



ELIZABETHTOWN AREA SCHOOL DISTRICT

Important Information About the Budget 2019-2020

KEY BUDGET FACTS—

- The Board of School Directors passed a \$65,676,141 final budget for the 2019-2020 school year on June 25, 2019. The gap between expenditures and revenue without a tax increase in the approved budget was approximately \$1.2 million.
- The District raised taxes by the state-established index of 2.9%. Between the tax increase and new properties that were built an additional \$1.2 million in revenue was realized by the District to close the budget gap. The District did not seek state-approved exceptions to exceed the index.
- The District millage rate has traditionally aligned with the Lancaster County average either falling slightly below or just above the average millage rate.
- The 2.9% increase on the average tax payer base of \$3,026.25 equates to roughly an \$85.27 increase in taxes.
- On a home assessed at the median home value of \$178,500, the 2.9% increase equals a roughly \$86 increase in taxes.
- The Homestead/Farmstead tax reduction credit on eligible properties will be \$83.88 for the 2019-2020 tax year.

WHAT WE DON'T CONTROL—

- Based on the state-established funding formula, the District receives 30% of its revenue from the Commonwealth of PA. The state average is 38%.
- The District has experienced an over 700% increase in state-established retirement contributions over the past decade. In dollars and cents this equates to a more than \$7 million increase in expenditures during the timeframe. *(Note: the majority of this cost is for the state pension system's unfunded liability).*
- Special education expenditures have increased by over \$3.5 million the last decade while the state subsidy to offset special education costs has grown by about \$300,000 in total during the same time period.
- The community blend between home dwellings, small business offerings, and large scale business investment. Our communities lean heavily to the home dwelling and small business composition with minimal new large scale business investment.

- The District pays over \$1.1 million annually to charter schools or about \$13,700 per student. Keep in mind the District operates its own cyber school at a cost of approximately \$4,200 per student.

WHAT WE DO CONTROL—

- How much we spend. The District ranks 400 out of 500 school districts on spending per pupil at \$14,800 per student based on the most currently available data from 2016-17. The average in Lancaster County is \$16,685. What that means is 399 (80%) out of the 500 public schools in Pennsylvania invested more per student than our District.
- Salaries and benefits account for the largest expenditure. The District has reduced the number of employees by 7.5% over the past decade.
- Focused hiring practices that look to balance employing the most qualified candidates for needed positions when openings occur through retirements/resignations with realizing attritional savings through the shifting and elimination of positions and/or programs.
- Purposeful approach to controlling health care claims costs by strategically shifting our plan offerings for ALL employees.
- We continue to pursue other revenue opportunities to support the vision and mission of the District.
- School directors and District administration continue to have regular dialogue with and lobbying of our local legislators for meaningful reform in the areas of fair funding for school districts, cyber charter costs, and unfunded and under funded mandates from the state.

WHAT WE GET FOR OUR INVESTMENT IN OUR YOUTH—

- Quality school system that experiences broad student success in the areas of Academics, The Arts, Altruism, and Athletics/Extracurricular activities.
- Students graduating ready to be successful in life whether it is pursuing a college education, entering the workforce, practicing a trade, or joining the military.
- Research suggests that a strong public school system is one of the most influential factors in sustaining a quality community including positive affects on home values, lower crime rates, civic participation, and local economic growth. We have a strong school system and amazing communities here in the EASD!