

# NAZARETH AREA SCHOOL DISTRICT



## 2025-2026 Budget Updates

*Committed to Transparency and  
Student-Centered Growth*

***The Nazareth Area School District remains committed to transparency and excellence in education. As we continue planning for the 2025-2026 fiscal year, we invite our community to stay informed and engaged.***

### **Budget Planning in Progress**

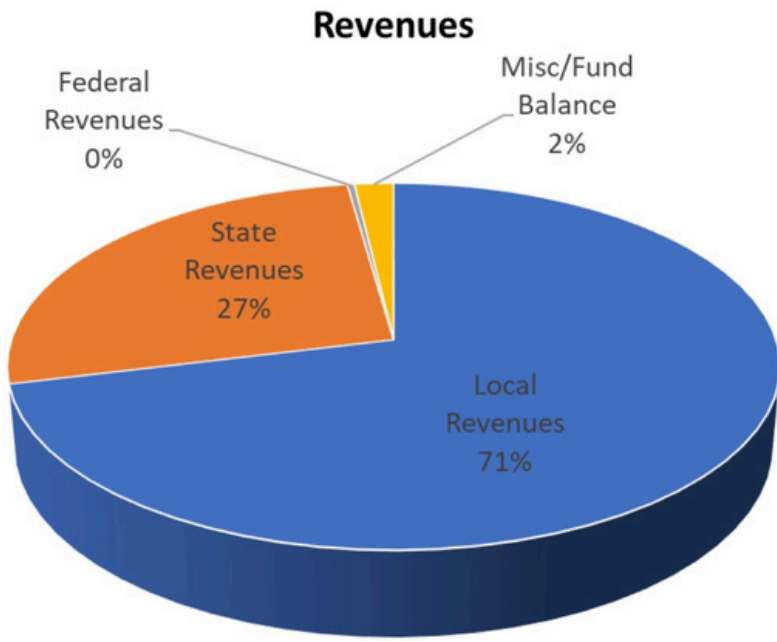
Each year, our School Board and Administration undergo a comprehensive, multi-stage process to develop a responsible and student-centered operational budget. Our top priority remains delivering the high-quality education our students deserve.

## **Our Ongoing Commitment**

Nazareth continues to be one of the highest-rated public school systems in Pennsylvania—a result of collaboration among our Board, staff, and community.

## **Planning for Growth**

Student enrollment is reviewed annually and regularly shared with the community at public Board meetings. In response to new housing developments approved by local municipalities, the District has launched a long-term plan to build a new elementary school. The phased implementation of this plan will begin in the 2025–26 school year



### **Budget Revenue Sources**

The District is primarily funded through:

- Local Revenues (71%)
- State Revenues (27%)
- Federal Revenues (<1%)
- Fund Balance Contributions (2%)

# School Taxes

Property taxes provide the majority of revenue needed to fund the yearly operations. Even with rising costs, Nazareth maintains one of the lowest property tax rates in the region.

Over the past 5 years, the average tax increase in the District has been .88%. This equates to an average yearly tax increase of \$37.44 per year or \$3.12 per month.

Yearly Property Tax Increase from 2020-2021 School Year through 2024-2025 School Year

Year	Tax Rate	Percent Increase	Average Home Value*	Tax Increase Yearly	Tax Increase Monthly
2020-2021	55.70	0.00%	\$74,000	\$0.00	\$0.00
2021-2022	56.80	1.90%	\$74,000	\$81.40	\$6.78
2022-2023	56.80	0.00%	\$74,000	\$0.00	\$0.00
2023-2024	57.51	1.25%	\$74,000	\$52.54	\$4.38
2024-2025	58.23	1.25%	\$74,000	\$53.28	\$4.44
5 Year Average		0.88%		\$37.44	\$3.12

*\*Per Northampton County Tax Assessment Office*

# Proposed 2025-2026 Tax Percent Tax Increase

Even with rising costs in the general operating budget—such as an increase in medical insurance expenses from 6.8% to 8.1% and student special services costs from 2.5% to 3.5%—Nazareth Area School District continues to maintain one of the lowest proposed 2025-2026 property tax rates in the region among districts undergoing renovations or new construction and even those that are not undergoing renovations or new construction.

2025-2026 Proposed Property Taxes: Local School Districts

School District	Proposed Property Tax Percent Increase	Building Renovation and/or New Building Project (Yes/No)
Whitehall Coplay	4.60%	Yes
Bethlehem	4.30%	Yes
Northampton	4.00%	Yes
Parkland	4.00%	Yes
East Penn	4.00%	Yes
Saucon Valley	4.00%	No
Easton Area	3.50%	Yes
Wilson Area	3.50%	No
Nazareth	2.95%	Yes
Bangor Area	1.00%	No
Pen Argyl	0.00%	No

# Homestead Farmstead Act

The state of Pennsylvania provides a property tax reduction program to all eligible homeowners, called Homestead/Farmstead (HS/FS). This tax reduction is reflected directly on your school tax bill. This tax reduction has increased by \$96.83 to nearly \$360.00 over the past 3 years.

With the increased tax reduction provided through the Homestead/Farmstead Act, the impact of the proposed 2025–2026 tax increase on the average household is as follows:

Proposed 2025-2026 Property Tax Increase and Impact on Average Household with the Homestead/Farmstead Act					
Proposed Percent Tax Increase	Tax Increase Yearly (Prior to Homestead/Farmstead Act)	Homestead/Farmstead Reduction	Tax Increase Yearly	Tax Increase Monthly	Percent Tax Increase After the Homestead/Farmstead Act
2.95%	\$127.12	(43.00)	\$84.12	\$7.01	1.95%

# Market Value – Assessed Value – Tax Bills

Northampton County Tax Assessment Office is responsible for establishing the value to all properties within Northampton County. This process involves 2 steps. Step 1 - Assigning a Market Value - or - current “sale” value. Step 2 Assigning an Assessed Value - or - tax value. Assessed Value is determined by using the Common Level Ratio (CLR) divided by the Market Value . The CLR is set by the Pennsylvania Department of Revenue. The below chart reflects how Market Value to Assessed Value is determined for homes with Market Values ranging from \$150,000 to \$406,260.

Proposed 25-26 Property Tax 2.95% and Impact on Average Household with the Homestead/Farmstead Act

Market Value	Assessed Value	Tax Increase Yearly (Prior to Homestead/Farmstead Act)	Homestead/ Farmstead Reduction	Tax Increase Yearly	Tax Increase Monthly	Percent Tax Increase After the Homestead/ Farmstead Act
\$150,000	\$27,322	\$46.93	(43.00)	\$3.93	\$0.33	0.25%
\$200,000	\$36,430	\$62.58	(43.00)	\$19.58	\$1.63	0.92%
\$300,000	\$54,645	\$93.87	(43.00)	\$50.87	\$4.24	1.60%
\$400,000	\$72,860	\$125.16	(43.00)	\$82.16	\$6.85	1.94%
\$406,260	\$74,000	\$127.12	(43.00)	\$84.12	\$7.01	1.95%

*\*Market Value of \$406,260 is the average home value in the Nazareth Area School District as determined by the Northampton County Assessment Office.*



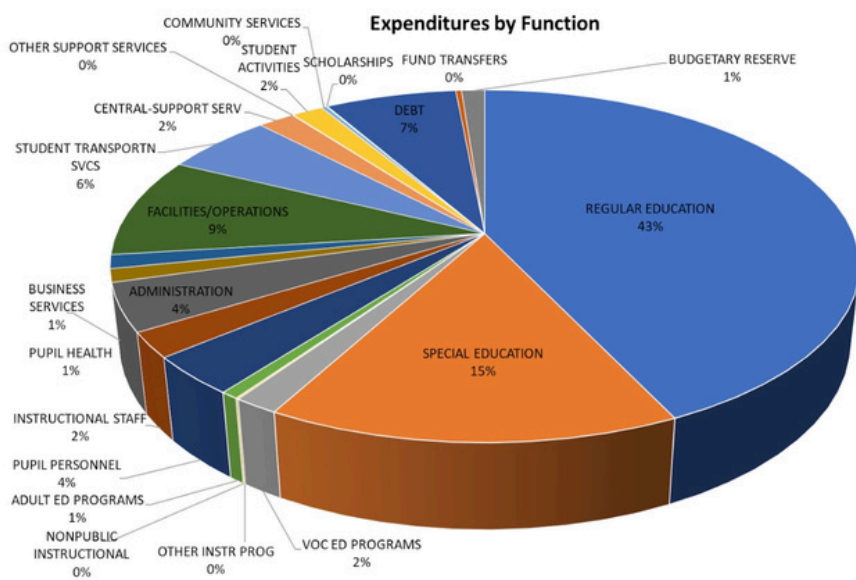
# How to Calculate Tax Bill - Example

Current Year (2024-25) District Tax Rate (A) is multiplied by the proposed Tax Increase (B) = (A x B). The resulting number (C) is multiplied by your home's Assessed Value (D) = (C x D) generates the proposed tax increase reflected in column (E).

A	B	C	D	E
2024-25 Millage Rate	2025-26 Tax Increase	Millage Rate Increase A x B	Assessed Value - County Provided	Tax Increase C x D / 1,000
58.23	2.95%	1.72	\$74,000	127.12

# Budget Expenditures Breakdown

- Instruction & Instructional Support: 60.4%
- Support Services (facilities, tech, admin, etc.): 29.4%
- Student Activities, Athletics, Debt, Reserve: 10.2%



## **Regional Comparisons**

Nazareth had the lowest per-pupil spending in 2023-24 and is projected to be the second-lowest in 2024-25 across the region, while continuing to deliver exceptional educational outcomes.

**Total Costs per Pupil**

<b>School District</b>	<b>2023-24 Cost Per Pupil</b>	<b>Rank</b>	<b>2024-25 Cost Per Pupil</b>	<b>Rank</b>
Pocono Mountain	29,956	2	32,170	1
East Stroudsburg	29,195	3	31,404	2
Stroudsburg	28,827	4	30,394	3
Saucon Valley	30,593	1	29,127	4
Bethlehem	26,696	5	27,993	5
Northampton	24,812	8	25,791	6
Easton	25,743	6	25,693	7
Pen Argyl	24,978	7	25,657	8
Bangor	22,530	10	23,752	9
Pleasant Valley	24,575	9	23,153	10
Wilson	21,982	11	22,414	11
Nazareth	21,524	13	22,006	12
Delaware Valley	21,707	12	21,594	13

# **Nazareth Property Tax Rebate Program**

The District offers a property tax rebate program to all eligible seniors, widows, and disabled individuals. This rebate program is in addition to the program offered by the state of Pennsylvania. The yearly rebate offers up to a \$650.00 to eligible individuals. Information on this program is available on the District's website – Departments - Business Administration – Tax Information – School District Property Tax Rebate.

***We thank our community for its continued support and partnership!***