



STATE COLLEGE AREA SCHOOL DISTRICT
ADMINISTRATIVE OFFICES

VI-D1

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To: Board of Directors
From: Robert J. O'Donnell and Randy L. Brown
Date: December 12, 2014
Subject: Preliminary 2015-2016 Budget Proposal

This preliminary budget proposal builds on the investments we have made during recent years to ensure we are serving our students to a high level. We are recommending this preliminary budget to further support our role in *preparing students for lifelong success through excellence in education*. As in prior years, we look forward to collaborating with SCASD Board of Directors to ensure we are effectively reflecting its budget interests within our six-month budget development process.

The enclosed proposal includes a proposed increase in expenses of \$4.6 million. Most of the spending increase would be used to provide the same level of service to our students, fund ongoing salaries and benefits, manage increasing operational costs, and also includes the same level of funding for capital related costs, consistent with the prior year budget. If approved, this proposal would result in a 1.9% real estate tax increase, the second lowest increase since the 1997-1998 school year. We should note that this proposal *does not* include an estimate for debt service expenses on referendum debt for the high school project. Discussion of estimated expenses for referendum debt for the upcoming year will be discussed later in this memo and at future board meetings. Although we will complete further evaluation of the preliminary budget, which will be provided at the January 12, 2015 board meeting, based on evaluation of the current financial projections, administration recommends a tax increase equal to the Act 1 index of 1.9%.

In addition, we will recommend filing for a referendum exception for the estimated debt service on referendum borrowing in January. Financing information for the State High project continues to be prepared for discussion on January 12, 2015. Related to the work with financial advisors, NW Financial, regarding the district financing, the administration expects to present results of the request for proposal for underwriting services on January 12, 2015. This process will provide additional information and resources to be used in our financing plans.

This proposed preliminary budget includes an increase of \$480,000 to support our efforts to realize four strategic priorities: a) more effectively supporting the improvement of student mental health, b) K-12 curriculum improvements, c) required gifted education multidisciplinary evaluations, and d) evaluating district progress related to our strategic plan. Further below, we have included a brief rationale, overview and cost estimate for each of these items. If these are

included in the final 2015-2016 budget, then the administration would need to provide an update to the Board regarding processes and progress relating to this work; additionally, some of the work would include updating respective Board policies.

These four strategic priorities were identified through considering requests that are well aligned with our 2014-2017 strategic plan's Four Pillars (<http://www.scasd.org/Page/23042>). Our budget planning process included obtaining the thinking of the stakeholders below within our SCASD community:

- *Integrated Mental Health Team* - comprised of district student services staff and local mental health professionals from the following agencies: PSU Psychological Clinic, MidStep Child Development Center, Home Nursing Agency, and Centre County Base Service Unit;
- Curriculum directors, curriculum coordinators and faculty members, including entire K-12 English/Language Arts committee;
- Learning enrichment / gifted education faculty and school psychologists (response to PDE requirement);
- Students (thinking via *The PA Youth Survey* and *Strategic Plan Student Survey*); and
- District principals and entire administrative team.

Improving Student Mental Health

Through reviewing student thinking and the recommendation of our district's *Integrated Mental Health Team*, we have identified the need to develop a voluntary mental health screening process. The funds included in the proposal would include psychological service capacity via part of a school psychologist's responsibilities to plan, oversee and help implement this process. This effort includes one newly proposed staff position: 1.0 school psychologist; the cost for the position's salary and benefits is estimated at \$95,000. This position would also create capacity to help manage required multi-disciplinary gifted evaluation requirement noted below for gifted education services.

We have included approximately \$10,000 in this budget proposal to support the development and implementation of the voluntary mental health screening process.

Mandated Gifted Education Multi-disciplinary Evaluations

During the 2013-2014 school year, the PA Department of Education (PDE) evaluated our gifted education services and is requiring that we begin administering multi-disciplinary gifted evaluations for a minimum of 2% of our student population.

PDE is also mandating that we universally screen our student body for students who might qualify for gifted education services. We have included approximately \$15,000 in this budget proposal to support the development and implementation of the required universal screening process.

K-12 Curriculum Improvements

This K-12 district-wide curriculum development cycle includes our work to update our K-12 language arts curriculum for the 2015-2016 school year. This is the bulk of budget increase

identified as strategic priorities. This curriculum update relates to experiences for more than 6,000 students. Because most of this increase prioritizes literacy resources, including purchasing student books and materials (approximately \$290,000), we will be able to reduce most of this cost for the 2016-2017 budget. The budget proposal also includes an estimated \$30,000 cost for professional development to support this curriculum transition.

Evaluating District Actions related to Strategic Planning

Our district's three-year strategic plan includes eight benchmarks we hope to achieve by 2017 (<http://www.scasd.org/Page/23042>); these benchmarks were created through a year-long process that included 146 stakeholders. We have included \$40,000 to support our work to assess our progress toward these benchmarks. A specific example includes how we can better understand how district administered assessments (e.g. - Measures of Academic Progress) can inform our *growth* benchmark; to do so, we must obtain help in developing this type of understanding from our student information. The proposed budget includes funds for contracted services and professional development with our teachers.

Please note that any other staffing changes requested must occur with our current staffing resources. Should those be requested, we will do so with the Board and identify transfers made within the school district as a result of utilizing current personnel or replacements to respond to student and program needs for 2015-2016.

Budget Proposal

The attached schedules provide detail related to the projected revenues and expenses for the current 2014-2015 year and the preliminary budget for 2015-2016 in addition to future years, through 2023-2024. As previously mentioned, this preliminary budget does not include estimated debt service for referendum borrowing for the high school project, which will be discussed further in this document.

Budget Timeline

Below are key dates in the budget process based on PDE published filing requirements.

January 12

- Discussion of State High financing plan including the debt service for the first borrowing to be included in the 2015-2016 budget.
- Budget discussion as needed including any revision to the average taxpayer impact based on the financing plan.

January 19

- A special meeting of the board may be scheduled to review and discuss the proposed preliminary budget if there are open items requiring further discussion at the January 12 meeting. Public display of preliminary budget to be recommended for board approval at the February 9 board meeting.
- Board may take action to formally approve the proposed preliminary budget as the preliminary budget is to be approved on February 9.

January 26

- Opportunity for further discussion of the preliminary budget including financing options.

February 9

- Presentation of preliminary budget for board approval (PDE deadline February 18).
- Presentation of referendum exception calculation for board discussion.

February 23

- Presentation of referendum exceptions for board approval (PDE deadline March 5).

March 23

- Further budget development discussion following release of governor's proposed budget.

March 25

- PDE deadline to rule on school district request for referendum exception.

April 27

- Presentation of district proposed final budget for 2015-2016.

May 4

- Presentation of district proposed final budget for 2015-2016 for board approval (deadline May 29).

May 18

- Public display of final budget to be recommended for board approval at the June 8 board meeting.

June 1

- Public hearing for district final budget for 2015-2016.

June 8

- Presentation of district final budget for 2015-2016 (deadline June 30).
 - General Fund Approval Resolution
 - Homestead and Farmstead Exclusion Resolution
 - Annual Tax Levy Resolution

Projected Revenue and Expense

The projected revenues for 2014-2015 are included in Attachment A. As shown on page A-1, revenue is projected to exceed budget by approximately \$2 million. Local revenues account for \$1.3 million of this increase. This projected variance is mainly comprised of increases in our

projections for real estate (0.77% higher) and earned income tax (2.7% higher). On October 3, 2014, we were informed that our *Individuals with Disabilities Education Act* (IDEA) funds would be approximately \$150,000 higher than budgeted.

State revenues are projected to be approximately \$400,000 higher than budgeted; this is based on higher than budgeted transportation revenue, bond reimbursements and the Ready to Learn Grant.

Federal revenues are projected to be \$300,000 greater than budgeted; this is due to an increase in ACCESS program reimbursements.

The preliminary budget for 2015-2016 includes a 1.9% increase for real estate tax revenue, equal to the Act 1 Index. The increase in assessed value is projected at 1.2%, based upon recent history and updates from the county assessment office. All other revenue budgets are increased based upon historical values, emphasizing recent activity.

Located at the top of page A-1 is a table of assumptions used in the budget projections for revenues and additional explanations related to variances. Attachment A also includes tables representing history of assessed value growth, real estate tax rate increases, and Act 1 Index rates which serve as support for the revenue budget assumptions. Tables have also been provided for reference that detail local, state and federal revenue for the previous ten years.

Attachment B includes expenses projected for 2014-2015 and preliminary budget for 2015-2016. Variances between 2014-2015 budgeted and projected expenses as well as projected 2014-2015 and preliminary 2015-2016 are included. These variances follow comparison of 2013-2014 results and operational changes in the 2014-2015 year. Included in this attachment are historical expense comparisons with our cohort and county districts for key budget drivers such as transportation, charter school tuition and debt services. These drivers are shown as a percentage of district expenses over the past ten years. The preliminary budget includes a transfer to capital reserve of \$5.7 million for 2015-2016. This amount is consistent with previous multi-year budget projections, which also includes a minimum commitment of \$9 million in most years of the projection period for debt service and transfer to capital reserve. This commitment is related to the district's various capital needs in the future. Also included in the athletics/transfers/contingencies expense budget is a transfer to food service of \$100,000 in 2015-2016 growing to \$300,000 in 2017-2018. Changes in the nutrition guidelines have been discussed previously, which result in a deficit in the food service fund operations. The food service report, to be presented in January 2015, will include more information regarding the financial projections.

In looking beyond the 2015-2016 fiscal year, Attachment C includes budget projections through 2023-2024. Summary and detail general fund revenue and expense activity through the projection period is provided. This information shows long-term effects and trends of operations. It should always be noted when looking at the multi-year projections for a period of ten years,

there are many estimates and assumptions that go into these calculations. When actual results do not hold true to estimates, corresponding decisions in operations will be required to reset the trajectory.

Fund balance analysis for the general, capital reserve, capital project funds is presented with these projections in Attachment D. The general fund balance contains an assigned and unassigned allocation. The assigned allocation pertains to PSERS and the outstanding legal liability. These assigned funds are scheduled to support district operations through the projection period of 2023-2024. The unassigned allocation is projected to remain just under the PDE maximum allowable amount of eight percent. The capital reserve fund balance is set to fund several major facility projects, including a portion of the debt for the high school project. In the projections, which include a real estate tax increase of 1.9% in 2015-2016, the ending balance in 2023-2024 is \$23 million. The capital projects fund, which supports minor capital projects/deferred maintenance throughout the district, is projected to expend all transfers.

For informational purposes, Attachment E shows a set of projection schedules assuming no tax increase for the 2015-2016 year. In this case, while maintaining the eight percent unassigned fund balance in the general fund, the ending balance in the capital reserve falls to \$7 million in 2023-2024 as compared to \$23 million in the previous projection. The lower tax revenue in this one year is multiplied when factored throughout the projection period.

Attachment F takes a look at the tax increase impact on the average residential taxpayer, with an assessed value of \$71,686. Assuming a 1.9% tax increase for the general budget, the average taxpayer will see an increase of \$54. The tax increase under exceptions allocated for debt service of the referendum debt would be an additional \$74, a 2.6% tax rate increase. Thus a total tax increase of \$128 for 2015-2016 for the average taxpayer.

If the real estate tax rate is increased only for the referendum debt service in the amount of 2.6%, the average taxpayer would see an increase of \$74 per year. This could result in a reduction in the budget proposal in the amount of \$2.2 million leading to changes and possible reductions in program, instruction, operations, and/or a decrease in capital reserve transfers.

The referendum debt service estimates assume a \$50 million borrowing at current interest rates in early 2015. The annual debt service for 2015-2016 under the 20, 25, and 30 terms of repayment are all estimated at the same level, as only interest would be due during the construction period. This borrowing level represents an alternative, which the administration recommends in order to protect from expected future increases in interest rates. Other borrowing levels are obviously open for discussion at this point. Analysis of the present value of this borrowing level at the various terms remains to be completed and will be shared with the board at future meetings.

In addition to the borrowing to be funded through the referendum exceptions, the district is scheduled to issue \$20 million for the high school project. Previous scenarios have shown this borrowing to occur later during the construction period, approximately 2017. That being said,

the preliminary budget proposal with a 1.9% tax increase could fund this district borrowing if incurred during 2015 by reducing the transfer to the capital reserve fund. A scenario for this borrowing will be prepared as well for future discussion.

Through the interview process with the applicants for underwriting services, we hope to seek further guidance and information, which will aid the district in making financing decisions in the best interest of the district.

The preliminary budget is the next step in our budget development process. The primary purpose of the preliminary budget process is to determine if a budget for the new year will be set with a real estate tax increase within the Act 1 Index. In the event exceptions are determined to be necessary, the district must apply for exceptions that would allow the real estate tax increase to exceed the Act 1 Index. The assumption has been made in this preliminary budget proposal, based upon the passage of the referendum in the May 2014 election, which the district would be applying for exceptions.

To review future steps in the process, discussion of the preliminary budget will occur at the January board meetings with a request for approval at the February 9 meeting. Once approved, the preliminary budget will be submitted to PDE for approval. The next step would be for board approval of the application for referendum exceptions. Throughout March and April, the board will have the opportunity to further discuss the budget as related to district's program and instructional offerings. Further revenue and expense projections for the current and budget year will be refined and shared with the board. The proposed final budget will then be presented, including a recommended tax increase, for approval in May. Following a budget hearing in early June, the final budget will be presented for adoption.

Attachment A - Revenue

State College Area School District
General Fund Projected 2014-15 and Preliminary Budget 2015-16 - Revenue
12/8/2014

Assumptions:							
Earned Income Tax Growth	10.99%	1.78%	2.00%	1.80%	1.80%	-0.20%	0.00%
Assessed Value Growth	0.82%	0.81%	1.50%	2.30%	1.20%	0.80%	-1.10%
Exceptions	0.70%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Act 1 Index	1.70%	1.70%	2.10%	2.10%	1.90%	0.00%	-0.20%
Actual/Projected RE Tax Increase	2.40%	2.70%	1.95%	1.95%	1.90%	0.00%	-0.05%

	Actual 2012-2013	Actual 2013-2014	Budget 2014-2015	Projected 2014-2015	Preliminary Budget 2015- 2016	Proj vs. Budget 2014-2015	Proj 2014-15 vs. 2015-16
LOCAL SERVICES TAX							
CURRENT REAL ESTATE TAX	77,275,529	\$80,135,092	\$82,900,000	\$83,540,000	\$86,130,000	\$640,000 (1)	\$2,590,000
REAL ESTATE TAX - HS DEBT							
EARNED INCOME TAX	15,420,269	15,694,478	15,560,000	\$15,980,000	16,270,000	420,000 (2)	290,000
REALTY TRANSFER TAX	1,637,407	1,956,425	1,500,000	1,500,000	1,500,000	0	0
DELINQUENT REAL ESTATE TAX	1,804,760	1,311,783	1,100,000	1,100,000	1,100,000	0	0
INTERIM REAL ESTATE TAX	477,534	1,187,707	500,000	500,000	500,000	0	0
IDEA-B	843,509	731,835	600,000	750,000	750,000	150,000 (3)	0
PAYMENTS IN LIEU OF TAX	456,418	489,649	450,000	481,000	480,000	31,000 (3)	-1,000
LOCAL SERVICES TAX	389,813	362,221	379,000	366,000	370,000	-13,000	4,000
TUITION	406,144	680,875	782,282	837,940	1,196,010	55,658 (2)	358,070 (4)
MISC LOCAL REVENUE/TUITION	746,347	550,360	384,918	384,918	384,918	0	0
PUBLIC UTILITY REALTY TAX	121,626	116,739	120,000	120,000	120,000	0	0
INTEREST ON INVESTMENTS	<u>125,472</u>	<u>131,990</u>	<u>100,000</u>	<u>130,000</u>	<u>150,000</u>	<u>30,000 (3)</u>	<u>20,000</u>
TOTAL LOCAL	99,704,828	103,349,154	104,376,200	105,689,858	108,950,928	1,313,658	3,261,070
STATE							
BASIC ED INSTR SUBSIDY	6,307,823	6,440,459	6,440,619	6,440,460	6,440,460	-159	0
SPECIAL ED REVENUE-REGULR	3,221,641	3,221,641	3,220,000	3,221,640	3,221,640	1,640	0
REV. FOR RETIREMENT	3,592,029	4,826,410	6,114,895	6,117,022	7,518,062	2,127	1,401,040 (5)
REV. FOR SOCIAL SECURITY	2,096,277	2,248,122	2,171,532	2,186,692	2,225,742	15,161	39,049
PROPERTY TAX REDUCTION	1,419,456	1,432,690	1,422,517	1,432,690	1,432,690	10,173	0
TRANSPORTATION REVENUE	796,138	809,494	600,000	750,000	750,000	150,000 (2)	0
BOND REIMBURSEMENTS	71,507	303,751	80,000	218,711	257,523	138,711 (3)	38,812
HEALTH SERVICES REVENUE	138,654	141,089	140,000	140,000	140,000	0	0
READY TO LEARN GRANT	128,440	128,440	128,440	246,078	128,440	117,638 (3)	-117,638 (6)
VOCATIONAL EDUCATION	107,040	111,867	107,040	107,040	107,040	0	0
OTHER STATE REVENUE	5,717	33,185	0	0	0	0	0
TUITION - 1305/1306	<u>149,213</u>	<u>153,006</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>0</u>	<u>0</u>
TOTAL STATE	18,033,935	19,850,154	20,505,043	20,940,333	22,301,596	435,290	1,361,263
FEDERAL							
TITLE I REVENUE	690,429	697,061	700,000	700,000	700,000	0	0
TITLE II REVENUE	215,675	193,935	200,000	200,000	200,000	0	0
ACCESS FUNDS	48,752	397,159	50,000	350,000	350,000	300,000 (3)	0
OTHER FEDERAL REVENUE	193,566	65,128	60,000	60,000	60,000	0	0
TITLE III REVENUE	<u>63,037</u>	<u>37,164</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>0</u>	<u>0</u>
TOTAL FEDERAL	1,211,459	1,390,447	1,045,000	1,345,000	1,345,000	300,000	0
TOTAL REVENUE	<u>118,950,222</u>	<u>124,589,755</u>	<u>125,926,243</u>	<u>127,975,191</u>	<u>132,597,524</u>	<u>2,048,948</u>	<u>4,622,333</u>

(1) Related to assessed value for major building projects not fully reflected in budgeted 2013-14 assessed value.

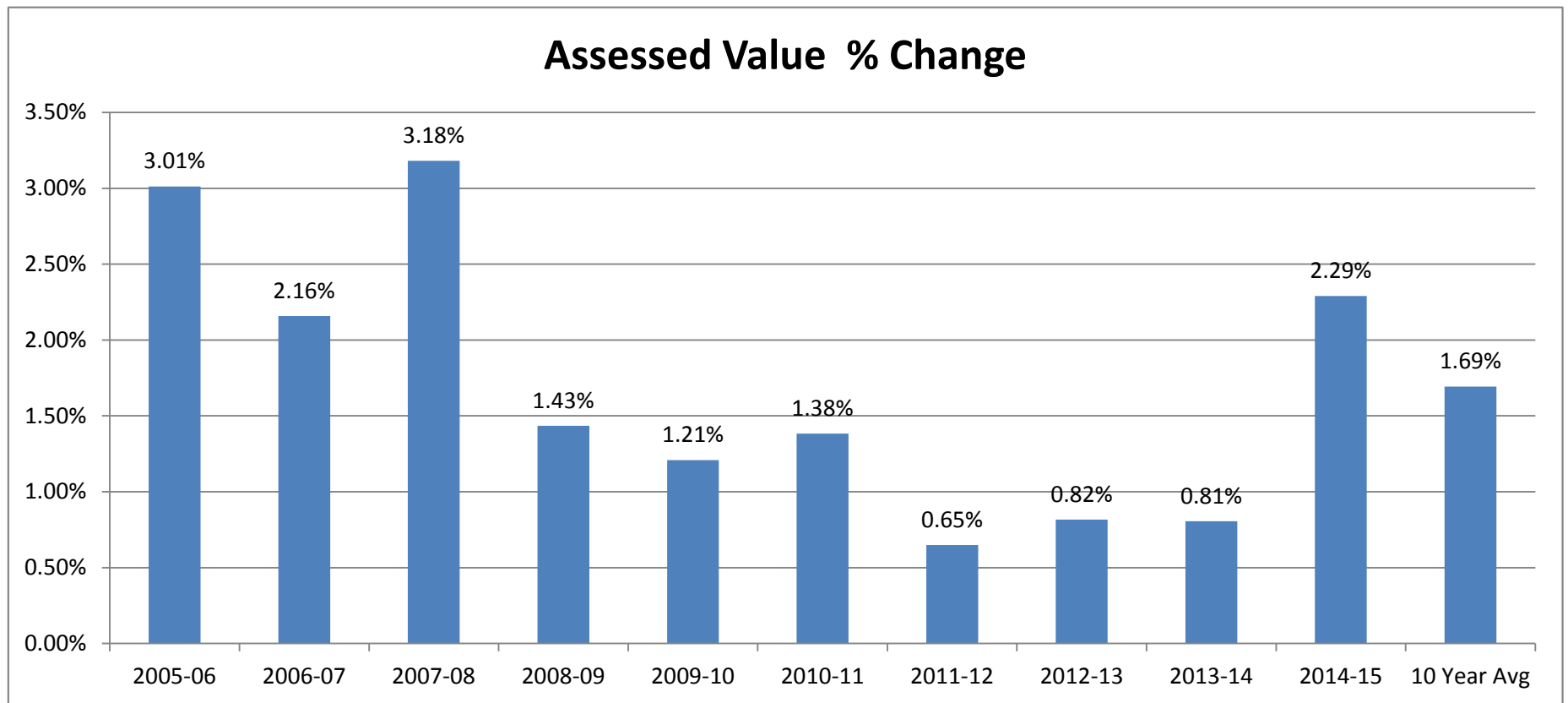
(2) Increase based on actual 2013-14

(3) Based on most recent available information in 2014-15.

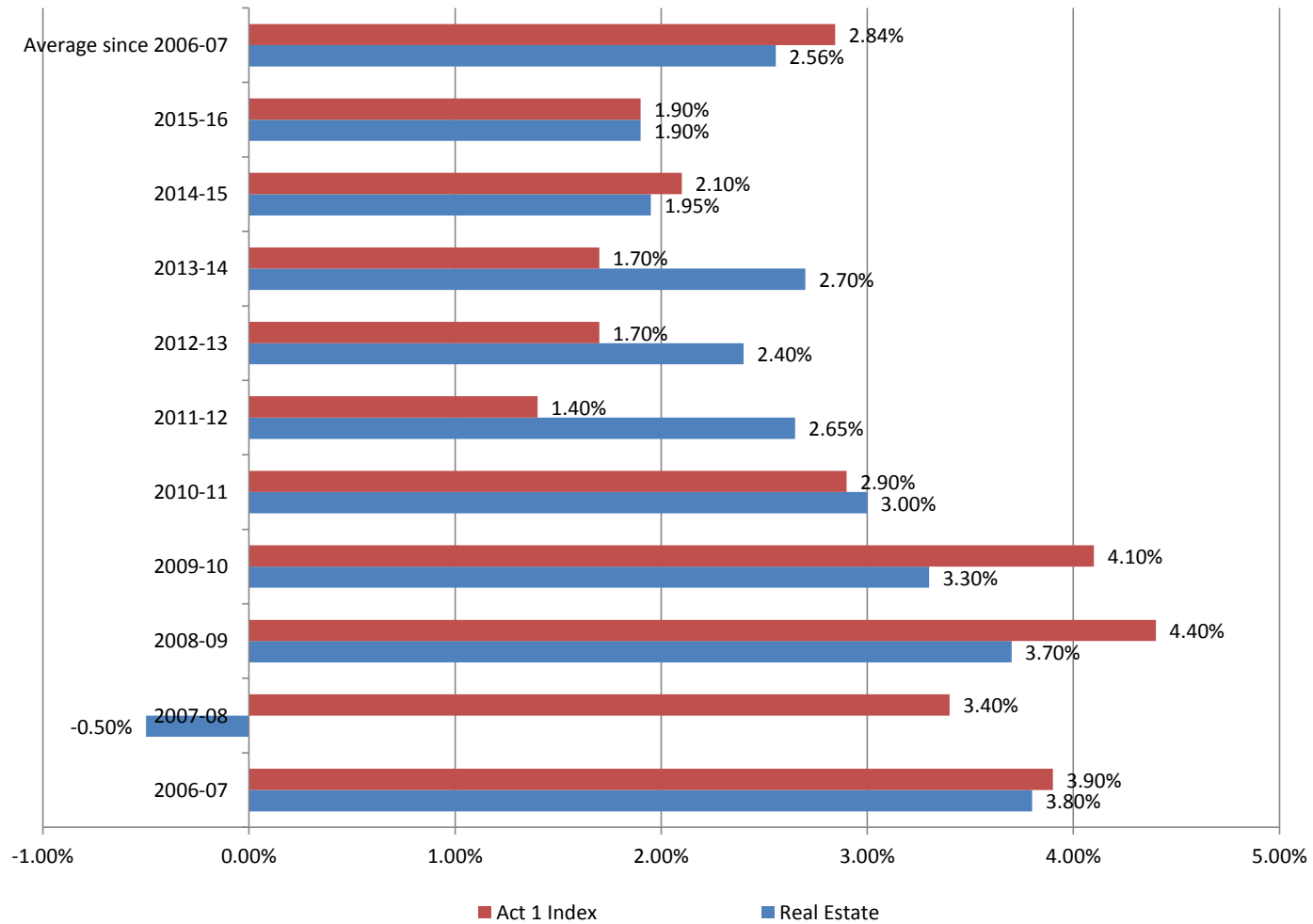
(4) Assumes growth due to expansion of after school programs.

(5) Increase related to increased salaries and increase in PSERS rate from 21.14% to 25.84%.

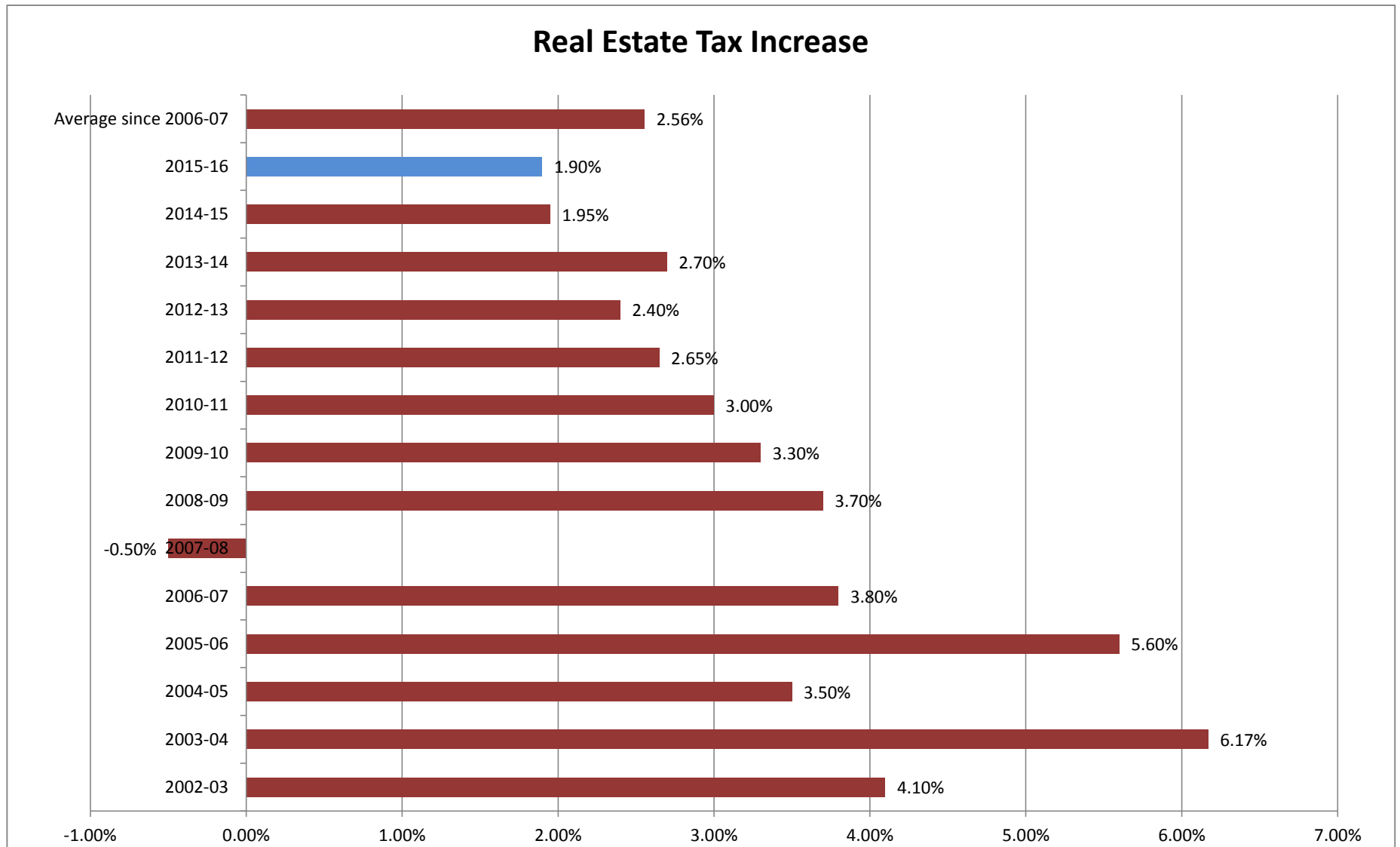
(6) Previously referred to as the Accountability Block Grant. Decreased to 2013-14 level due to uncertainty related to future allocations.



Act 1 Index vs. Real Estate Tax Increase



State College Area School District



State College Area School District
Revenue from Local Sources □

Fiscal Year	Current Real Estate Tax	Earned Income Tax	R/E Transfer Tax	Delinquent R/E Tax	Delinquent Oat	Interim Real Estate Tax	Revenue from Local Gov't /IDEA	Payment in Lieu of Tax	Local Services Tax	Tuition	Misc Local		Public Utility Realty	Interest on Investment	Total
2003-2004	\$50,162,114	\$11,300,672	\$1,684,593	\$1,070,161	\$69,545	\$978,556	\$0	\$297,087	\$322,431	\$142,805	\$229,766		\$98,148	\$330,239	\$66,686,117
2004-2005	53,878,814	11,631,045	1,965,807	962,676	47,380	875,089	91,372	307,825	322,635	165,211	212,720		80,259	637,957	71,178,789
2005-2006	58,656,027	12,162,117	2,227,829	912,093	26,818	830,876	602,532	238,327	348,124	199,314	135,153		109,374	1,258,373	77,706,956
2006-2007	62,228,521	12,626,411	1,729,974	1,229,634	10,016	928,391	602,522	245,567	328,474	214,596	191,583		113,897	1,719,064	82,168,649
2007-2008	63,888,389	13,037,684	2,207,349	1,003,003	9,061	921,415	446,852	302,192	190,850	178,388	244,828		111,206	1,411,747	83,952,963
2008-2009	65,800,431	13,854,734	1,430,704	1,252,068	5,687	857,840	537,405	337,263	413,638	170,550	301,914		105,600	737,784	85,805,617
2009-2010	69,038,182	13,720,443	1,561,719	1,483,829	4,334	406,368	788,093	371,793	477,593	186,130	452,213		114,364	235,648	88,840,709
2010-2011	72,100,208	13,569,394	1,329,695	1,525,574	2,619	594,727	626,825	410,039	376,773	185,950	1,427,835	(1)	118,294	132,697	92,400,628
2011-2012	74,525,877	13,893,058	1,500,365	1,121,701	-	427,455	851,152	431,763	378,153	331,950	664,994		122,056	105,215	94,353,738
2012-2013	77,275,529	15,420,269	1,637,407	1,804,760	-	477,534	843,509	456,418	389,813	406,144	746,347		121,626	125,472	99,704,827
2013-2014	80,135,092	15,694,478	1,956,425	1,311,783	-	1,187,707	731,835	489,649	362,221	680,875	550,360		116,739	131,990	103,349,154
Budget 2014-2015	82,900,000	15,560,000	1,500,000	1,100,000	-	500,000	600,000	450,000	379,000	782,282	384,918		120,000	100,000	104,376,200
Projected 2014-2015	83,540,000	15,980,000	1,500,000	1,100,000	-	500,000	750,000	481,000	366,000	837,940	384,918		120,000	130,000	105,689,858
Projected 2015-2016	86,130,000	16,270,000	1,500,000	1,100,000	-	500,000	650,000	480,000	370,000	837,940	384,918		120,000	150,000	108,492,858

(1) Includes \$750,000 for sale of Boalsburg Elementary

State College Area School District

Revenue from State Sources

Fiscal Year	Basic Ed Subsidy	Special Ed Subsidy	Revenue for Retirement (1)	Revenue for Social Security (1)	Property Tax Reduction (2)	Transportation	Bond Reimb	Health Services	Accountability Block/Ready to Learn Grant	Vocational Education	Other State Revenue	Tuition-1305/1306	Charter School Revenue	Classroom for the Future	Total
2003-2004	\$5,568,883	\$3,003,100	\$920,309	\$1,739,802	\$0	\$1,282,128	\$342,102	\$151,305	\$0	\$145,700	\$65,220	\$95,378	\$344,977	\$0	\$13,658,904
2004-2005	5,681,708	2,989,335	1,048,821	1,854,985	-	1,292,736	318,624	150,955	278,466	130,455	42,453	96,223	335,387	-	\$14,220,149
2005-2006	5,798,259	3,096,334	1,243,884	1,902,100	-	1,124,701	306,229	149,623	278,466	127,804	83,179	101,327	319,464	-	\$14,531,371
2006-2007	5,995,074	3,164,118	1,692,368	1,938,946	-	1,143,454	340,248	149,390	337,822	87,810	47,781	90,721	645,574	-	\$15,633,307
2007-2008	6,121,222	3,203,758	1,948,759	2,068,596	-	954,726	351,097	146,750	353,211	107,107	116,917	107,374	803,099	693,611	\$16,976,227
2008-2009	6,288,080	3,251,514	1,248,745	2,181,656	1,424,253	997,402	190,074	142,208	348,619	87,276	115,297	67,679	912,531	124,556	\$17,379,889
2009-2010	5,668,631	3,249,298	1,445,931	2,225,465	1,428,459	879,364	294,218	143,795	348,619	100,797	117,350	66,953	858,498	-	\$16,827,378
2010-2011	5,378,115	3,221,641	1,709,078	2,219,091	1,439,768	833,654	224,819	147,470	326,914	107,202	75,851	60,338	762,659	-	\$16,506,599
2011-2012	6,307,887	3,221,641	2,304,441	2,097,492	1,426,724	805,782	526,049	137,064	128,440	105,362	34,011	99,487	-	-	\$17,194,378
2012-2013	6,307,823	3,221,641	3,592,029	2,096,277	1,419,456	796,138	71,507	138,654	128,440	107,040	5,717	149,213	-	-	\$18,033,935
2013-2014	6,440,459	3,221,641	4,826,410	2,248,122	1,432,690	809,494	303,751	141,089	128,440	111,867	33,185	153,006	-	-	\$19,850,153
Budget 2014-2015	6,440,619	3,220,000	6,114,895	2,171,532	1,422,517	600,000	80,000	140,000	128,440	107,040	-	80,000	-	-	\$20,505,043
Projected 2014-2015	6,440,460	3,221,640	6,117,022	2,186,692	1,432,690	750,000	218,711	140,000	246,078	107,040	-	80,000	-	-	\$20,940,333
Projected 2015-2016	6,440,460	3,221,640	7,518,062	2,225,742	1,432,690	750,000	257,523	140,000	128,440	107,040	-	80,000	-	-	\$22,301,597

(1) Revenue based on 50% of retirement and social security expense.

(2) Amount paid to the district for Homestead/Farmstead; reduces real estate tax collected.

State College Area School District
Revenue from Federal Sources Historical Data by Function

Fiscal Year	Title I	Title II	ACCESS Funds	Title III- ESL	Title IV	Title V	ABLF Revenue	IDEA Part B	Vocational Ed	USDOE Mental Health	ARRA Funds	Class size reduction	Total
2003-2004	\$614,179	\$247,711	\$132,785	\$31,662	\$138,702		\$202,915	\$519,501	\$58,242		\$0		1,945,697
2004-2005	669,342	300,392	121,483	37,432	55,108		218,527	604,502	51,772		\$0		2,058,557
2005-2006	747,052	255,809	125,788	78,198	25,021	14,829	218,063		63,892		\$0		1,528,652
2006-2007	580,311	213,807	132,515	36,302	27,543	8,104	221,328		60,119		\$0	56,430	1,336,458
2007-2008	734,175	219,695	140,995	36,438	22,408	6,746	189,055		56,687		\$0		1,406,200
2008-2009	604,728	249,153	71,688	45,585	22,136		182,854		50,457		\$0		1,226,601
2009-2010	651,648	249,130	146,320	55,219	17,053		156,113		58,771		\$1,378,666		2,712,921
2010-2011	644,501	221,230	331,482	28,100	26,503		113,554		65,964	103,161	\$1,926,624	4,883	3,466,003
2011-2012	622,945	188,690	345,554	56,720	15,400				67,604	159,248	\$75,438	14,320	1,545,919
2012-2013	690,429	215,675	48,752	63,037					77,921	113,297	\$0	2,348	1,211,460
2013-2014	697,061	193,935	397,159	37,164					65,128		\$0		1,390,448
Budget 2014-2015	700,000	200,000	50,000	35,000					60,000		\$0		1,045,000
Projected 2014-2015	700,000	200,000	350,000	35,000					60,000		\$0		1,345,000
Projected 2015-2016	700,000	200,000	350,000	35,000					60,000		\$0		1,345,000

Attachment B - Expense

State College Area School District

General Fund Projected 2014-15 and Preliminary Budget 2015-16 - Expense

12/8/2014

	2012-2013 Actual	2013-2014 Actual	2014-2015 Budget	2014-2015 Projected	Preliminary Budget 2015- 2016	Proj vs. Budget 2014-2015	Proj 2014-15 vs. 2015-16	% Variance
Salaries	57,878,650	\$56,677,873	\$57,930,679	\$58,335,134	\$59,376,867	\$404,455 (1)	\$1,041,733	1.8%
Health Insurance	10,768,522	10,630,073	12,109,179	12,109,179	13,511,718	0	1,402,539	11.6%
PSERS	6,998,597	9,470,346	12,229,790	12,234,044	15,036,123	4,254	2,802,079	22.9%
Other Benefits	5,827,603	5,676,740	5,979,296	5,901,177	6,025,853	-78,119	124,676	2.1%
Professional Services	2,651,916	2,965,891	4,202,699	4,030,537	4,336,785	-172,162 (2)	306,248	7.6%
Purchased Property Services	2,024,560	1,885,056	2,050,035	2,050,035	2,074,334	0	24,299	1.2%
Other Purchased Services	9,558,592	10,145,511	10,374,623	10,561,474	10,763,696	186,851 (3)	202,222	1.9%
Supplies/Equipment	5,418,452	5,574,454	5,881,705	5,851,699	6,273,250	-30,006	421,551	7.2%
Minor Capital Projects	1,893,550	2,015,409	2,055,717	2,055,717	2,096,831	0	41,114	2.0%
Athletics/transfers/contingencies	7,970,468	2,819,490	3,207,334	2,898,332	3,558,766	-309,002 (4)	660,434	22.8% (7)
Debt Service	6,132,255	6,327,453	5,348,828	5,089,299	5,165,109	-259,529 (5)	75,810	1.5%
Transfer to Capital Reserve	2,656,582	10,500,000	5,657,779	7,586,779	5,724,000	1,929,000 (6)	-1,862,779	-24.6% (8)
Fund Balance Use (PSERS/Legal)	515,818	(743,818)	(1,148,424)	(1,148,424)	(1,791,053)	0	-642,629	56.0%
Total Expenses and Fund Balance Transfers	120,295,565	\$123,944,479	\$125,879,240	\$127,554,982	\$132,152,279	\$1,675,743	\$4,597,297	3.6%

(1) Includes enrollment based hirings, increased extended school year students, and budget transfer from professional services.

(2) Budget transfer to salaries

(3) Charter school enrollments are equal to 2013-14; expense per student approximately 3% higher.

(4) Reduction in contingency

(5) Reflects savings related to refinancing

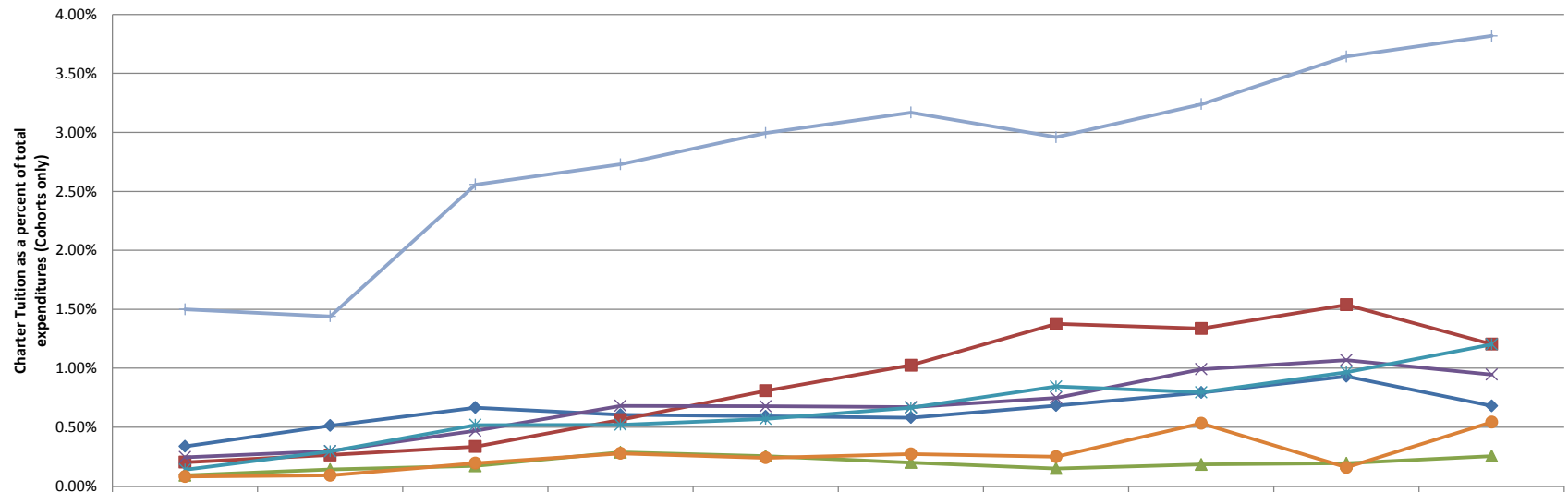
(6) Net change in revenues and expense transferred to capital reserve fund.

(7) Includes increase in contingency and estimated transfer of \$100,000 to food services.

(8) The 2014-15 transfer to capital reserve is higher primarily related to a higher than average increase in real estate taxes.

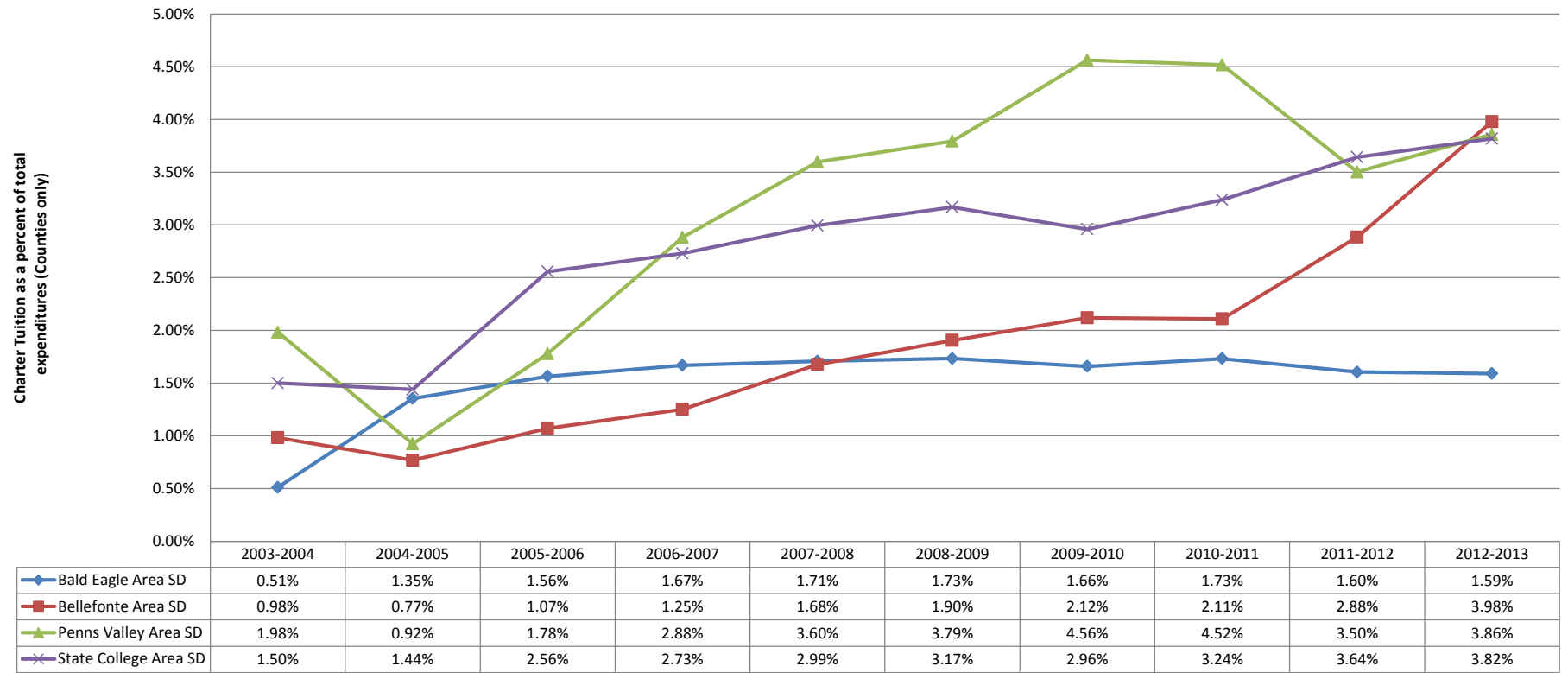
The 2015-16 transfer maintains the level budgeted in the 2014-15 budget.

Charter Tuition

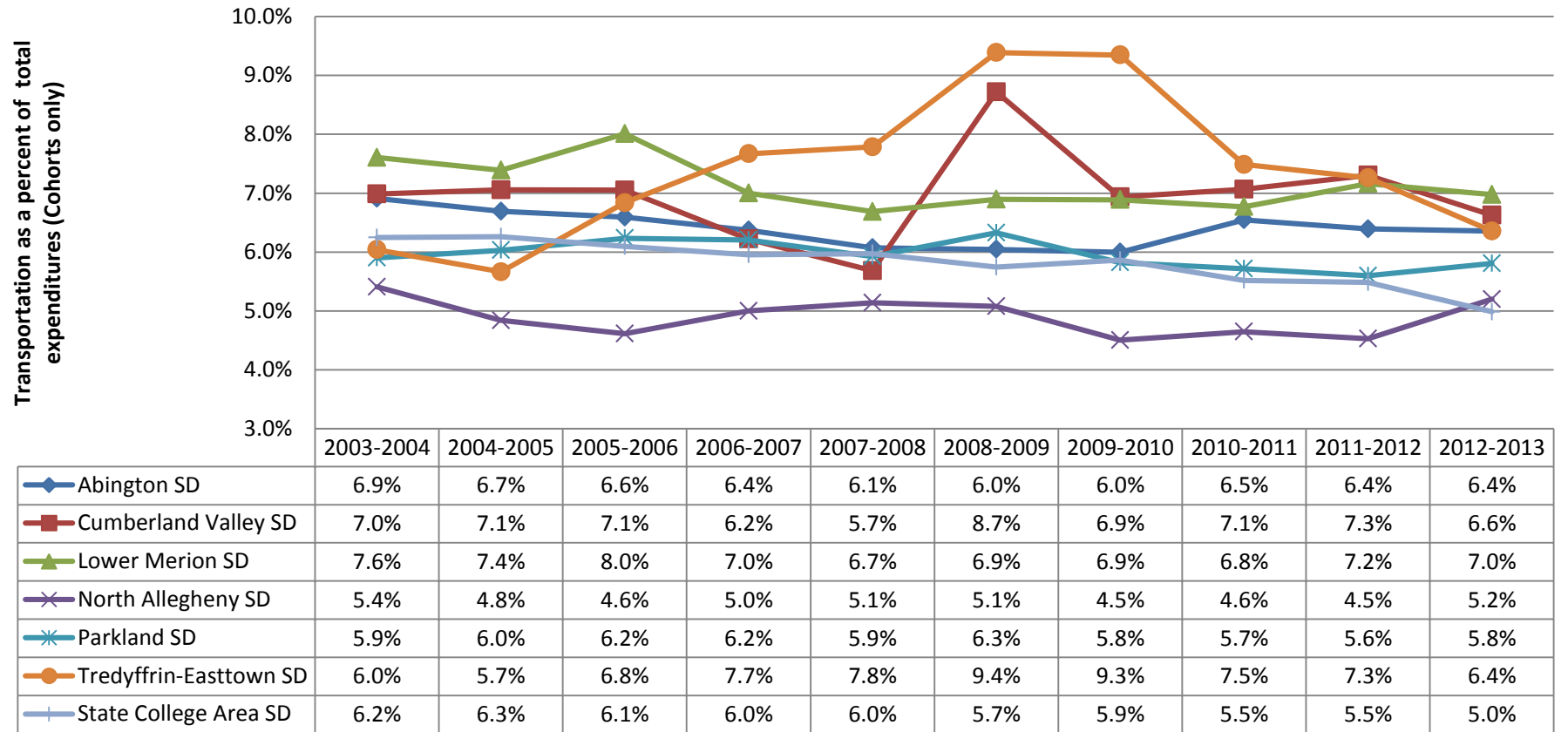


	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Abington SD	0.34%	0.51%	0.67%	0.60%	0.59%	0.58%	0.68%	0.79%	0.93%	0.68%
Cumberland Valley SD	0.20%	0.26%	0.34%	0.56%	0.81%	1.03%	1.38%	1.34%	1.54%	1.20%
Lower Merion SD	0.09%	0.14%	0.17%	0.29%	0.25%	0.20%	0.15%	0.18%	0.19%	0.25%
North Allegheny SD	0.25%	0.30%	0.47%	0.68%	0.68%	0.67%	0.75%	0.99%	1.07%	0.95%
Parkland SD	0.14%	0.29%	0.52%	0.52%	0.57%	0.67%	0.85%	0.79%	0.97%	1.20%
Tredyffrin-Easttown SD	0.08%	0.09%	0.19%	0.28%	0.24%	0.27%	0.25%	0.53%	0.16%	0.54%
State College Area SD	1.50%	1.44%	2.56%	2.73%	2.99%	3.17%	2.96%	3.24%	3.64%	3.82%

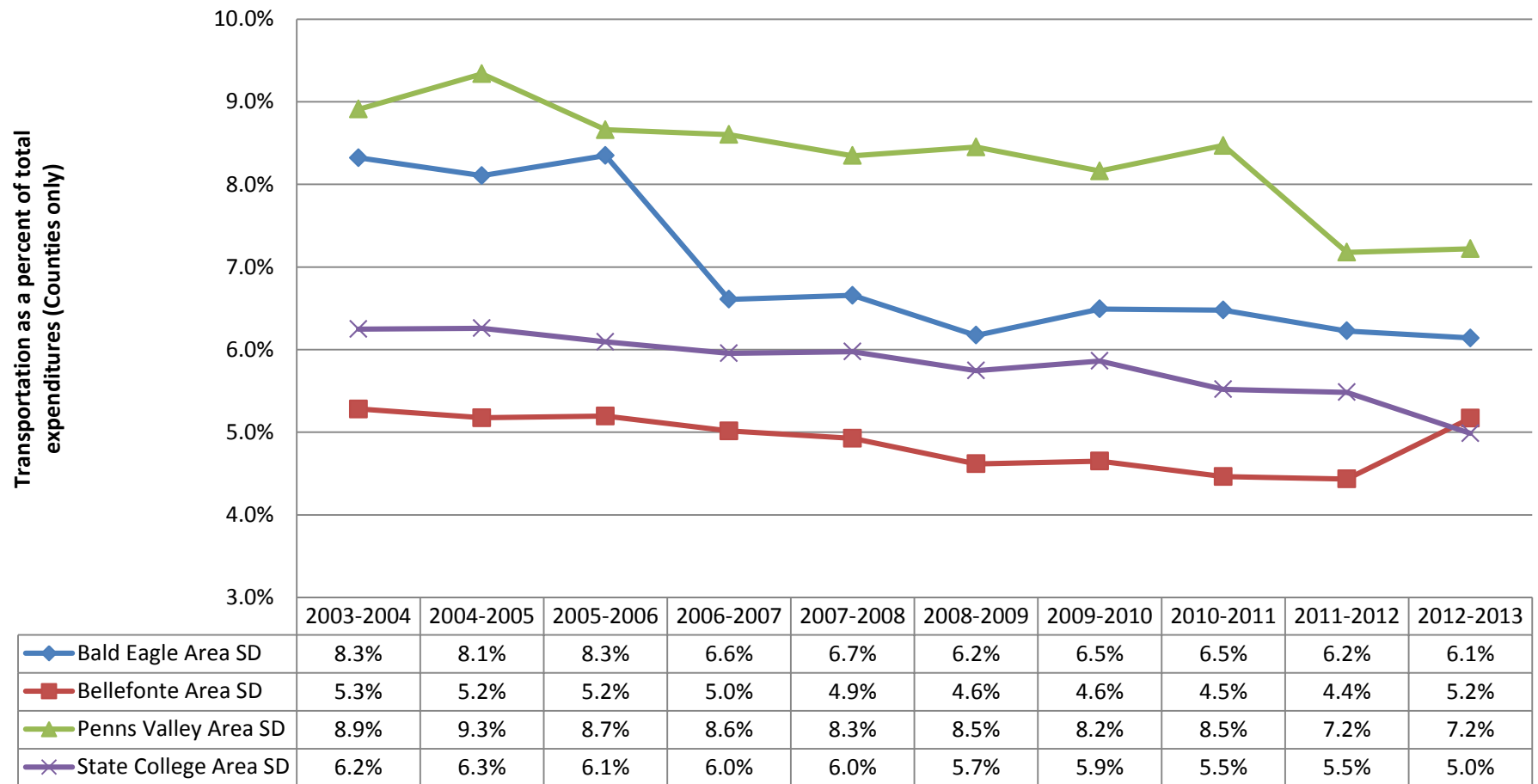
Charter Tuition



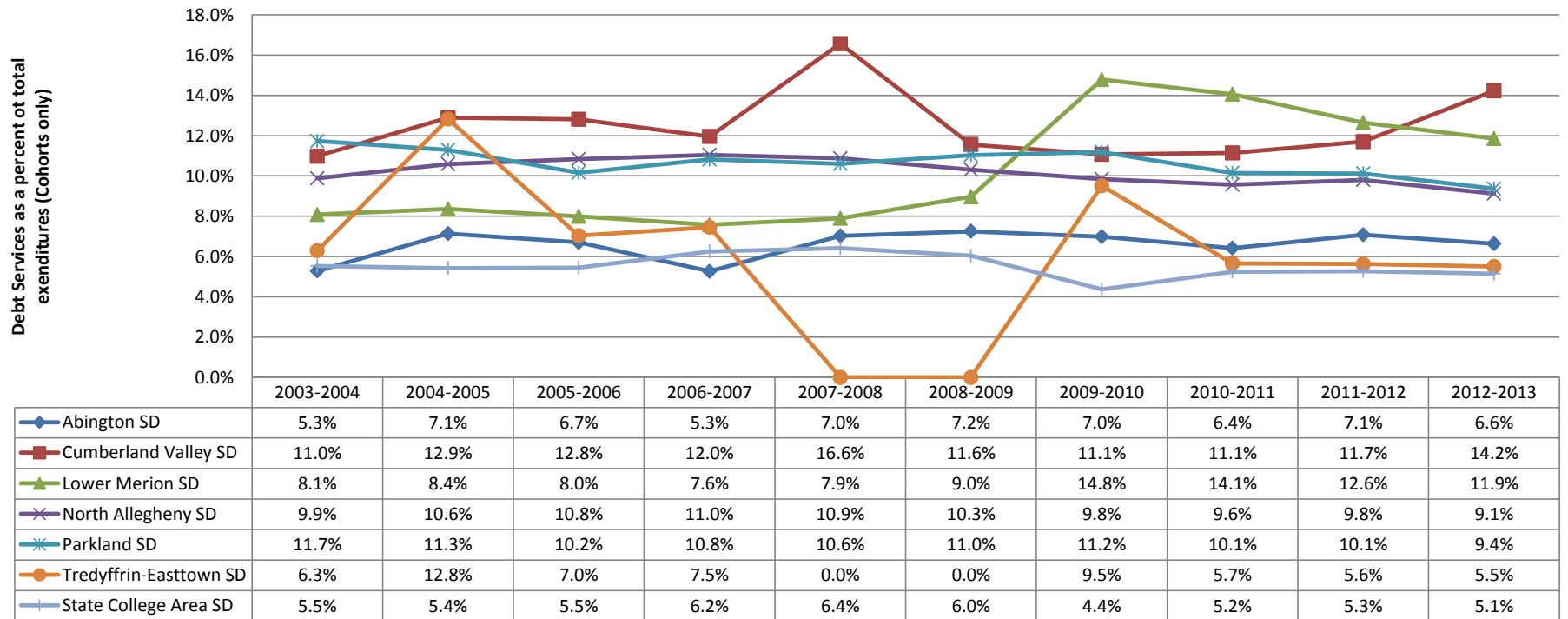
Transportation



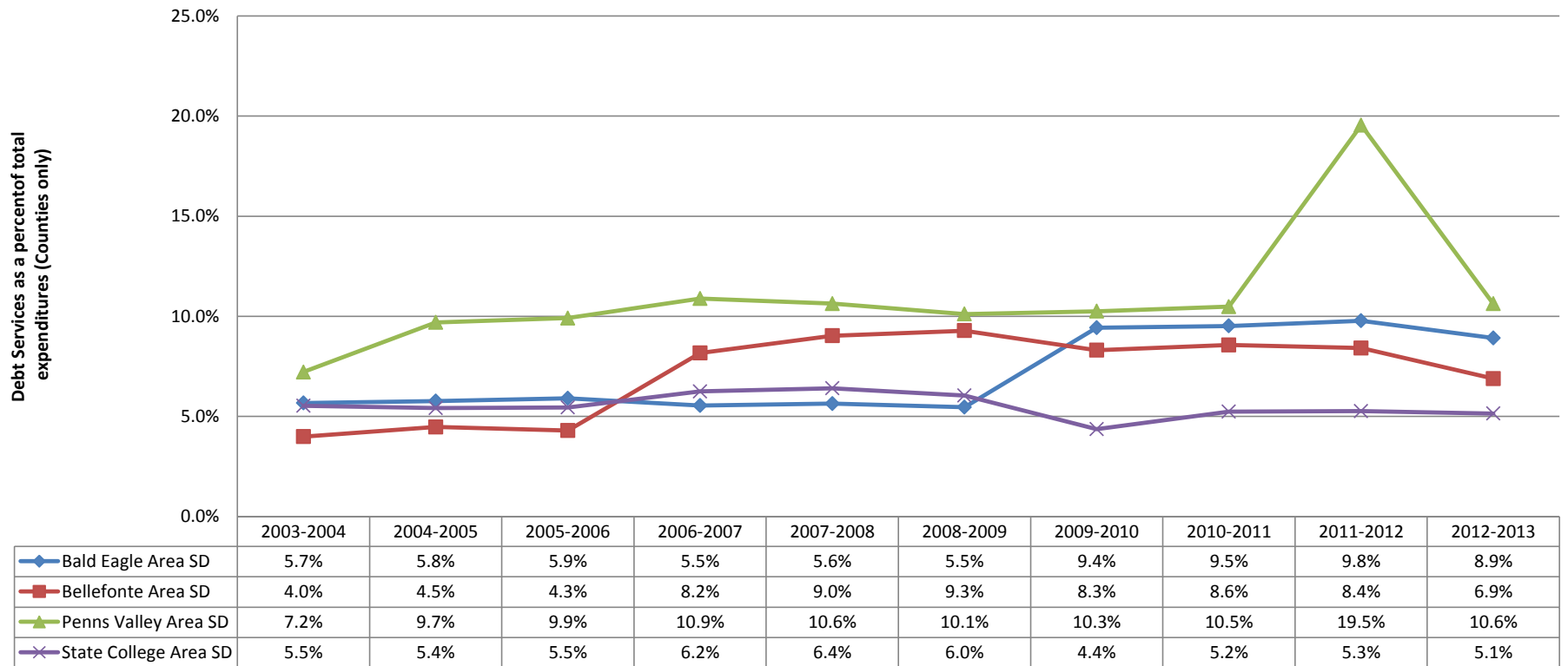
Transportation



Debt Services



Debt Services



Attachment C - Multi-Year Budget Projections

State College Area School District
General Fund Activity
12/8/2014

Assumptions:												
Earned Income Tax Growth	10.99%	1.78%	1.80%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.30%	2.30%	2.30%
Assessed Value Growth	0.82%	0.81%	2.30%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.70%	1.70%
Exceptions	0.70%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Act 1 Index	1.70%	1.70%	2.10%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
Actual/Projected RE Tax Increase	2.40%	2.70%	1.95%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Revenue	118,950,222	\$124,589,755	\$127,975,191	\$132,597,524	\$136,654,653	\$140,401,996	\$144,429,853	\$148,575,437	\$152,845,156	\$157,175,137	\$161,685,909	\$166,320,006
Local	99,704,828	103,349,154	105,689,858	108,950,928	111,974,928	115,238,928	118,722,928	122,426,928	126,430,928	130,514,928	134,748,928	139,112,928
State	18,033,935	19,850,154	20,940,333	22,301,596	23,534,725	24,018,068	24,561,925	25,003,509	25,269,228	25,515,209	25,791,981	26,062,078
Federal	1,211,459	1,390,447	1,345,000	1,345,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000
Expenses and Fund Balance Use	<u>120,295,565</u>	<u>123,944,479</u>	<u>127,554,982</u>	<u>132,152,279</u>	<u>136,333,022</u>	<u>140,109,743</u>	<u>144,168,612</u>	<u>148,299,774</u>	<u>152,547,554</u>	<u>156,800,948</u>	<u>161,331,513</u>	<u>165,990,459</u>
Change in Unassigned General Fund Bal	-1,345,343	\$645,277	\$420,209	\$445,245	\$321,631	\$292,253	\$261,241	\$275,663	\$297,603	\$374,188	\$354,396	\$329,548

State College Area School District
General Fund Revenue
12/8/2014

Assumptions:												
Earned Income Tax Growth (1)	10.99%	1.78%	1.80%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.30%	2.30%	2.30%
Assessed Value Growth (2)	0.82%	0.81%	2.30%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.70%	1.70%
Exceptions	0.70%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Act 1 Index	1.70%	1.70%	2.10%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
Actual/Projected RE Tax Increase	2.40%	2.70%	1.95%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
	Actual 2012-2013	Actual 2013-2014	Projected 2014-2015	Projected 2015-2016	Projected 2016-2017	Projected 2017-2018	Projected 2018-2019	Projected 2019-2020	Projected 2020-2021	Projected 2021-2022	Projected 2022-2023	Projected 2023-2024
LOCAL SERVICES TAX												
CURRENT REAL ESTATE TAX	77,275,529	\$80,135,092	\$83,540,000	\$86,130,000	\$88,890,000	\$91,820,000	\$94,940,000	\$98,260,000	\$101,800,000	\$105,460,000	\$109,260,000	\$113,190,000
REAL ESTATE TAX - HS DEBT												
EARNED INCOME TAX	15,420,269	15,694,478	\$15,980,000	16,270,000	16,580,000	16,910,000	17,270,000	17,650,000	18,060,000	18,480,000	18,910,000	19,340,000
REALTY TRANSFER TAX	1,637,407	1,956,425	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
DELINQUENT REAL ESTATE TAX	1,804,760	1,311,783	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
INTERIM REAL ESTATE TAX	477,534	1,187,707	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
IDEA-B	843,509	731,835	750,000	750,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
PAYMENTS IN LIEU OF TAX	456,418	489,649	481,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000
LOCAL SERVICES TAX	389,813	362,221	366,000	370,000	374,000	378,000	382,000	386,000	390,000	394,000	398,000	402,000
TUITION	406,144	680,875	837,940	1,196,010	1,196,010	1,196,010	1,196,010	1,196,010	1,196,010	1,196,010	1,196,010	1,196,010
MISC LOCAL REVENUE/TUITION	746,347	550,360	384,918	384,918	384,918	384,918	384,918	384,918	384,918	384,918	384,918	384,918
PUBLIC UTILITY REALTY TAX	121,626	116,739	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
INTEREST ON INVESTMENTS	<u>125,472</u>	<u>131,990</u>	<u>130,000</u>	<u>150,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
TOTAL LOCAL	99,704,828	103,349,154	105,689,858	108,950,928	111,974,928	115,238,928	118,722,928	122,426,928	126,430,928	130,514,928	134,748,928	139,112,928
STATE												
BASIC ED INSTR SUBSIDY	6,307,823	6,440,459	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460
SPECIAL ED REVENUE-REGULR	3,221,641	3,221,641	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640
REV. FOR RETIREMENT	3,592,029	4,826,410	6,117,022	7,518,062	8,700,000	9,150,000	9,650,000	10,050,000	10,250,000	10,450,000	10,700,000	10,900,000
REV. FOR SOCIAL SECURITY	2,096,277	2,248,122	2,186,692	2,225,742	2,268,031	2,311,124	2,355,035	2,399,781	2,445,376	2,491,839	2,539,183	2,587,428
PROPERTY TAX REDUCTION	1,419,456	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690
TRANSPORTATION REVENUE	796,138	809,494	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
BOND REIMBURSEMENTS (3)	71,507	303,751	218,711	257,523	266,424	256,674	256,620	253,459	273,582	273,100	252,528	274,380
HEALTH SERVICES REVENUE	138,654	141,089	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
READY TO LEARN GRANT (4)	128,440	128,440	246,078	128,440	128,440	128,440	128,440	128,440	128,440	128,440	128,440	128,440
VOCATIONAL EDUCATION	107,040	111,867	107,040	107,040	107,040	107,040	107,040	107,040	107,040	107,040	107,040	107,040
OTHER STATE REVENUE	5,717	33,185	0	0	0	0	0	0	0	0	0	0
TUITION - 1305/1306	<u>149,213</u>	<u>153,006</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
TOTAL STATE	18,033,935	19,850,154	20,940,333	22,301,596	23,534,725	24,018,068	24,561,925	25,003,509	25,269,228	25,515,209	25,791,981	26,062,078
FEDERAL												
TITLE I REVENUE	690,429	697,061	700,000	700,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
TITLE II REVENUE	215,675	193,935	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
ACCESS FUNDS	48,752	397,159	350,000	350,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
OTHER FEDERAL REVENUE	193,566	65,128	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
TITLE III REVENUE	<u>63,037</u>	<u>37,164</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>
TOTAL FEDERAL	1,211,459	1,390,447	1,345,000	1,345,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000
TOTAL REVENUE	118,950,222	124,589,755	127,975,191	132,597,524	136,654,653	140,401,996	144,429,853	148,575,437	152,845,156	157,175,137	161,685,909	166,320,006

(1) Assumes gradual growth toward five-year average from 2008-09 to 2013-14 of 2.62%.

(2) 2014-15 reflects major building projects not fully reflected in 2013-2014 assessed value. 2015-16 forward assumes gradual growth toward historical averages. (10-yr average 1.7%)

(3) Reflects projected annual reimbursement for all debt with Plancon approval. Retroactive reimbursement estimated at \$624,000 for recent Plancon approvals has not been included pending receipt of payment from PDE.

(4) Previously referred to as the Accountability Block Grant. Future projected years do not include the additional amount added to 2014-15 due to uncertainty related to future year allocations.

State College Area School District
General Fund Expense
12/8/2014

	2012-2013 Actual	2013-2014 Actual	2014-2015 Projected	2015-2016 Projected	2016-2017 Projected	2017-2018 Projected	2018-2019 Projected	2019-2020 Projected	2020-2021 Projected	2021-2022 Projected	2022-2023 Projected	2023-2024 Projected
Salaries	57,878,650	\$56,677,873	\$58,335,134	59,376,867	60,505,027	61,654,623	62,826,061	64,019,756	65,236,131	66,475,618	67,738,655	69,025,689
Health Insurance	10,768,522	10,630,073	12,109,179	13,511,718	14,762,890	16,139,179	17,653,097	19,318,406	21,150,247	23,165,272	25,381,799	27,819,979
PSERS	6,998,597	9,470,346	12,234,044	15,036,123	17,400,000	18,300,000	19,300,000	20,100,000	20,500,000	20,900,000	21,400,000	21,800,000
Other Benefits	5,827,603	5,676,740	5,901,177	6,025,853	6,100,000	6,200,000	6,300,000	6,400,000	6,500,000	6,600,000	6,700,000	6,800,000
Professional Services	2,651,916	2,965,891	4,030,537	4,336,785	4,410,000	4,480,000	4,560,000	4,640,000	4,720,000	4,800,000	4,880,000	4,960,000
Purchased Property Services	2,024,560	1,885,056	2,050,035	2,074,334	2,110,000	2,150,000	2,190,000	2,230,000	2,270,000	2,310,000	2,350,000	2,390,000
Other Purchased Services	9,558,592	10,145,511	10,561,474	10,763,696	10,950,000	11,140,000	11,330,000	11,520,000	11,720,000	11,920,000	12,120,000	12,330,000
Supplies/Equipment	5,418,452	5,574,454	5,851,699	6,273,250	6,120,000	6,210,000	6,300,000	6,390,000	6,490,000	6,590,000	6,690,000	6,790,000
Minor Capital Projects	1,893,550	2,015,409	2,055,717	2,096,831	2,138,768	2,181,543	2,225,174	2,269,678	2,315,071	2,361,373	2,408,600	2,456,772
Athletics/transfers/contingencies (1)	7,970,468	2,819,490	2,898,332	3,558,766	3,802,232	3,907,276	3,163,422	3,220,690	3,279,104	3,338,686	3,399,460	3,461,449
Debt Service (2)	6,132,255	6,327,453	5,089,299	5,165,109	5,250,813	5,021,218	5,011,078	4,924,865	4,967,087	4,943,036	4,862,877	4,875,757
Transfer to Capital Reserve (2)	2,656,582	10,500,000	7,586,779	5,724,000	5,019,187	4,693,783	4,494,922	4,107,135	3,899,913	3,946,965	3,900,124	3,369,244
Fund Balance Use (PSERS/Legal)	515,818	(743,818)	(1,148,424)	(1,791,053)	(2,235,895)	(1,967,878)	(1,185,141)	(840,756)	(500,000)	(550,000)	(500,000)	(88,430)
Total Expenses and Fund Balance Transfers	120,295,565	\$123,944,479	\$127,554,982	132,152,279	136,333,022	140,109,743	144,168,612	148,299,774	152,547,554	156,800,948	161,331,513	165,990,459

(1) Includes legal liability payments and food service transfer of \$100,000 in 2015-16 growing to \$300,000 in 2017-18.

(2) Maintains at least \$9 million in budget between current debt service and transfer to Capital Reserve thru 2021-22, and at least \$8 million in future years.

Attachment D - Fund Balance

State College Area School District
Fund Balance Summary
12/8/2014

	Actual 2012-2013	Actual 2013-2014	Projected 2014-2015	Projected 2015-2016	Projected 2016-2017	Projected 2017-2018	Projected 2018-2019	Projected 2019-2020	Projected 2020-2021	Projected 2021-2022	Projected 2022-2023	Projected 2023-2024
Nonspendable Fund Balance	\$ 1,597,983	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632
General Unassigned	9,099,547	9,744,824	10,165,033	10,610,277	10,931,909	11,224,161	11,485,402	11,761,065	12,058,668	12,432,856	12,787,252	13,116,800
General Assigned PSERS	8,515,818	8,572,000	7,973,576	6,732,523	5,046,628	3,628,750	2,443,609	1,602,853	1,102,853	602,853	102,853	14,423
General Assigned Legal Liability	3,000,000	2,200,000	1,650,000	1,100,000	550,000	-	-	-	-	-	-	-
Total General Fund	22,213,348	22,218,456	21,490,241	20,144,432	18,230,169	16,554,543	15,630,643	15,065,550	14,863,153	14,737,341	14,591,737	14,832,855
Capital Reserve Fund	10,257,791	19,296,359	25,883,138	22,607,138	26,536,325	28,140,108	29,545,030	30,562,164	31,372,077	30,229,042	27,039,165	23,318,409
Capital Projects Fund	2,851,511	3,135,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146
Total Capital Funds	13,109,302	22,431,505	25,918,284	22,642,284	26,571,471	28,175,253	29,580,175	30,597,310	31,407,223	30,264,187	27,074,311	23,353,554
Debt Service Fund	4,638	4,638	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	<u>\$ 35,327,288</u>	<u>\$ 44,654,598</u>	<u>\$ 47,408,524</u>	<u>\$ 42,786,716</u>	<u>\$ 44,801,639</u>	<u>\$ 44,729,797</u>	<u>\$ 45,210,818</u>	<u>\$ 45,662,860</u>	<u>\$ 46,270,376</u>	<u>\$ 45,001,529</u>	<u>\$ 41,666,048</u>	<u>\$ 38,186,409</u>

State College Area School District
General Fund Balance
12/8/2014

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Projected 2014-2015</u>	<u>Projected 2015-2016</u>	<u>Projected 2016-2017</u>	<u>Projected 2017-2018</u>	<u>Projected 2018-2019</u>	<u>Projected 2019-2020</u>	<u>Projected 2020-2021</u>	<u>Projected 2021-2022</u>	<u>Projected 2022-2023</u>	<u>Projected 2023-2024</u>
General Fund - Unassigned												
Beginning Balance	10,444,890	\$9,099,547	\$9,744,824	\$10,165,033	\$10,610,277	\$10,931,909	\$11,224,161	\$11,485,402	\$11,761,065	\$12,058,668	\$12,432,856	\$12,787,252
Revenue less Expense	(1,345,343)	645,277	420,209	445,245	321,631	292,253	261,241	275,663	297,603	374,188	354,396	329,548
General Fund - Unassigned	9,099,547	\$9,744,824	\$10,165,033	\$10,610,277	\$10,931,909	\$11,224,161	\$11,485,402	\$11,761,065	\$12,058,668	\$12,432,856	\$12,787,252	\$13,116,800
% of Expense	7.60%	7.82%	7.90%	7.92%	7.89%	7.90%	7.90%	7.89%	7.88%	7.90%	7.90%	7.90%
General Fund - Assigned												
PSERS												
Beginning Balance	11,000,000	\$8,515,818	8,572,000	7,973,576	6,732,523	5,046,628	3,628,750	2,443,609	1,602,853	1,102,853	602,853	102,853
Additions	515,818	56,182										
Uses	(3,000,000)		(598,424)	(1,241,053)	(1,685,895)	(1,417,878)	(1,185,141)	(840,756)	(500,000)	(500,000)	(500,000)	(88,430)
Ending Fund Balance	8,515,818	8,572,000	7,973,576	6,732,523	5,046,628	3,628,750	2,443,609	1,602,853	1,102,853	602,853	102,853	14,423
Legal Liability												
Beginning Balance	-	3,000,000	2,200,000	1,650,000	1,100,000	550,000	-	-	-	-	-	-
Additions	3,000,000											
Uses	-	(800,000)	(550,000)	(550,000)	(550,000)	(550,000)						
Ending Fund Balance	3,000,000	2,200,000	1,650,000	1,100,000	550,000	-	-	-	-	-	-	-
Total General Fund - Assigned	11,515,818	\$10,772,000	\$9,623,576	\$7,832,523	\$5,596,628	\$3,628,750	\$2,443,609	\$1,602,853	\$1,102,853	\$602,853	\$102,853	\$14,423

**State College Area School District
Capital Reserve Fund
12/8/2014**

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Projected 2014-2015</u>	<u>Projected 2015-2016</u>	<u>Projected 2016-2017</u>	<u>Projected 2017-2018</u>	<u>Projected 2018-2019</u>	<u>Projected 2019-2020</u>	<u>Projected 2020-2021</u>	<u>Projected 2021-2022</u>	<u>Projected 2022-2023</u>	<u>Projected 2023-2024</u>
Beginning Balance	8,932,619	\$10,257,791	\$19,296,359	\$25,883,138	\$22,607,138	\$26,536,325	\$28,140,108	\$29,545,030	\$30,562,164	\$31,372,077	\$30,229,042	\$27,039,165
Additions:												
Transfer	2,669,803	10,500,000	7,586,779	5,724,000	5,019,187	4,693,783	4,494,922	4,107,135	3,899,913	3,946,965	3,900,124	3,369,244
Donation		65,207										
Total Additions	2,669,803	10,565,207	7,586,779	5,724,000	5,019,187	4,693,783	4,494,922	4,107,135	3,899,913	3,946,965	3,900,124	3,369,244
Uses:												
High School (1)			(1,000,000)	(9,000,000)	(1,090,000)	(1,090,000)	(1,090,000)	(1,090,000)	(1,090,000)	(1,090,000)	(1,090,000)	(1,090,000)
Other Facilities (2)						(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Other Facilities (2)										(2,000,000)	(2,000,000)	(2,000,000)
Other Facilities (2)											(2,000,000)	(2,000,000)
Memorial Field (3)	(1,344,631)	(1,526,639)										
Total Uses	(1,344,631)	(1,526,639)	(1,000,000)	(9,000,000)	(1,090,000)	(3,090,000)	(3,090,000)	(3,090,000)	(3,090,000)	(5,090,000)	(7,090,000)	(7,090,000)
Net Change	1,325,172	9,038,568	6,586,779	(3,276,000)	3,929,187	1,603,783	1,404,922	1,017,135	809,913	(1,143,036)	(3,189,877)	(3,720,757)
Ending Fund Balance	10,257,791	\$19,296,359	\$25,883,138	22,607,138	26,536,325	28,140,108	29,545,030	30,562,164	31,372,077	30,229,042	27,039,165	23,318,409

(1) Reflects amount designated to pay a portion of the State High project cost. The actual timing of \$10 funding from capital reserve and the debt service on \$20 million financing may differ from this presentation.

(2) Renovation projects. Actual timing of projects may differ from this presentation.

(3) Reflects timing of actual cash outlay for Memorial Field renovations paid from capital reserve.

**State College Area School District
Capital Projects Fund
Ending Fund Balance**

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Projected 2014-2015</u>	<u>Projected 2015-2016</u>	<u>Projected 2016-2017</u>	<u>Projected 2017-2018</u>	<u>Projected 2018-2019</u>	<u>Projected 2019-2020</u>	<u>Projected 2020-2021</u>	<u>Projected 2021-2022</u>	<u>Projected 2022-2023</u>	<u>Projected 2023-2024</u>
Beginning Balance	2,906,863	2,851,511	3,135,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146
Additions:												
Transfer	1,897,103	2,017,088	2,055,717	2,096,831	2,138,768	2,181,543	2,225,174	2,269,678	2,315,071	2,361,373	2,408,600	2,456,772
Total Additions	1,897,103	2,017,088	2,055,717	2,096,831	2,138,768	2,181,543	2,225,174	2,269,678	2,315,071	2,361,373	2,408,600	2,456,772
Uses:												
Minor Projects	(1,952,455)	(1,733,453)	(2,055,717)	(2,096,831)	(2,138,768)	(2,181,543)	(2,225,174)	(2,269,678)	(2,315,071)	(2,361,373)	(2,408,600)	(2,456,772)
Panarama Renovations			(3,100,000)									
Total Uses	(1,952,455)	(1,733,453)	(5,155,717)	(2,096,831)	(2,138,768)	(2,181,543)	(2,225,174)	(2,269,678)	(2,315,071)	(2,361,373)	(2,408,600)	(2,456,772)
Net Change	(55,352)	283,635	(3,100,000)	-	-	-	-	-	-	-	-	-
Ending Fund Balance	2,851,511	\$3,135,146	\$35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146

Note: The Capital Projects fund includes transfer from the general fund to fund minor capital projects.

Attachment E - Multi-Year Projection
0% Tax Increase

State College Area School District
General Fund Activity
12/8/2014

Assumptions:												
Earned Income Tax Growth	10.99%	1.78%	1.80%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.30%	2.30%	2.30%
Assessed Value Growth	0.82%	0.81%	2.30%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.70%	1.70%
Exceptions	0.70%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Act 1 Index	1.70%	1.70%	2.10%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
Actual/Projected RE Tax Increase	2.40%	2.70%	1.95%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Revenue	118,950,222	\$124,589,755	\$127,975,191	\$132,597,524	\$136,654,653	\$140,401,996	\$144,429,853	\$148,575,437	\$152,845,156	\$157,175,137	\$161,685,909	\$166,320,006
Local	99,704,828	103,349,154	105,689,858	108,950,928	111,974,928	115,238,928	118,722,928	122,426,928	126,430,928	130,514,928	134,748,928	139,112,928
State	18,033,935	19,850,154	20,940,333	22,301,596	23,534,725	24,018,068	24,561,925	25,003,509	25,269,228	25,515,209	25,791,981	26,062,078
Federal	1,211,459	1,390,447	1,345,000	1,345,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000
Expenses and Fund Balance Use	<u>120,295,565</u>	<u>123,944,479</u>	<u>127,554,982</u>	<u>130,702,279</u>	<u>134,683,022</u>	<u>138,409,743</u>	<u>142,418,612</u>	<u>146,469,774</u>	<u>150,697,554</u>	<u>154,900,948</u>	<u>159,331,513</u>	<u>163,890,459</u>
Change in Unassigned General Fund Bal	-1,345,343	\$645,277	\$420,209	\$1,895,245	\$1,971,631	\$1,992,253	\$2,011,241	\$2,105,663	\$2,147,603	\$2,274,188	\$2,354,396	\$2,429,548

State College Area School District
General Fund Expense
12/8/2014

Assumptions:												
Earned Income Tax Growth (1)	10.99%	1.78%	1.80%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.30%	2.30%	2.30%
Assessed Value Growth (2)	0.82%	0.81%	2.30%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.70%	1.70%
Exceptions	0.70%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Act 1 Index	1.70%	1.70%	2.10%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
Actual/Projected RE Tax Increase	2.40%	2.70%	1.95%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
	Actual 2012-2013	Actual 2013-2014	Projected 2014-2015	Projected 2015-2016	Projected 2016-2017	Projected 2017-2018	Projected 2018-2019	Projected 2019-2020	Projected 2020-2021	Projected 2021-2022	Projected 2022-2023	Projected 2023-2024
LOCAL SERVICES TAX												
CURRENT REAL ESTATE TAX	77,275,529	\$80,135,092	\$83,540,000	\$86,130,000	\$88,890,000	\$91,820,000	\$94,940,000	\$98,260,000	\$101,800,000	\$105,460,000	\$109,260,000	\$113,190,000
REAL ESTATE TAX - HS DEBT												
EARNED INCOME TAX	15,420,269	15,694,478	\$15,980,000	16,270,000	16,580,000	16,910,000	17,270,000	17,650,000	18,060,000	18,480,000	18,910,000	19,340,000
REALTY TRANSFER TAX	1,637,407	1,956,425	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
DELINQUENT REAL ESTATE TAX	1,804,760	1,311,783	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
INTERIM REAL ESTATE TAX	477,534	1,187,707	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
IDEA-B	843,509	731,835	750,000	750,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
PAYMENTS IN LIEU OF TAX	456,418	489,649	481,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000
LOCAL SERVICES TAX	389,813	362,221	366,000	370,000	374,000	378,000	382,000	386,000	390,000	394,000	398,000	402,000
TUITION	406,144	680,875	837,940	1,196,010	1,196,010	1,196,010	1,196,010	1,196,010	1,196,010	1,196,010	1,196,010	1,196,010
MISC LOCAL REVENUE/TUITION	746,347	550,360	384,918	384,918	384,918	384,918	384,918	384,918	384,918	384,918	384,918	384,918
PUBLIC UTILITY REALTY TAX	121,626	116,739	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
INTEREST ON INVESTMENTS	<u>125,472</u>	<u>131,990</u>	<u>130,000</u>	<u>150,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
TOTAL LOCAL	99,704,828	103,349,154	105,689,858	108,950,928	111,974,928	115,238,928	118,722,928	122,426,928	126,430,928	130,514,928	134,748,928	139,112,928
STATE												
BASIC ED INSTR SUBSIDY	6,307,823	6,440,459	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460	6,440,460
SPECIAL ED REVENUE-REGULR	3,221,641	3,221,641	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640	3,221,640
REV. FOR RETIREMENT	3,592,029	4,826,410	6,117,022	7,518,062	8,700,000	9,150,000	9,650,000	10,050,000	10,250,000	10,450,000	10,700,000	10,900,000
REV. FOR SOCIAL SECURITY	2,096,277	2,248,122	2,186,692	2,225,742	2,268,031	2,311,124	2,355,035	2,399,781	2,445,376	2,491,839	2,539,183	2,587,428
PROPERTY TAX REDUCTION	1,419,456	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690	1,432,690
TRANSPORTATION REVENUE	796,138	809,494	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
BOND REIMBURSEMENTS (3)	71,507	303,751	218,711	257,523	266,424	256,674	256,620	253,459	273,582	273,100	252,528	274,380
HEALTH SERVICES REVENUE	138,654	141,089	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
READY TO LEARN GRANT (4)	128,440	128,440	246,078	128,440	128,440	128,440	128,440	128,440	128,440	128,440	128,440	128,440
VOCATIONAL EDUCATION	107,040	111,867	107,040	107,040	107,040	107,040	107,040	107,040	107,040	107,040	107,040	107,040
OTHER STATE REVENUE	5,717	33,185	0	0	0	0	0	0	0	0	0	0
TUITION - 1305/1306	<u>149,213</u>	<u>153,006</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
TOTAL STATE	18,033,935	19,850,154	20,940,333	22,301,596	23,534,725	24,018,068	24,561,925	25,003,509	25,269,228	25,515,209	25,791,981	26,062,078
FEDERAL												
TITLE I REVENUE	690,429	697,061	700,000	700,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
TITLE II REVENUE	215,675	193,935	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
ACCESS FUNDS	48,752	397,159	350,000	350,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
OTHER FEDERAL REVENUE	193,566	65,128	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
TITLE III REVENUE	<u>63,037</u>	<u>37,164</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>
TOTAL FEDERAL	1,211,459	1,390,447	1,345,000	1,345,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000
TOTAL REVENUE	118,950,222	124,589,755	127,975,191	132,597,524	136,654,653	140,401,996	144,429,853	148,575,437	152,845,156	157,175,137	161,685,909	166,320,006

(1) Assumes gradual growth toward five-year average from 2008-09 to 2013-14 of 2.62%.

(2) 2014-15 reflects major building projects not fully reflected in 2013-2014 assessed value. 2015-16 forward assumes gradual growth toward historical averages. (10-yr average 1.7%)

(3) Reflects projected annual reimbursement for all debt with Plancon approval. Retroactive reimbursement estimated at \$624,000 for recent Plancon approvals has not been included pending receipt of payment from PDE.

(4) Previously referred to as the Accountability Block Grant. Future projected years do not include the additional amount added to 2014-15 due to uncertainty related to future year allocations.

State College Area School District
General Fund Expense
12/8/2014

	2012-2013 Actual	2013-2014 Actual	2014-2015 Projected	2015-2016 Projected	2016-2017 Projected	2017-2018 Projected	2018-2019 Projected	2019-2020 Projected	2020-2021 Projected	2021-2022 Projected	2022-2023 Projected	2023-2024 Projected
Salaries	57,878,650	\$56,677,873	\$58,335,134	59,376,867	60,505,027	61,654,623	62,826,061	64,019,756	65,236,131	66,475,618	67,738,655	69,025,689
Health Insurance	10,768,522	10,630,073	12,109,179	13,511,718	14,762,890	16,139,179	17,653,097	19,318,406	21,150,247	23,165,272	25,381,799	27,819,979
PSERS	6,998,597	9,470,346	12,234,044	15,036,123	17,400,000	18,300,000	19,300,000	20,100,000	20,500,000	20,900,000	21,400,000	21,800,000
Other Benefits	5,827,603	5,676,740	5,901,177	6,025,853	6,100,000	6,200,000	6,300,000	6,400,000	6,500,000	6,600,000	6,700,000	6,800,000
Professional Services	2,651,916	2,965,891	4,030,537	4,336,785	4,410,000	4,480,000	4,560,000	4,640,000	4,720,000	4,800,000	4,880,000	4,960,000
Purchased Property Services	2,024,560	1,885,056	2,050,035	2,074,334	2,110,000	2,150,000	2,190,000	2,230,000	2,270,000	2,310,000	2,350,000	2,390,000
Other Purchased Services	9,558,592	10,145,511	10,561,474	10,763,696	10,950,000	11,140,000	11,330,000	11,520,000	11,720,000	11,920,000	12,120,000	12,330,000
Supplies/Equipment	5,418,452	5,574,454	5,851,699	6,273,250	6,120,000	6,210,000	6,300,000	6,390,000	6,490,000	6,590,000	6,690,000	6,790,000
Minor Capital Projects	1,893,550	2,015,409	2,055,717	2,096,831	2,138,768	2,181,543	2,225,174	2,269,678	2,315,071	2,361,373	2,408,600	2,456,772
Athletics/transfers/contingencies (1)	7,970,468	2,819,490	2,898,332	3,558,766	3,802,232	3,907,276	3,163,422	3,220,690	3,279,104	3,338,686	3,399,460	3,461,449
Debt Service (2)	6,132,255	6,327,453	5,089,299	5,165,109	5,250,813	5,021,218	5,011,078	4,924,865	4,967,087	4,943,036	4,862,877	4,875,757
Transfer to Capital Reserve (2)	2,656,582	10,500,000	7,586,779	4,274,000	3,369,187	2,993,783	2,744,922	2,277,135	2,049,913	2,046,965	1,900,124	1,269,244
Fund Balance Use (PSERS/Legal)	515,818	(743,818)	(1,148,424)	(1,791,053)	(2,235,895)	(1,967,878)	(1,185,141)	(840,756)	(500,000)	(550,000)	(500,000)	(88,430)
Total Expenses and Fund Balance Transfers	120,295,565	\$123,944,479	\$127,554,982	130,702,279	134,683,022	138,409,743	142,418,612	146,469,774	150,697,554	154,900,948	159,331,513	163,890,459

(1) Includes legal liability payments and food service transfer of \$100,000 in 2015-16 growing to \$300,000 in 2017-18.

(2) Maintains at least \$9 million in budget between current debt service and transfer to Capital Reserve thru 2021-22, and at least \$8 million in future years.

State College Area School District
Fund Balance Summary
12/8/2014

	Actual 2012-2013	Actual 2013-2014	Projected 2014-2015	Projected 2015-2016	Projected 2016-2017	Projected 2017-2018	Projected 2018-2019	Projected 2019-2020	Projected 2020-2021	Projected 2021-2022	Projected 2022-2023	Projected 2023-2024
Nonspendable Fund Balance	\$ 1,597,983	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632	\$ 1,701,632
General Unassigned	9,099,547	9,744,824	10,165,033	12,060,277	14,031,909	16,024,161	18,035,402	20,141,065	22,288,668	24,562,856	26,917,252	29,346,800
General Assigned PSERS	8,515,818	8,572,000	7,973,576	6,732,523	5,046,628	3,628,750	2,443,609	1,602,853	1,102,853	602,853	102,853	14,423
General Assigned Legal Liability	3,000,000	2,200,000	1,650,000	1,100,000	550,000	-	-	-	-	-	-	-
Total General Fund	22,213,348	22,218,456	21,490,241	21,594,432	21,330,169	21,354,543	22,180,643	23,445,550	25,093,153	26,867,341	28,721,737	31,062,855
Capital Reserve Fund	10,257,791	19,296,359	25,883,138	21,157,138	23,436,325	23,340,108	22,995,030	22,182,164	21,142,077	18,099,042	12,909,165	7,088,409
Capital Projects Fund	2,851,511	3,135,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146
Total Capital Funds	13,109,302	22,431,505	25,918,284	21,192,284	23,471,471	23,375,253	23,030,175	22,217,310	21,177,223	18,134,187	12,944,311	7,123,554
Debt Service Fund	4,638	4,638	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	<u>\$ 35,327,288</u>	<u>\$ 44,654,598</u>	<u>\$ 47,408,524</u>	<u>\$ 42,786,716</u>	<u>\$ 44,801,639</u>	<u>\$ 44,729,797</u>	<u>\$ 45,210,818</u>	<u>\$ 45,662,860</u>	<u>\$ 46,270,376</u>	<u>\$ 45,001,529</u>	<u>\$ 41,666,048</u>	<u>\$ 38,186,409</u>

State College Area School District
General Fund Balance
12/8/2014

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Projected 2014-2015</u>	<u>Projected 2015-2016</u>	<u>Projected 2016-2017</u>	<u>Projected 2017-2018</u>	<u>Projected 2018-2019</u>	<u>Projected 2019-2020</u>	<u>Projected 2020-2021</u>	<u>Projected 2021-2022</u>	<u>Projected 2022-2023</u>	<u>Projected 2023-2024</u>
General Fund - Unassigned												
Beginning Balance	10,444,890	\$9,099,547	\$9,744,824	\$10,165,033	\$12,060,277	\$14,031,909	\$16,024,161	\$18,035,402	\$20,141,065	\$22,288,668	\$24,562,856	\$26,917,252
Revenue less Expense	(1,345,343)	645,277	420,209	1,895,245	1,971,631	1,992,253	2,011,241	2,105,663	2,147,603	2,274,188	2,354,396	2,429,548
General Fund - Unassigned	9,099,547	\$9,744,824	\$10,165,033	\$12,060,277	\$14,031,909	\$16,024,161	\$18,035,402	\$20,141,065	\$22,288,668	\$24,562,856	\$26,917,252	\$29,346,800
% of Expense	7.60%	7.82%	7.90%	9.10%	10.25%	11.42%	12.56%	13.67%	14.74%	15.80%	16.84%	17.90%
General Fund - Assigned												
PSERS												
Beginning Balance	11,000,000	\$8,515,818	8,572,000	7,973,576	6,732,523	5,046,628	3,628,750	2,443,609	1,602,853	1,102,853	602,853	102,853
Additions	515,818	56,182										
Uses	(3,000,000)		(598,424)	(1,241,053)	(1,685,895)	(1,417,878)	(1,185,141)	(840,756)	(500,000)	(500,000)	(500,000)	(88,430)
Ending Fund Balance	8,515,818	8,572,000	7,973,576	6,732,523	5,046,628	3,628,750	2,443,609	1,602,853	1,102,853	602,853	102,853	14,423
Legal Liability												
Beginning Balance	-	3,000,000	2,200,000	1,650,000	1,100,000	550,000	-	-	-	-	-	-
Additions	3,000,000											
Uses	-	(800,000)	(550,000)	(550,000)	(550,000)	(550,000)						
Ending Fund Balance	3,000,000	2,200,000	1,650,000	1,100,000	550,000	-	-	-	-	-	-	-
Total General Fund - Assigned	11,515,818	\$10,772,000	\$9,623,576	\$7,832,523	\$5,596,628	\$3,628,750	\$2,443,609	\$1,602,853	\$1,102,853	\$602,853	\$102,853	\$14,423

**State College Area School District
Capital Reserve Fund
12/8/2014**

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Projected 2014-2015</u>	<u>Projected 2015-2016</u>	<u>Projected 2016-2017</u>	<u>Projected 2017-2018</u>	<u>Projected 2018-2019</u>	<u>Projected 2019-2020</u>	<u>Projected 2020-2021</u>	<u>Projected 2021-2022</u>	<u>Projected 2022-2023</u>	<u>Projected 2023-2024</u>
Beginning Balance	8,932,619	\$10,257,791	\$19,296,359	\$25,883,138	\$21,157,138	\$23,436,325	\$23,340,108	\$22,995,030	\$22,182,164	\$21,142,077	\$18,099,042	\$12,909,165
Additions:												
Transfer	2,669,803	10,500,000	7,586,779	4,274,000	3,369,187	2,993,783	2,744,922	2,277,135	2,049,913	2,046,965	1,900,124	1,269,244
Donation		65,207										
Total Additions	2,669,803	10,565,207	7,586,779	4,274,000	3,369,187	2,993,783	2,744,922	2,277,135	2,049,913	2,046,965	1,900,124	1,269,244
Uses:												
High School (1)			(1,000,000)	(9,000,000)	(1,090,000)	(1,090,000)	(1,090,000)	(1,090,000)	(1,090,000)	(1,090,000)	(1,090,000)	(1,090,000)
Other Facilities (2)						(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Other Facilities (2)										(2,000,000)	(2,000,000)	(2,000,000)
Other Facilities (2)											(2,000,000)	(2,000,000)
Memorial Field (3)	(1,344,631)	(1,526,639)										
Total Uses	(1,344,631)	(1,526,639)	(1,000,000)	(9,000,000)	(1,090,000)	(3,090,000)	(3,090,000)	(3,090,000)	(3,090,000)	(5,090,000)	(7,090,000)	(7,090,000)
Net Change	1,325,172	9,038,568	6,586,779	(4,726,000)	2,279,187	(96,218)	(345,078)	(812,865)	(1,040,087)	(3,043,036)	(5,189,877)	(5,820,757)
Ending Fund Balance	10,257,791	\$19,296,359	\$25,883,138	21,157,138	23,436,325	23,340,108	22,995,030	22,182,164	21,142,077	18,099,042	12,909,165	7,088,409

(1) Reflects amount designated to pay a portion of the State High project cost. The actual timing of \$10 funding from capital reserve and the debt service on \$20 million financing may differ from this presentation.

(2) Renovation projects. Actual timing of projects may differ from this presentation.

(3) Reflects timing of actual cash outlay for Memorial Field renovations paid from capital reserve.

**State College Area School District
Capital Projects Fund
Ending Fund Balance**

	<u>Actual 2012-2013</u>	<u>Actual 2013-2014</u>	<u>Projected 2014-2015</u>	<u>Projected 2015-2016</u>	<u>Projected 2016-2017</u>	<u>Projected 2017-2018</u>	<u>Projected 2018-2019</u>	<u>Projected 2019-2020</u>	<u>Projected 2020-2021</u>	<u>Projected 2021-2022</u>	<u>Projected 2022-2023</u>	<u>Projected 2023-2024</u>
Beginning Balance	2,906,863	2,851,511	3,135,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146
Additions:												
Transfer	1,897,103	2,017,088	2,055,717	2,096,831	2,138,768	2,181,543	2,225,174	2,269,678	2,315,071	2,361,373	2,408,600	2,456,772
Total Additions	1,897,103	2,017,088	2,055,717	2,096,831	2,138,768	2,181,543	2,225,174	2,269,678	2,315,071	2,361,373	2,408,600	2,456,772
Uses:												
Minor Projects	(1,952,455)	(1,733,453)	(2,055,717)	(2,096,831)	(2,138,768)	(2,181,543)	(2,225,174)	(2,269,678)	(2,315,071)	(2,361,373)	(2,408,600)	(2,456,772)
Panarama Renovations			(3,100,000)									
Total Uses	(1,952,455)	(1,733,453)	(5,155,717)	(2,096,831)	(2,138,768)	(2,181,543)	(2,225,174)	(2,269,678)	(2,315,071)	(2,361,373)	(2,408,600)	(2,456,772)
Net Change	(55,352)	283,635	(3,100,000)	-	-	-	-	-	-	-	-	-
Ending Fund Balance	2,851,511	\$3,135,146	\$35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146	35,146

Note: The Capital Projects fund includes transfer from the general fund to fund minor capital projects.

Attachment F - Average Taxpayer Impact

**State College Area School District
Estimated Impact of Tax Increases
Preliminary 2015-16 Budget**

Assumes tax increase equal to Act 1 Index and \$50 million referendum borrowing with a 25 year term, assuming current interest rates.

	Base Tax Rate	Base Tax	Referendum Tax	Total Tax
2014-15	39.5056	\$2,832.00	\$0.00	\$2,832.00
Projected 2015-16	40.2562	2,885.81	74.00	2,959.81
Increase	0.7506	53.81	74.00	127.81
% Increase	1.9%	1.9%	2.6%	4.5%

Assessed Value of Average Residential Taxpayer at 7/1/2014 \$ 71,686