

**EAST PENN SCHOOL DISTRICT
2026-2027 RESOLUTION NOT TO EXCEED THE ACT 1 INDEX**

WHEREAS, on June 27, 2006, the Pennsylvania legislature passed Act 1 of Special Session 2006, entitled the “Taxpayer Relief Act” (hereinafter “Act 1”);

WHEREAS, Act 1 requires school districts to limit tax increases to the level set by an inflation index unless the tax increase is approved by voters in a referendum or the school district obtains from the Department of Education or a court of common pleas certain referendum exceptions;

WHEREAS, Act 1 does, however, allow a board of school directors to elect to adopt a resolution indicating that it will not raise the tax rate for the support of the public schools for the following fiscal year by more than its index, provided this resolution must be adopted no later than 110 days prior to the date of the election immediately preceding the upcoming fiscal year;

WHEREAS, under 24 P.S. § 25-2599.6(a.8), as amended by the 2025 Omnibus School Code bill, any school district receiving a Ready-to-Learn Block Grant Adequacy Supplement or Tax Equity Supplement under subsections (a.6) or (a.7) is prohibited from seeking Act 1 referendum exceptions for the 2025-2026 and 2026-2027 school years; and

WHEREAS, the East Penn School District is eligible for and will receive an adequacy supplement for the 2025-2026 school year and therefore is not permitted to seek referendum exceptions for the 2026-2027 fiscal year;

WHEREAS, the adjusted Act 1 index for the East Penn School District for the 2026-2027 fiscal year is 4.1%;

WHEREAS, because the District is receiving a Ready-to-Learn Block Grant adequacy supplement under subsection (a.6) for the 2025-2026 fiscal year, and is therefore legally prohibited under 24 P.S. § 25-2599.6(a.8) from seeking Act 1 referendum exceptions for the 2026-2027 school year, the Board finds it prudent and consistent with statutory requirements to adopt a Resolution Not to Exceed the Act 1 Index for the 2026-2027 fiscal year;


AND NOW, it is hereby RESOLVED by the Board of School Directors (hereinafter “Board”) of East Penn School District (hereinafter “District”) the following:

1. The Board certifies that it will not increase any school district tax for the 2026-2027 school year at a rate that exceeds the index as calculated by the Pennsylvania Department of Education.
2. The Board certifies that it will comply with the procedures set forth in Section 687, of the Pennsylvania Public School Code (hereinafter “School Code”), 24 P.S. §6-687, for the adoption of its proposed and final budget.
3. The Board certifies that a tax rate increase within or below the index will provide sufficient revenue to adopt and balance the final budget for the 2026-2027 fiscal year.

4. The Administration of the District will submit the District's information on a proposed increase in the tax rate levied for the support of the District to the Pennsylvania Department of Education on the uniform form prepared by the Pennsylvania Department of Education no later than five days after the Board's adoption of this Resolution.
5. The Administration of the District will send a copy of this Resolution to the Pennsylvania Department of Education no later than five days after the Board's adoption of this Resolution.
6. The Board acknowledges that adoption of this Resolution irrevocably prohibits the District from seeking referendum exceptions under Section 333(f) of Act 1 or requesting voter approval to exceed the index for the 2026-2027 fiscal year.
7. Once this Resolution is passed, the Administration of the District is not required to comply with the preliminary budget requirements set forth in paragraphs (a) and (c) of Section 311 of Act 1. Provided, however, that:
 - a. The Board understands and agrees that, upon receipt of the information submitted by the District as set forth in paragraphs 4 and 5 above, the Pennsylvania Department of Education shall compare the District's proposed percentage increase in the tax rate with the index;
 - b. Within ten days of the receipt of this information, the Pennsylvania Department of Education shall inform the District whether its proposed tax rate increase is less than or equal to the index; and
 - c. If the Pennsylvania Department of Education determines that the District's proposed tax rate increase exceeds the index, the District is subject to the preliminary budget requirements as set forth in paragraph (a) and (c) of Section 311 of Act 1.


ADOPTED, by the Board of School Directors of East Penn School District, this 8th day of December, 2025.

ATTEST:



Janine Allen, Secretary

East Penn School District



Shonta Ford, President