have minimal impact on the amount of millage needed in the budget. In November 2023, the District approved bids to renovate Leola Elementary School. Those renovations began in June 2024 with completion expected in March 2026. The District is planning on issuing a bond in 2025-2026 to assist with the renovations of Fritz Elementary in the upcoming years.

The District currently has a long-range plan for capital repairs and equipment replacements. Projects slated for 2025/2026 include roof restoration and repairs to the Annex, purchasing a plow truck with utility body, and a mower. Other considerable projects that will be funded out of the Capital Reserve Fund include installing a generator to support IT and replacing 3 HVAC system pumps.

An important focus of the District is to maintain a healthy fund balance. As a rule, sound business practice is that reserves in the amount of 3-6 months of operating expenses be set aside for rainy days. Although under Pennsylvania law, the unassigned fund balance of a school district with the budget size of Conestoga Valley cannot exceed 8% of budgeted expenditures. While Conestoga Valley has an unassigned fund balance at the 8% level, that \$7,750,000 would only fund about one month of operating expenses. In projecting the future year revenues and expenditures while maintaining a fund balance within this range, the District anticipates that the millage rate will continue to increase. The District has, for the most part, historically kept tax increases at or under inflation. The biggest concern from a management standpoint, is an extremely low index in a year that requires a larger tax increase to sustain programs. Another issue is the Act 1 timeline – the District begins the budgetary process in September and must adopt a preliminary budget by early February when all the information necessary to build an accurate budget is not yet available. Even so, the school District has done an excellent job at accurately projecting budgetary needs,

As we plan, Conestoga Valley continues to try to provide the best educational program for the community, while at the same time attempting to keep the tax burden as low as possible. Over the years, there have been many steps taken to reduce costs or increase revenues other than raising taxes. The District will continue to look at efficient and effective ways to bring quality educational services to the community.