Lower Dauphin School District

Finance Committee Meeting

October 19, 2026

Purpose /Mission of Finance Committee

- Ongoing Financial Deficits (Fiscal Years Ended 2018 -2026)
- 2026-2027 Budget Deficit ($2,531,692)
- Borrowing Capacity for Phase 2 of Capital Plan
- Bond Rating Outlook
- Capital Improvements, Technology, Furniture & Equipment, and Curriculum Needs of the District

How did we get here?

- Not raising real estate tax rates for 11 consecutive years
- Deferral of maintenance and update of our buildings
- Not reducing expenses while local source revenues and student enrollments were declining.
- Increases in health care plan costs.
- Increases in charter/cyber school enrollments.
- Increases in special education costs.


Criticism is easy;
achievement is difficult.
Winston Churchill
quotefancy

Summary of Financial Performance

- 06/30/26 FYE ($179,853) –Audit in Process
- 06/30/25 FYE ($312,864)
- 06/30/24 FYE ($2,551,672)
- 06/30/23 FYE ($369,587)
- 06/30/22 FYE ($454,758)
- 06/30/21 FYE ($1,556,953)
- 06/30/20 FYE ($1,627,874)
- 06/30/19 FYE ($1,890,890)
- 06/30/18 FYE ($398,357)
- Total Operating Deficits 2018-2026: ($9,267,359)

General Fund Budget -Phasing in Debt Service

- Public Financial Management (PFM) has recommended a strategy of phasing in $560,439 annually for future debt service requirements.
- The District was not able to perform this within its 2026-2027 Final General Fund Budget.
- The District did not transfer $2,121,275 to Capital Projects Fund allocated within the 2025-2026 General Fund Budget. This transfer would have added to the operating deficit.
- The Bond Rating Outlook: “Lower Dauphin School District, PA GO Bond Rating Outlook Revised to Negative from Stable on Continued Budget Imbalance.”

Fund Balance and Bond Ratings

- Emphasis on restoring the district's General Fund to a structurally balanced budget position within the next 1-2 year budgetary cycles.
- Emphasis on restoring Fund Balance Reserves to peer level comparisons for "AA- Stable Outlook" rated entities prior to next borrowing
- June 30, 2026 FYE Estimated Ending Fund Balance: $12,270,436
  - (FYE 2025: $12,450,289 Fund Balance, less $179,853 FYE 2026 Deficit)
- 2026-2027 Adopted Final General Fund Budget: $84,115,448
  - Targeted Reserves, 15%: $12,617,317.20

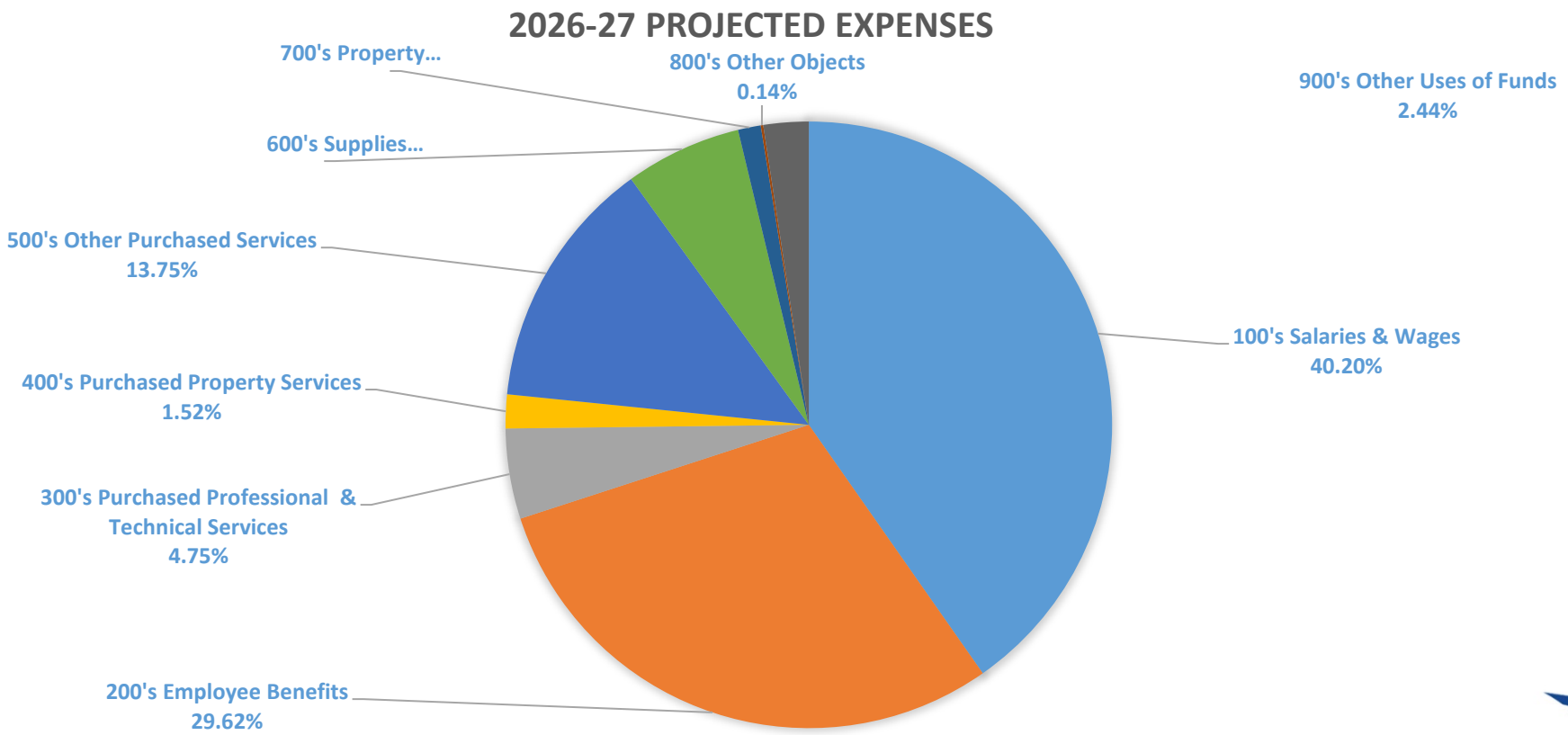
Millage Rate History

- 2026-27 22.0486 Mills, 4.20% Increase
- 2025-26 21.16 Mills, 4.75% Increase
- 2024-25 20.20 Mills, 6.48% Increase
- 2023-24 18.97 Mills, 0.00% Increase
- 2022-23 18.97 Mills, 2.98% Increase
- 2011-12 through 2021-22: 18.42 Mills (11 Years)
- 2007-08 through 2010-11: 18.10 Mills (4 Years)

2026-2027 Final General Fund Budget $84,115,448

- 100's Salaries & Wages, 40.20%, $33,812,868
- 200's Employee Benefits, 29.62%, $24,912,311
- 300's Purchased Professional & Technical Services, 4.75%, $3,999,531
- 400's Purchased Property Services, 1.52%, $1,277,001
- 500's Other Purchased Services, 13.75%, $11,567,024
- 600's Supplies, 6.63%, $5,580,380
- 700's Property, 0.95%, $796,584
- 800's Other Objects, 0.14%, $114,078
- 900's Other Uses of Funds, 2.44%, $2,055,671

2026-27 Final General Fund Budget by Percentage



Budgetary Uncertainties

- Future Federal Funding –Title IIA. $93,515 & Title IV. $35,544
- Property Tax Assessment –Crane Clean Energy Center
- 2027-28 Health Care Cost Increases, Annual renewals 10%+
- 2027-28 Increases in Charter School Enrollments
- 2027-28 Increases in Special Education Student Counts /Costs

Enrollment History & Projection

Pennsylvania Department of Education

Enrollment Projections
Prepared by the Pennsylvania Department of Education

Lower Dauphin SD 115224003

YEAR	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
Actual														
2020 - 2021	256	273	224	236	298	287	291	283	291	311	281	281	301	3613
2021 - 2022	238	266	266	233	235	307	289	285	295	254	300	274	299	3541
2022 - 2023	222	243	281	260	237	246	302	294	294	278	242	295	283	3477
2023 - 2024	211	244	244	286	273	241	247	303	300	282	270	245	304	3450
2024 - 2025	221	223	250	248	288	274	242	248	296	271	273	276	251	3361
Projection														
2025 - 2026	224	235	226	253	252	295	275	242	242	272	261	279	284	3340
2026 - 2027	221	237	238	229	257	258	296	275	236	223	262	267	287	3286
2027 - 2028	217	234	241	241	233	263	259	296	269	217	215	268	275	3228
2028 - 2029	200	230	237	244	245	239	264	259	289	247	209	220	276	3159
2029 - 2030	196	212	233	240	248	251	240	264	253	266	238	214	226	3081
2030 - 2031	193	208	215	236	244	254	252	240	258	233	256	243	220	3052
2031 - 2032	189	204	211	218	240	250	255	252	234	237	225	262	250	3027
2032 - 2033	185	200	207	214	222	246	251	255	246	215	229	230	270	2970
2033 - 2034	181	196	203	210	218	227	247	251	249	226	207	234	237	2886
2034 - 2035	177	192	199	206	214	223	228	247	245	229	218	212	241	2831

Building Capacity - Elementary

- Conewago Elementary School, Constructed 1956/2012
  - Enrollment 206 Students/ Capacity 620, 33.23% Utilized
- East Hanover Elementary School, Constructed 1952/2004
  - Enrollment 312 Students/ Capacity 405, 77.04% Utilized
- Londonderry Elementary School, Constructed 1954/1999
  - Enrollment 223 Students/ Capacity 470, 47.45% Utilized
- Nye Elementary School, Constructed 1925/2004
  - Enrollment 290 Students/ Capacity 405, 71.60% Utilized
- South Hanover Elementary School, Constructed 1956/2004
  - Enrollment 357 Students/ Capacity 405, 88.15% Utilized

Building Capacity –Secondary

- Lower Dauphin Middle School, Constructed 1995/2003
  - Enrollment 805 Students /Capacity 1,104, 72.92% Utilized
- Lower Dauphin High School, Constructed 1960/2003
  - Enrollment 1070 Students /Capacity 1,359, 78.73% Utilized
- Other:
  - District Administrative Office, Constructed 1976/2006