

Presentation Date: December 16, 2025

Elizabethtown Area School District



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

Financial Presentation

Large Project Financing Act 1 2026-2027

Presented by:

Tom Strickler

Chief Financial & Operations Officer



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*

Financial Preparation for Large Project



- Issuing Bonds for Large Projects (Borrowing)
 - Receive money now to complete project
 - Pay back in future years (Debt Service)

- Current Project prior to future cost increases
 - Reduces future repair costs
 - Decrease utility cost
 - Energy Efficient

Financial Preparation for Large Project



- Increase Tax Base
 - Build up Reserves
 - Add to Committed and Assigned Fund Balance
 - Ability to pay
 - Act 1 limits annual increase for Debt Service
 - Multiple years of smaller increases

Elizabethtown Area School District - Millage Study - \$150,000,000 PAR ISSUED

	1	2	3	4	5	6	7	8	9	10	11
Fiscal Year Ended	Existing Net Debt Service	PROPOSED Series of 2029 \$37,500,000	PROPOSED Series of 2030 \$37,500,000	PROPOSED Series of 2031 \$37,500,000	PROPOSED Series of 2032 \$27,070,000	Less: SD Reserves/ Cap Interest	New Net Debt Service	New Budget Dollars for Projects	New Budget Mills for Projects	Millage Increase as a %	Dollars Appropriated for Debt
6/30/2025	4,920,995	0	0	0	0	0	4,920,995	0	0.00	0.00%	4,100,000
6/30/2026	5,067,590	0	0	0	0	0	5,067,590	221,625	0.10	0.50%	4,321,625
6/30/2027	4,046,728	0	0	0	0	0	4,046,728	1,113,666	0.49	2.50%	5,435,291
6/30/2028	4,046,427	0	0	0	0	0	4,046,427	1,141,507	0.51	2.50%	6,576,798
6/30/2029	4,045,777	606,392	0	0	0	0	4,652,169	1,170,045	0.52	2.50%	7,746,843
6/30/2030	4,043,243	2,099,050	599,051	0	0	0	6,741,344	1,199,296	0.53	2.50%	8,946,139
6/30/2031	4,043,054	2,103,925	2,073,638	608,429	0	0	8,829,046	1,229,278	0.55	2.50%	10,175,417
6/30/2032	4,042,246	2,103,675	2,078,513	2,106,100	424,230	0	10,754,763	1,260,010	0.56	2.50%	11,435,428
6/30/2033	4,044,193	2,103,425	2,078,263	2,110,975	1,468,488	0	11,805,343	578,571	0.26	1.12%	12,013,999
6/30/2034	4,042,260	2,103,175	2,078,013	2,110,725	1,678,113	0	12,012,285	0	0.00	0.00%	12,013,999
6/30/2035	4,041,188	2,102,925	2,077,763	2,110,475	1,677,113	0	12,009,463	0	0.00	0.00%	12,013,999
6/30/2036	4,043,099	2,102,675	2,077,513	2,110,225	1,680,488	0	12,013,999	0	0.00	0.00%	12,013,999
6/30/2037	4,042,521	2,102,425	2,077,263	2,109,975	1,678,238	0	12,010,421	0	0.00	0.00%	12,013,999
6/30/2038	4,042,298	2,102,175	2,077,013	2,109,725	1,680,363	0	12,011,573	0	0.00	0.00%	12,013,999
6/30/2039	4,042,291	2,101,925	2,076,763	2,109,475	1,681,738	0	12,012,191	0	0.00	0.00%	12,013,999
6/30/2040	4,042,631	2,101,675	2,076,513	2,109,225	1,682,363	0	12,012,406	0	0.00	0.00%	12,013,999
6/30/2041	4,043,225	2,101,425	2,076,263	2,108,975	1,682,238	0	12,012,125	0	0.00	0.00%	12,013,999
6/30/2042	4,042,650	2,101,175	2,076,013	2,108,725	1,681,363	0	12,009,925	0	0.00	0.00%	12,013,999
6/30/2043	976,800	2,651,800	3,435,888	2,844,600	2,103,863	0	12,012,950	0	0.00	0.00%	12,013,999
6/30/2044	979,200	2,647,675	3,439,013	2,840,725	2,104,113	0	12,010,725	0	0.00	0.00%	12,013,999
6/30/2045	0	3,627,050	3,438,388	2,839,975	2,107,238	0	12,012,650	0	0.00	0.00%	12,013,999
6/30/2046	0	3,628,425	3,434,013	2,842,100	2,108,113	0	12,012,650	0	0.00	0.00%	12,013,999
6/30/2047	0	3,625,550	3,440,513	2,841,975	2,101,863	0	12,009,900	0	0.00	0.00%	12,013,999
6/30/2048	0	3,628,175	3,437,638	2,839,600	2,108,238	0	12,013,650	0	0.00	0.00%	12,013,999
6/30/2049	0	3,626,050	3,435,388	2,844,725	2,106,988	0	12,013,150	0	0.00	0.00%	12,013,999
6/30/2050	0	3,628,925	3,433,513	2,842,225	2,108,113	0	12,012,775	0	0.00	0.00%	12,013,999



Elizabethtown Area School District - Millage Study - \$150,000,000 PAR ISSUED

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6/30/2027	4,046,728	0	0	0	0	0	4,046,728	1,113,666	0.49	2.50%	5,435,291
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6/30/2031	4,043,054	2,103,925	2,073,638	608,425	0	0	8,829,046	1,229,278	0.55	2.50%	10,175,417
6/30/2032	4,042,246	2,103,675	2,078,513	2,106,100	424,230	0	10,754,763	1,260,010	0.56	2.50%	11,435,428
6/30/2033	4,044,193	2,103,425	2,078,263	2,110,975	1,468,488	0	11,805,343	578,571	0.26	1.12%	12,013,999
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6/30/2035	4,041,188	2,102,925	2,077,763	2,110,475	1,677,113	0	12,009,463	0	0.00	0.00%	12,013,999
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6/30/2037	4,042,521	2,102,425	2,077,263	2,109,975	1,678,238	0	12,010,421	0	0.00	0.00%	12,013,999
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6/30/2040	4,042,631	2,101,675	2,076,513	2,109,225	1,682,363	0	12,012,406	0	0.00	0.00%	12,013,999
6/30/2041	4,043,225	2,101,425	2,076,263	2,108,975	1,682,238	0	12,012,125	0	0.00	0.00%	12,013,999
6/30/2042	4,042,650	2,101,175	2,076,013	2,108,725	1,681,363	0	12,009,925	0	0.00	0.00%	12,013,999
6/30/2043	976,800	2,651,800	3,435,888	2,844,600	2,103,863	0	12,012,950	0	0.00	0.00%	12,013,999
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6/30/2045	0	3,627,050	3,438,388	2,839,975	2,107,238	0	12,012,650	0	0.00	0.00%	12,013,999
6/30/2046	0	3,628,425	3,434,013	2,842,100	2,108,113	0	12,012,650	0	0.00	0.00%	12,013,999
6/30/2047	0	3,625,550	3,440,513	2,841,975	2,101,863	0	12,009,900	0	0.00	0.00%	12,013,999
6/30/2048	0	3,638,175	3,437,638	2,839,600	2,108,238	0	12,013,650	0	0.00	0.00%	12,013,999
6/30/2049	0	3,626,050	3,435,388	2,844,725	2,106,988	0	12,013,150	0	0.00	0.00%	12,013,999
6/30/2050	0	3,628,925	3,435,513	2,842,225	2,108,113	0	12,012,775	0	0.00	0.00%	12,013,999
	0	3,628,669	3,436,638	2,842,100	2,106,488	0	12,013,894	0	0.00	0.00%	12,013,999
6/30/2052	0	3,624,888	3,436,638	2,844,100	2,106,988	0	12,012,613	0	0.00	0.00%	12,013,999



ACT 1

What is Act 1



PA Act 1 (Taxpayer Relief Act) – What it is

Act 1 was created to **reduce the burden of school property taxes** on homeowners. It does this in three major ways:

1. Homestead/Farmstead Exclusions

Homeowners can apply for a *homestead* (primary residence) or *farmstead* exclusion.

If approved, part of a home's assessed value is removed from taxation, lowering the school property tax bill.

2. Limits on School District Tax Increases

School districts must stay within an “**Act 1 Index**” when increasing property taxes each year.

If they want to raise taxes above that capped amount, they must either:

- request exceptions from the state, or
- place the increase on a **voter referendum**.

3. Use of Gaming Revenue

Revenue from Pennsylvania casinos is used to help fund the homestead/farmstead tax reductions.

ACT 1 - 26-27 - Lancaster County



School District	2026-27	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Cocalico SD	4.1%	4.7%	6.4%	5.0%	4.1%	3.6%	3.2%	2.8%	2.9%	3.1%	2.9%	2.4%	2.6%	2.1%
Columbia Borough SD	5.2%	5.9%	7.9%	6.0%	5.1%	4.5%	3.9%	3.5%	3.6%	3.7%	3.6%	2.8%	3.1%	2.5%
Conestoga Valley SD	3.5%	4.0%	5.3%	4.1%	3.4%	3.0%	2.6%	2.3%	2.4%	2.5%	2.4%	1.9%	2.1%	1.7%
Donegal SD	4.5%	5.1%	6.9%	5.3%	4.4%	3.9%	3.4%	3.0%	3.1%	3.3%	3.1%	2.5%	2.7%	2.2%
Eastern Lancaster County SD	3.5%	4.0%	5.3%	4.1%	3.4%	3.0%	2.6%	2.3%	2.4%	2.5%	2.4%	1.9%	2.1%	1.7%
Elizabethtown Area SD	4.3%	5.0%	6.6%	5.1%	4.3%	3.8%	3.3%	2.9%	3.0%	3.2%	3.0%	2.4%	2.7%	2.2%
Ephrata Area SD	4.3%	4.8%	6.5%	5.1%	4.2%	3.7%	3.2%	2.8%	2.9%	3.1%	2.9%	2.3%	2.6%	2.1%
Hempfield SD	4.1%	4.8%	6.3%	4.8%	3.9%	3.5%	3.0%	2.7%	2.4%	2.5%	2.4%	2.2%	2.4%	2.0%
Lampeter-Strasburg SD	3.5%	4.0%	5.3%	4.1%	4.0%	3.5%	3.0%	2.7%	2.8%	2.9%	2.8%	2.2%	2.5%	2.0%
Lancaster SD	4.9%	5.6%	7.4%	5.9%	4.8%	4.3%	3.8%	3.3%	3.5%	3.7%	3.5%	2.8%	3.1%	2.5%
Manheim Central SD	3.5%	4.0%	5.3%	4.1%	3.4%	3.0%	2.6%	2.3%	2.4%	2.5%	2.4%	1.9%	2.1%	1.7%
Manheim Township SD	3.5%	4.0%	5.3%	4.1%	3.4%	3.0%	2.6%	2.3%	2.4%	2.5%	2.4%	1.9%	2.1%	1.7%
Penn Manor SD	4.5%	5.1%	6.8%	5.2%	4.3%	3.8%	3.2%	2.9%	3.0%	3.1%	3.0%	2.3%	2.6%	2.1%
Pequea Valley SD	3.5%	4.0%	5.3%	4.1%	3.4%	3.0%	2.6%	2.3%	2.4%	2.5%	2.4%	1.9%	2.1%	1.7%
Solanco SD	3.5%	4.0%	5.3%	4.7%	4.0%	3.5%	3.1%	2.7%	2.9%	3.0%	2.9%	2.3%	2.5%	2.0%
Warwick SD	3.5%	4.0%	5.3%	4.1%	3.4%	3.5%	3.1%	2.7%	2.8%	3.0%	2.9%	2.3%	2.6%	2.1%

EASD Adjusted Act 1 INDEX



School District	County	2025-26 MV/PI Aid Ratio	2026-27 Adjusted Index
Elizabethtown Area SD	Lancaster	0.4869	<u>4.3%</u>

The base index is calculated by averaging the percent increases in the Pennsylvania statewide average weekly wage and the Federal employment cost index for elementary/secondary schools.

Additionally, for school districts with a market value/personal income aid ratio (Market Value/Personal Income Aid Ratio) greater than 0.4000, the value of their index is adjusted upward by multiplying the base index by the sum of 0.75 and their MV/PI AR. For example, if the base index is 2.4% and the school district's MV/PI AR is 0.6000, the school district's adjusted index is $2.4\% \times (0.75 + 0.6000) = 3.2\%$.

Pennsylvania Department of Education Act 1 Index



Use for school year:	2026-2027	2025-2026	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Statewide Average Weekly Wage	\$1,328.63	\$1,284.42	\$1,239.02	\$1,173.68	\$1,114.93	\$1,064.89	\$1,032.53	\$1,010.43	\$988.43	\$966.87	\$942.40
Employment Cost Index	167.325	161.6	155	147.8	143.6	140.6	136.7	132.9	129.8	126.5	123.6
Percent (%) Increase - SAWW	3.40%	3.70%	5.60%	5.30%	4.70%	3.10%	2.20%	2.20%	2.20%	2.60%	2.50%
Percent (%) Increase - ECI	3.50%	4.30%	4.90%	2.90%	2.10%	2.90%	2.90%	2.40%	2.60%	2.30%	2.20%
Base index:	3.50%	4.00%	5.30%	4.10%	3.40%	3.00%	2.60%	2.30%	2.40%	2.50%	2.40%

Definitions:

Statewide Average Weekly Wage

That amount determined by the Department of Labor and Industry in the same manner that it determines the average weekly wage under section 404(e)(2) of the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment Compensation Law, except that it shall be calculated for the preceding calendar year.

Employment Cost Index

The most recent official figures, for the previous 12-month period beginning July 1 and ending June 30 for the Employment Cost Index Series for Elementary and Secondary Schools, reported by the Bureau of Labor Statistics of the Federal Department of Labor (Table 4).

Index

- (1) Except as set forth in paragraph (2), the average of the percentage increase in the Statewide average weekly wage and the employment cost index.
- (2) For a school district with a market value/income aid ratio greater than 0.4000 for the school year prior to the school year for which the index is calculated, the value under paragraph (1) multiplied by the sum of:
 - (i) 0.75; and
 - (ii) the school district's market value/income aid ratio for the school year prior to the school year for which the index is calculated.

Pennsylvania Department of Education



Act 1 Index

2021-2022 thru **2030-2031**

Past-Current-Future

Use for school year:	2030-2031	2029-2030	2028-2029	2027-2028	2026-2027	2025-2026	2024-2025	2023-2024	2022-2023	2021-2022
Percent (%) Increase - SAWW	3.30%	3.50%	3.70%	3.50%	3.40%	3.70%	5.60%	5.30%	4.70%	3.10%
Percent (%) Increase - ECI	2.90%	3.20%	3.00%	2.90%	3.50%	4.30%	4.90%	2.90%	2.10%	2.90%
<u>Base index:</u>	<u>3.10%</u>	<u>3.30%</u>	<u>3.30%</u>	<u>3.20%</u>	3.50%	<u>4.00%</u>	<u>5.30%</u>	<u>4.10%</u>	<u>3.40%</u>	<u>3.00%</u>

EASD

2025-2026 Actual

2026-2027 Budget w/ Building



REVENUE SOURCES	<u>2025/2026</u> Revenue 2.5% Tax Increase	<u>2026-2027</u> Revenue Budget 4.3% <u>w/2.5% into building -</u> <u>1.8% General Fund</u>	Act 1 Index 4.3%	Additional Local Revenue	Building Tax 2.5%	General Fund 1.8%
RE Taxes	\$45,104,089	\$45,915,963	\$47,043,565	\$1,939,476	\$1,127,602	\$811,874
RE Transfer Tax	\$825,000	\$825,000				
Pay in Lieu of Taxes	\$1,018,049	\$1,018,049				
Wage Tax	\$4,500,000	\$4,500,000				
Interest on Investments	\$1,000,000	\$1,000,000				
Other Local Revenue	\$2,850,450	\$2,850,450				
	\$55,297,588	\$56,109,462				



Questions?

For more information on this presentation, contact:

Tom Strickler

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Our Mission:

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