



**STATE COLLEGE AREA SCHOOL DISTRICT  
ADMINISTRATIVE OFFICES**

240 VILLA CREST DRIVE • STATE COLLEGE, PENNSYLVANIA • 16801-7951  
TELEPHONE 814-231-1021 • FAX 814-272-8790 • www.scasd.org

**STATE COLLEGE AREA SCHOOL DISTRICT  
2018-19 FINAL BUDGET SUMMARY**

**Budget Hearing Date: June 4, 2018, 6:00 p.m.**

**Budget Adoption Date: June 11, 2018, 7:00 p.m.**

**Location: Panorama Village Building Board Room – Meeting Room A**

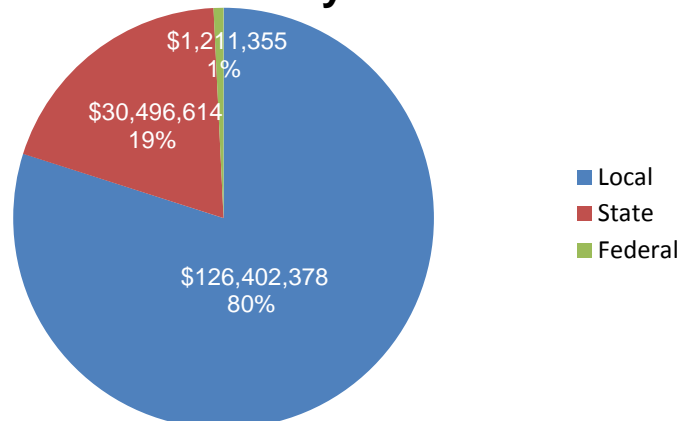
Education is an investment in the future that requires a partnership between schools and the entire community. The State College Area School District is committed to wise use of resources and delivery of quality educational programs.

The Board of School Directors allocates revenue and expenditures to support the educational programs as defined by the district's mission and goals articulated through the strategic plan, as well as financial and operating policies. The board must balance the educational needs of students with the ability and willingness of the community to provide the necessary financial support.

**Revenue Budget**

- The Proposed Final Budget for 2018-19 includes revenues in the amount of \$158,110,347, which represents a \$7,880,566 (5.2%) increase compared to the 2017-18 Budget.
- Budgeted local revenue is \$4,745,541 higher than the 2017-18 budget. Approximately \$3,700,000 of this increase is related to real estate taxes. Earned income tax and Tuition, related to expansion of the after school program, account for the majority of the remaining increase.
- The proposed increase in the real estate tax rate is 2.4%, or a 1.0592 mill increase, to 45.206 mills of real estate tax.
- Total increased cost to the average homestead approved residential taxpayer is \$85 per year.
- The 2.4% millage increase is equal to the Act 1 index.
- The district is primarily locally funded, with 80% of revenue from local sources. The majority (79%) of local revenue comes from real estate taxes. Real estate tax revenue is 64% of total district revenue.
- Budgeted state revenue is \$3,068,670 higher than the 2017-18 budget. Approximately \$1,935,000 of this increase is related to budgeted Department of Community & Economic Development (DCED) grant revenue which is a planned funding source for the high school building project. The balance is related to changes in funding for education that were implemented in the 2017-18 state budget and increased reimbursement from the state for retirement (\$800,000) and social security (\$120,000).

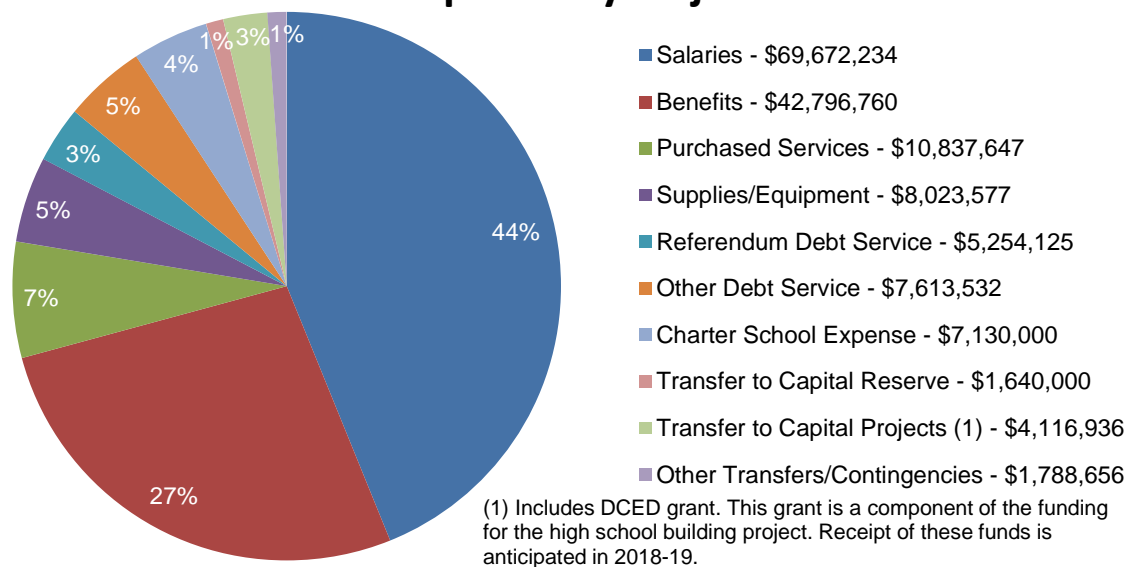
**2018-19 Revenue by Source**



## Expense Budget

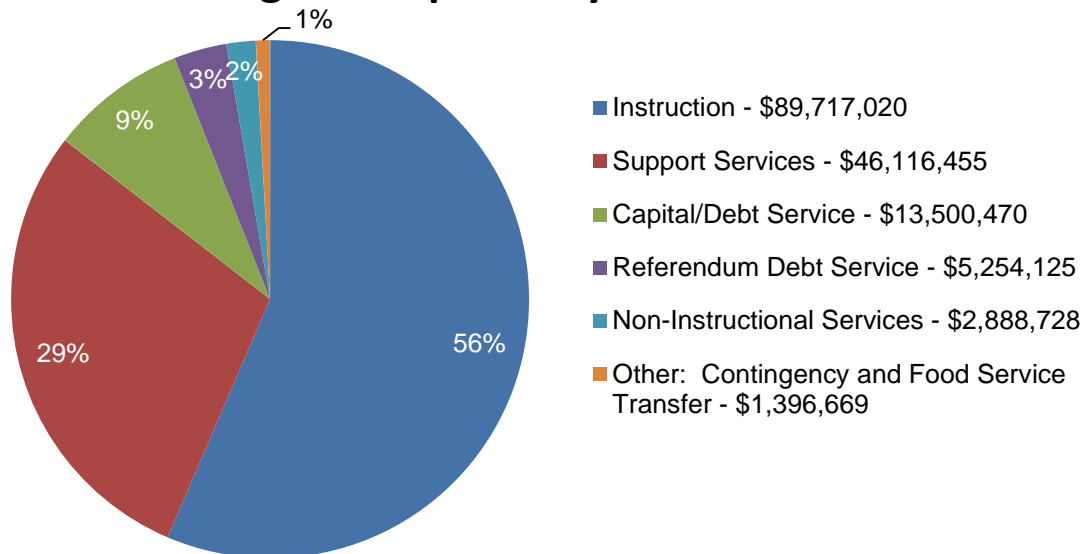
- The Proposed Final Budget for 2018-19 includes expenses in the amount of \$158,873,467, which represents a \$6,751,218 (4.4%) increase compared to the 2017-18 Budget.
- Salary and benefit expenses represent approximately 71% of the district's budget.
  - The budget includes the following additional resources over the prior year.
    - Staffing, curriculum and transportation to adjust the student day
    - New Math Curriculum
    - Director of Diversity and Inclusivity
    - Elementary Counselor to allow for comprehensive elementary counseling curriculum
    - Autistic Support Classroom to support new kindergarten registrations
    - Elementary Instructional Support teacher (.5 FTE) to support increased number of students needing support for writing and math.
    - Part-time teacher to support increased number of gifted identified students
    - Increased Psychological Services to meet evaluation requirements
    - Increased Security Services
    - High school student assessment (PSAT)
    - Recruitment software
  - Required contributions to the state retirement plan (PSERS) increased approximately \$1.6 million over the 2017-18 budget. This is related to an increase in salary expense and an increase in the percentage contribution rate from 32.57% to 33.43% of qualifying salaries.
- The districts required payment to charter schools represents 4.5% of the 2018-19 budget. Budgeted expense for 2018-19 is \$7,130,000.
- The budget contains an allocation of \$18,624,593 (11.7%) for debt service and capital expenses, showing a commitment to maintaining and upgrading the district facilities. This includes \$5,254,125 to fund debt service payments related to the State High Project borrowing approved through the referendum and \$1,935,393 for transfer of anticipated DCED grant revenue to the Capital Projects Fund to fund a portion of the high school construction.

## Expense By Object



- The District is required to report expenses to PDE using defined functional groupings. Functions reported in the chart below include:
  - Instruction (56%) - Includes all activities dealing directly with the interaction between teachers and students and related costs, which can be directly attributed to a program of instruction. This does not include administrative instructional support costs. Payments to charter schools are also defined as instructional expense.
  - Support Services (29%) – Includes student support services (i.e. guidance, health, social work), instructional support (i.e. curriculum development, library), plant services, transportation, information technology and administrative support (i.e. principals, human resources, tax collection, legal, accounting).
  - Non-Instructional Services (2%) - Activities concerned with providing non-instructional services to students, staff or the community such as student activities, athletics and community services.
  - Other Expenditures and Financing Uses (13%) - Transfers from the general fund to support the food service fund, to fund debt service payments and establish capital reserves.
- Over half of budgeted expenses consist of direct contact with students through instruction (56%).

### Budgeted Expense By Function



### Fund Balance

- The Proposed Final Budget includes:
  - Use of committed fund balance to offset increases in expense. Fund balance for PSERS was committed in prior years to offset projected future year expenses. The proposed budget includes usage of \$1,207,573.
  - Addition to Capital Reserve Fund - \$1,640,000
    - Additions to the Capital Reserve Fund will fund a portion of the State High project, Debt service for Elementary Projects and future funding of other facility projects.
  - Projected Unassigned General Fund Balance of \$12,581,636, which is 7.9% of budgeted expense. The maximum percentage allowed by PDE is 8%.

### **District Facts**

- Nine elementary schools
- Three middle schools (including alternative Delta Middle Level)
- Two high schools (including alternative Delta Program)
- 2,927 elementary students
- 1,565 middle school students (including Delta Middle Level)
- 2,303 high school students (including Delta Program)
- 1,299 employees
- 646 teachers
- Covers 150 square miles
- Transportation system providing service to District, Charter and Private students
- District operated school breakfast and lunch program
- Community education programs including after school and summer extended learning opportunities

### **Pennsylvania School Law**

The School Law of Pennsylvania, as enacted by the Commonwealth legislature, requires that public school districts approve an annual budget on the modified accrual basis for the operation of the General Revenue Fund prior to the start of the fiscal year. The Board of School Directors of each district is further required to make these budgets available for public inspection at least 20 days prior to their adoption. Once approved by the district's Board of School Directors, these budgets become the approved spending plan of the district for the coming year, and the Board is prohibited from spending or obligating funds in excess of these amounts. The Board is authorized to transfer funds within the budget during the last nine months of the fiscal year. Unused appropriations revert to the fund balance at the end of each fiscal year. The school district designates a portion of this fund balance by an amount equal to outstanding encumbrances at year end.

### **Board of School Directors**

Amber Concepcion, President  
Jim Leous, Vice-President  
Dr. Amy Bader  
Lori Bedell  
Gretchen Brandt  
Dr. Daniel Duffy  
Scott Fozard  
David Hutchinson  
Laurel Zydney

### **Administration**

Dr. Robert J. O'Donnell, Superintendent  
Dr. Will L. Stout, Assistant Superintendent for Secondary Education  
Vernon J. Bock, Assistant Superintendent for Elementary Education  
Linda E. Pierce, Director of Human Resources  
Randy L. Brown, Finance & Operations Officer  
Donna M. Watson, Assistant Business Administrator

*State College Area School District*  
240 Villa Crest Drive  
State College, PA 16801  
(814) 231-1021  
[www.scasd.org](http://www.scasd.org)

*Mission: To prepare students for lifelong success through excellence in education.*

# State College Area School District



2018-2019  
Budget Hearing

State College  
Area School District  
June 4, 2018

# General Fund Budget

- Contains expenses related to general operations of district
- Supports other funds
  - Debt service
  - Capital reserve
  - Food Service
- General Fund Budget approval required by June 30th

# Budget Approval Steps

- January 22, 2018 – Accelerated Opt Out Resolution certifying the tax rate within the Act 1 inflation index of 2.4%
- May 7, 2018 - Proposed Final Budget with a 2.4% tax increase
- June 11, 2018 - Final budget to be presented for adoption



# Act 1 of 2006

## Homestead/Farmstead:

- Provides for tax relief for approved Homesteads/Farmsteads
- Amount varies based upon eligible properties and gambling revenue
- Application process to be approved through the County Assessment Office
- Taxpayer must live in the home for property to qualify for exemption
- District will receive approximately \$1.4 million of gambling funds in 2018-2019
- Approximately \$109/homestead of property tax relief

# Act 1 of 2006

- Limits school district tax increases to an inflationary index (Act 1 Index)
- Act 1 Index is 2.4% for 2018-19
- Exceptions also available for PSERS (pension) and Special Education to tax above the index, however the district did not apply for these exceptions.
- No exceptions requested for 2018-19.

# Referendum Debt

- In May 2014, District voters approved the incurrence of \$85 million to fund a portion of the State High Project.
- In March 2015, the District issued the referendum-related bonds.
- This debt is to be funded through a Referendum Exception.
- Referendum Exceptions were approved for both the 2015-16 and 2016-17 tax years.
  - Debt service payments began in 2015-16 with payment of the first interest payment.
  - Debt service in 2016-17 included both principal and interest.
- Debt service under the existing referendum bond issue will be level for the remainder of the financing period.
- The 2018-19 millage rate includes an amount to generate the tax revenue needed to fund the referendum debt service payment.

**State College Area School District  
General Fund Activity  
Proposed Final Budget 2018-19**

<b>Beginning Fund Balance</b>	\$12,137,183
<b>Revenue</b>	158,110,347
Local	126,402,378
State	30,496,614
Federal	1,211,355
<b>Expense</b>	<u>158,873,467</u>
<b>Revenue less expense</b>	(763,120)
<b>Funding (Use) of Assigned Fund Bal (PSERS)</b>	<u>(1,207,573)</u>
<b>Change in Assigned Fund Balance</b>	(1,207,573)
<b>Change in Unassigned General Fund Balance</b>	444,453
<b>Ending Unassigned Fund Balance</b>	<u><u>\$12,581,636</u></u>

# Proposed Tax Increase

- Millage 2017-18 44.1468
- Proposed increase in real estate tax rate 2.4% (1)
- Proposed 2018-19 millage 45.206

(1) Equal to Act 1 Index for 2018-19

# Average Taxpayer Increase

## State College Area School District Real Estate Tax

### Taxpayer Impact - Homestead Approved Residential Properties

#### SCASD Real Estate Tax

	Assessed Value	2016-17	2017-18	Proposed 2018-19
Minimum	\$7,275	\$316	\$321	\$329
25th Percentile	\$52,310	\$2,274	\$2,309	\$2,365
Median	\$71,340	\$3,101	\$3,149	\$3,225
75th Percentile	\$97,070	\$4,220	\$4,285	\$4,388
Maximum	\$483,340	\$21,012	\$21,338	\$21,850

#### Tax Increase

	2016-17	2017-18	Proposed 2018-19
	\$13	\$5	\$8
	\$94	\$35	\$55
	\$128	\$48	\$76
	\$175	\$65	\$103
	\$870	\$326	\$512

Average	\$80,661	\$3,507	\$3,561	\$3,646
---------	----------	---------	---------	---------

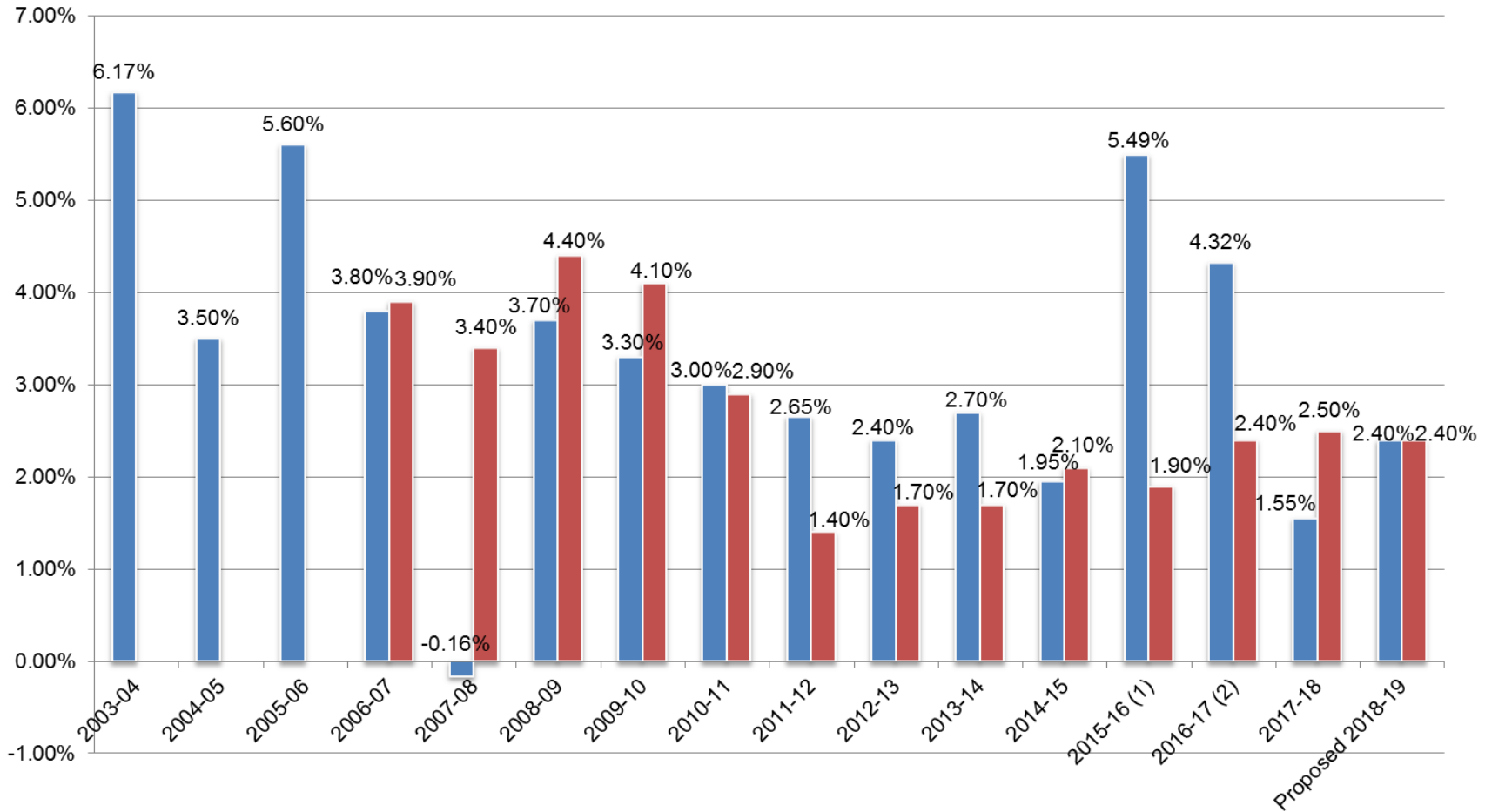
	\$145	\$54	\$85
--	-------	------	------

Millage Rate

43.473	44.1468	45.206
--------	---------	--------

Note: Average Taxpayer Impact amounts published previously included all properties categorized as "residential". The above calculations include only approved homestead properties within the residential category. This change was made to better represent the tax increase impact for the primary residence of taxpayers.

## Real Estate Tax Increase vs. Act 1 Index



(1) Act 1 Index 1.9%, exceptions 3.59%  
 (2) Act 1 Index 2.4%, exceptions 1.92%

Average since 2006-2007-2.89%

5-Year Avg incr excl exceptions-2.10%

■ Real Estate ■ Act 1 Index

# Supplemental Property Tax Rebate Program

- The proposed budget includes continuation of a supplemental property tax rebate program for the 2018-19 tax year.
- \$100,000 has been set aside in the 2018-19 budget for this program.
- The maximum rebate per household is \$650.
- Applications will be processed on a first-come basis until funds are expended.
- Eligible rebates will be issued by check.
- This will be the fourth year of this supplemental tax rebate program.



# Supplemental Property Tax Rebate Program Applications

- Applications may be submitted beginning July 1, 2018
- A copy of a completed PA-1000 for 2017 and evidence of receipt of the Pennsylvania Property Tax rebate (received after June 30, 2018) must be attached.
- Additional information will be available on the District web site at [www.scasd.org/page/29865](http://www.scasd.org/page/29865).
- Information will also be mailed with the 2018-19 real estate tax bill mailing.

# Revenue

- Local

- District primarily locally funded

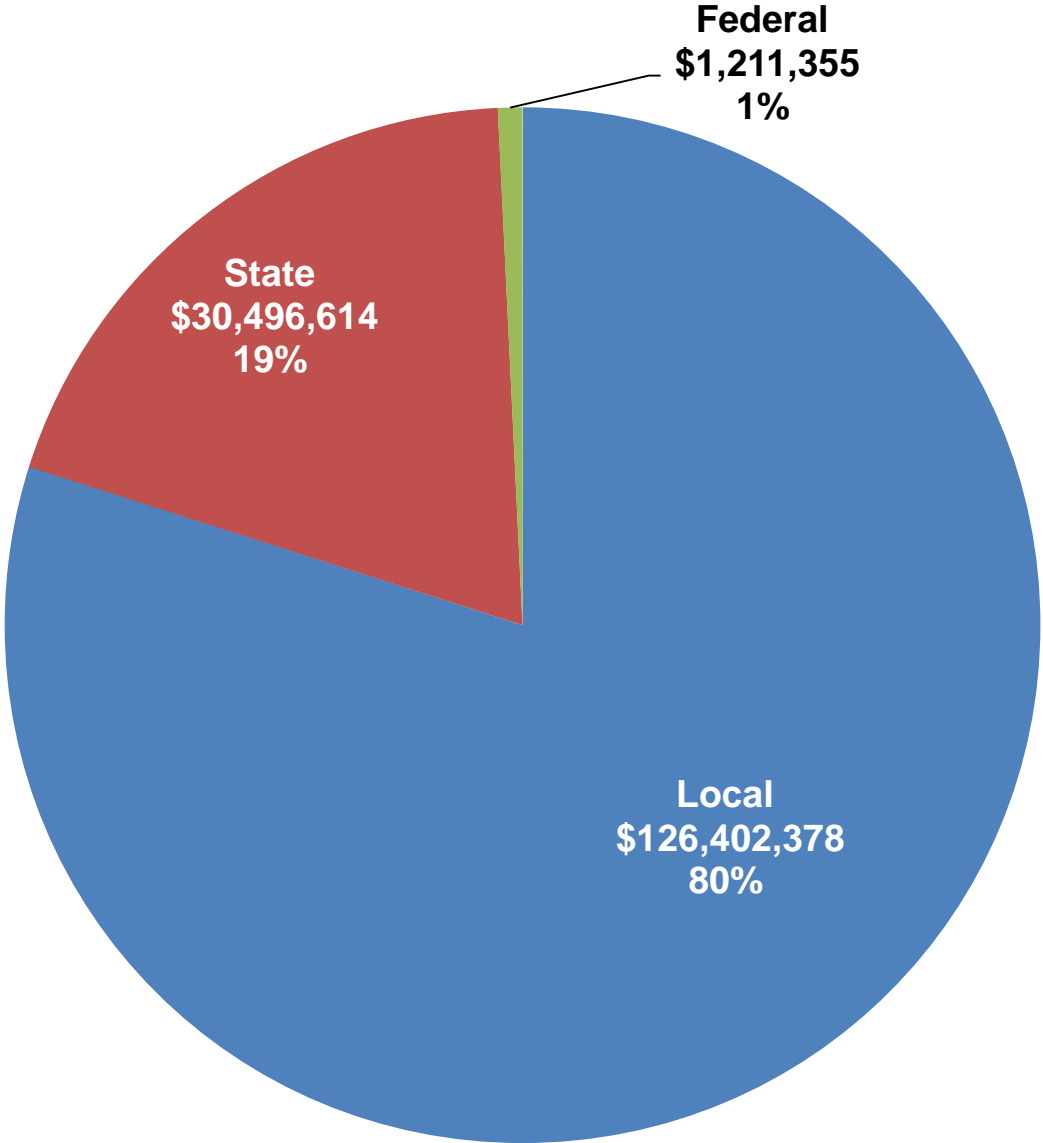
- State

- Budgeted revenue is approximately \$3 million higher than 2017-18 primarily due to the DCED grant of approximately \$1.9 million which is a planned funding source for the high school project.
- Basic education and special education revenue reflect an increase of approximately \$205,000 in education funding implemented in the 2017-18 state budget
- Other state funding increases are primarily related to PSERS (\$800,000) and social security (\$120,000).

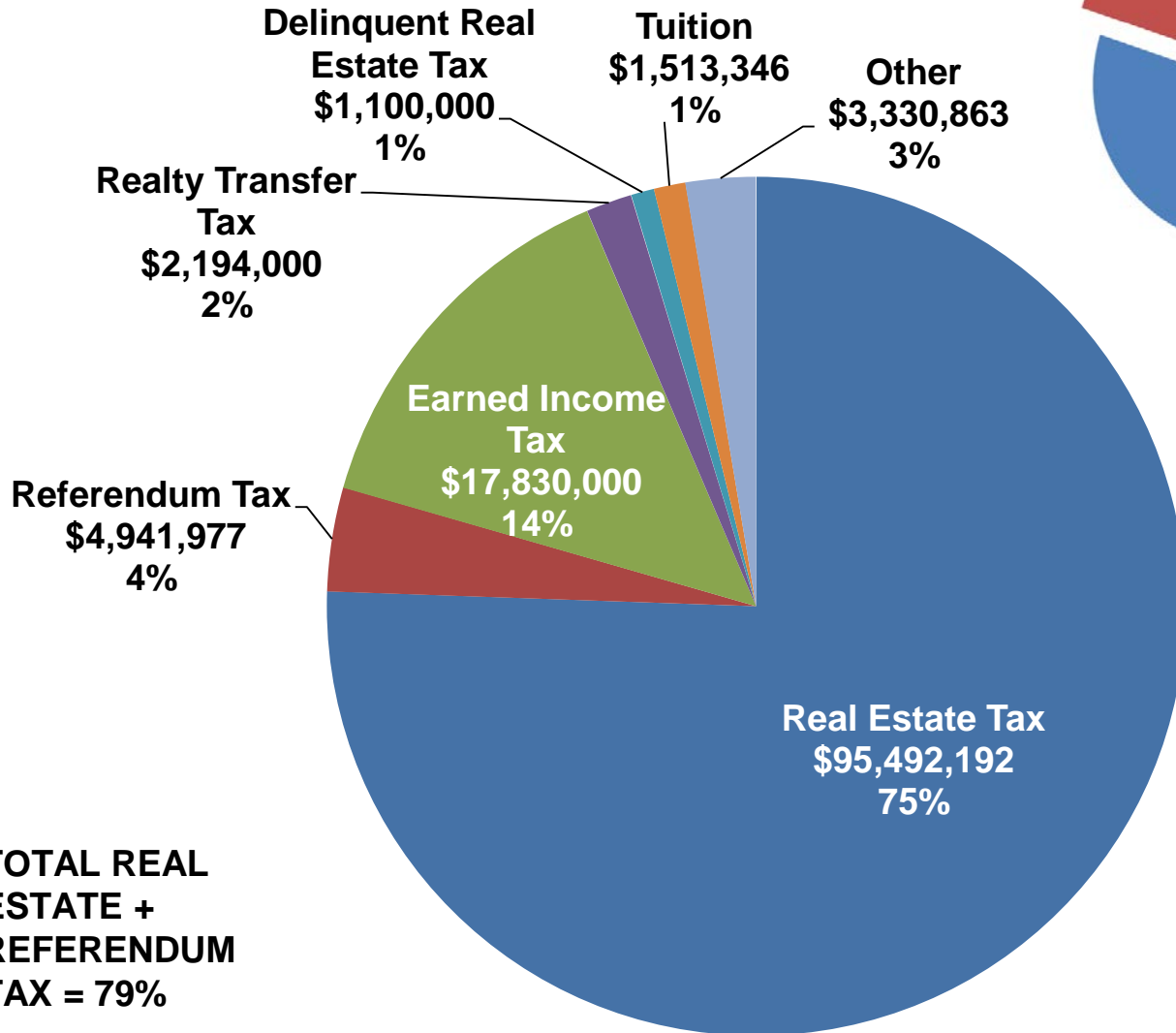
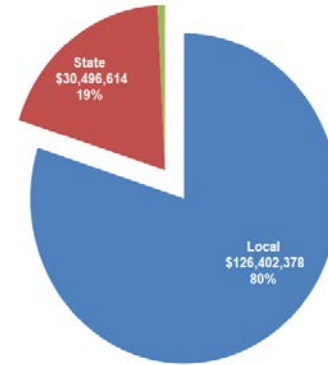
- Federal

- Projected increase of \$66,000 in Title Grant funding

# 2018-19 Revenue by Source

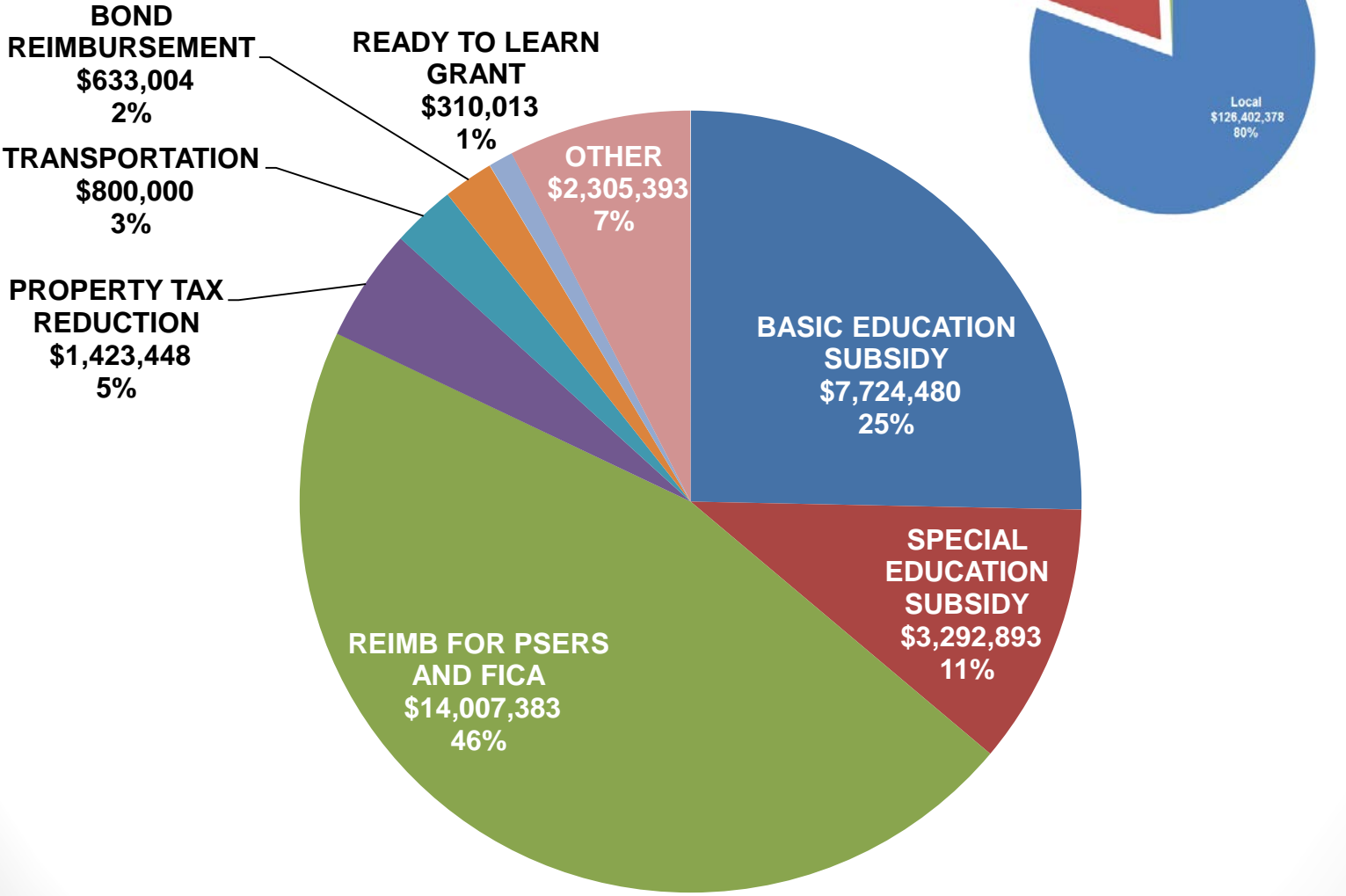


# Local Revenue

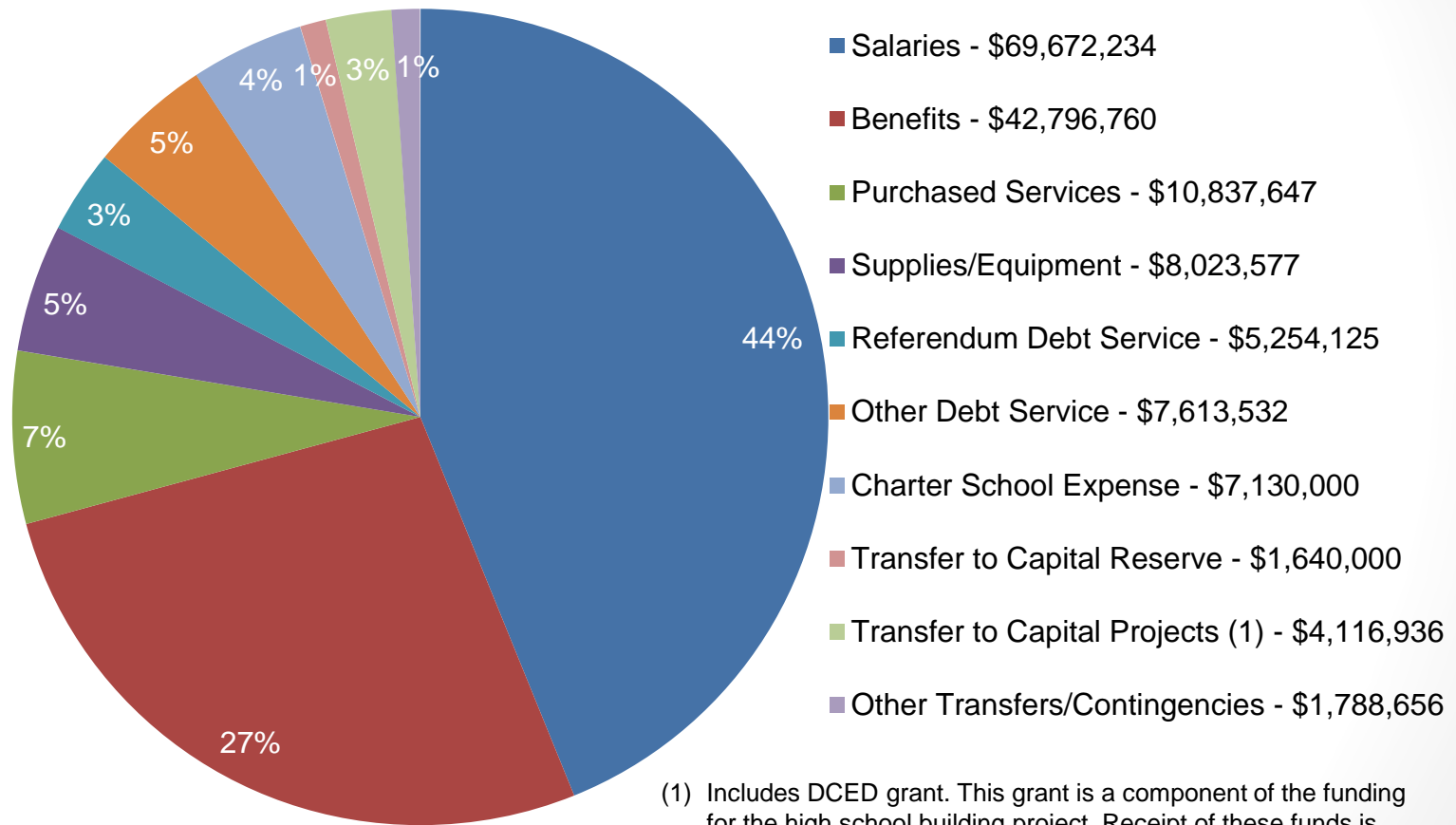


**TOTAL REAL ESTATE + REFERENDUM TAX = 79%**

# STATE REVENUE



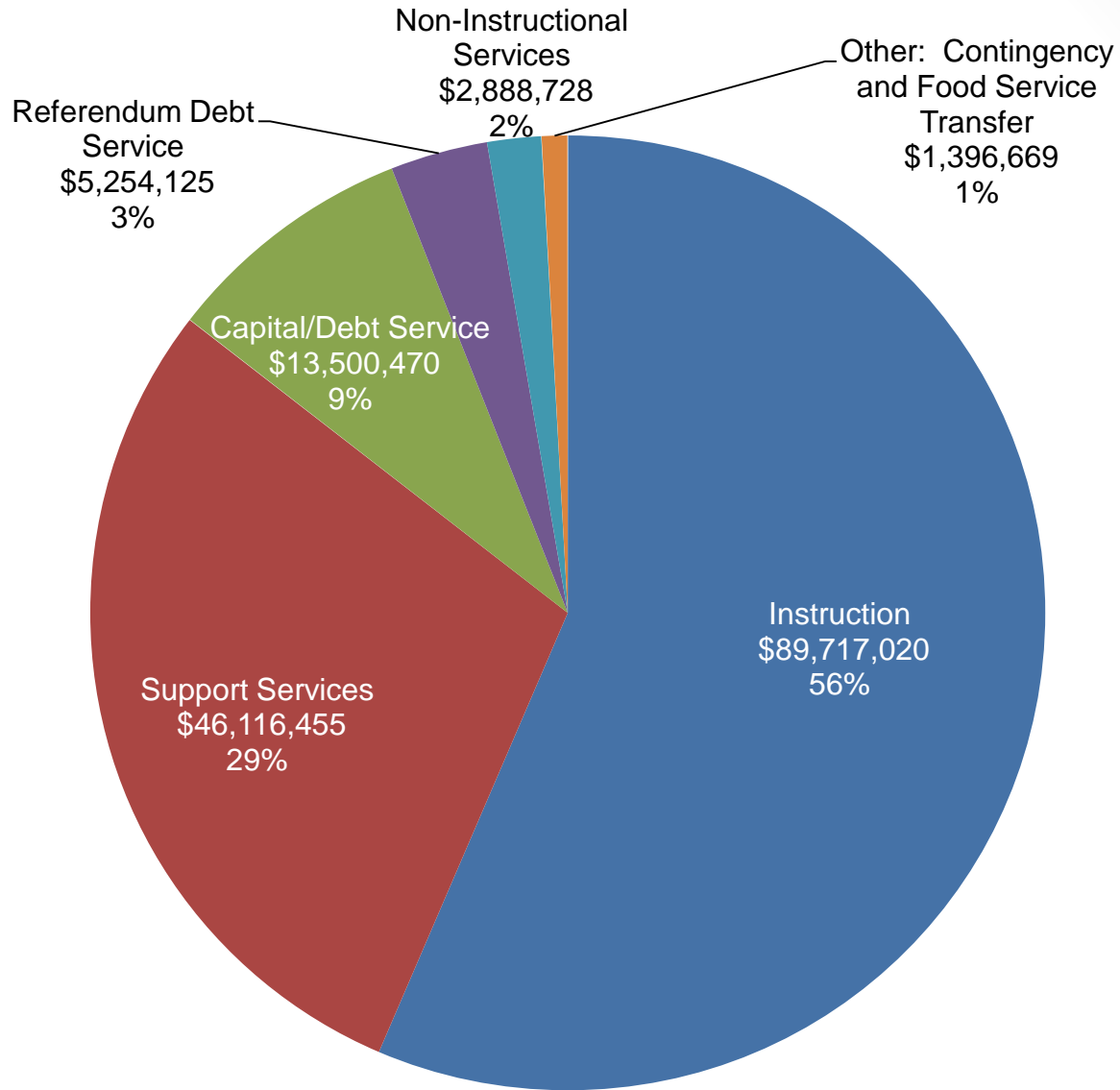
## Expense By Object



(1) Includes DCED grant. This grant is a component of the funding for the high school building project. Receipt of these funds is anticipated in 2018-19.

**Salaries and benefits represent 71% of budgeted expense.**

# Budgeted Expense By Function



# Expense by Function and Object

2018-19 Budget											
	A	B	C	D	E	F	G	H	I	J	K
1	Function	Salaries	Benefits	Professional Services	Purchased Property Services	Charter School	Other Purchased Services	Supplies/ Equip	Other Exp & Financing Uses	Total Expense	2018-19 % of Total Budget
2	<b>Instructional</b>										
3	<b>Regular Instructional</b>										
4	Regular Programs	\$ 36,188,264	\$ 20,653,763	\$ 36,540	\$ 33,122	\$ 5,347,247	\$ 561,834	\$ 662,346	\$ 45,562	\$ 63,528,678	
5	Federally Funded Reg Prog	496,639	208,980	-	-	-	-	-	-	705,620	
6	<b>Total Regular Instructional</b>	<b>\$ 36,684,903</b>	<b>\$ 20,862,743</b>	<b>\$ 36,540</b>	<b>\$ 33,122</b>	<b>\$ 5,347,247</b>	<b>\$ 561,834</b>	<b>\$ 662,346</b>	<b>\$ 45,562</b>	<b>\$ 64,234,298</b>	40%
7	<b>Other Instructional</b>										
8	Vocational Educ	2,206,381	1,315,252	22,223	2,714	-	40,044	116,967	14,929	3,718,510	
9	Other Programs	1,367,194	773,594	75,882	1,585	-	46,018	125,032	44,304	2,433,609	
	<b>Total Other Instructional</b>	<b>\$ 3,573,575</b>	<b>\$ 2,088,846</b>	<b>\$ 98,105</b>	<b>\$ 4,299</b>	<b>\$ -</b>	<b>\$ 86,062</b>	<b>\$ 241,999</b>	<b>\$ 59,233</b>	<b>\$ 6,152,119</b>	4%
10	<b>Special Programs- Elem/Sec</b>										
11	Life Skills Support- Public	\$ 109,868	\$ 54,247	\$ 130	\$ -	\$ -	\$ 231	\$ 1,688	\$ -	\$ 166,165	
12	Deaf or Hearing Impaired Support	91,480	49,028	490	-	-	1,412	166	-	142,575	
13	Blind or Visually Impaired Support	123,754	96,510	430	-	-	1,188	895	-	222,776	
14	Speech and Language Support	680,145	369,222	800	-	-	1,271	8,651	-	1,060,089	
15	Emotional Support-Public	281,781	177,215	400	-	-	214,236	-	-	673,633	
16	Autistic Support	1,880,453	1,535,668	6,200	-	-	425	5,593	-	3,428,339	
17	Learning Support- Public	4,996,093	3,805,286	193,301	29,760	-	89,154	28,716	2,540	9,144,850	
18	Gifted Support	428,011	230,404	53,300	-	-	5,400	14,000	5,001	736,115	
19	Multi-Handicapped Support	202,301	147,029	-	-	-	-	828	-	350,157	
20	Special Programs- Other Support	233,251	129,632	440,613	2,000	1,782,753	616,793	199,802	1,060	3,405,904	
	<b>Total Special Programs</b>	<b>\$ 9,027,136</b>	<b>\$ 6,594,241</b>	<b>\$ 695,664</b>	<b>\$ 31,760</b>	<b>\$ 1,782,753</b>	<b>\$ 930,110</b>	<b>\$ 260,339</b>	<b>\$ 8,601</b>	<b>\$ 19,330,604</b>	12%
21	<b>Support Services</b>										
22	Support Services-Students	3,152,236.05	2,034,160.13	175,987.05	600.00	-	28,045.24	63,536.39	2,630.00	5,457,195	
23	Support Services- Instr Staff	2,927,400.00	2,056,290.00	103,500.00	500.00	-	49,469.35	878,965.53	20,845.00	6,036,970	
24	Support Services- Admin	4,424,905.89	2,646,826.65	823,343.11	17,300.00	-	80,073.19	108,188.32	72,515.00	8,173,152	
25	Support Services- Pupil Health	884,227.59	600,124.08	44,080.00	812.00	-	500.00	13,400.00	-	1,543,144	
26	Support Services- Business	797,777.21	462,529.68	76,240.00	-	-	67,600.00	26,487.60	12,288.00	1,442,922	
27	Oper & Main of Plant Serv	3,711,880.27	2,591,818.73	416,500.00	1,118,911.00	-	318,176.79	2,186,034.00	7,000.00	10,350,321	
28	Student Transportation Serv	1,384,281.89	1,138,960.68	9,143.57	51,985.81	-	3,405,373.34	773,504.73	684.50	6,763,935	
29	Support Services- Central	1,781,794.06	1,101,469.09	282,323.60	81,339.00	-	397,033.00	2,651,857.58	53,000.00	6,348,816	
30	<b>Total Support Services</b>	<b>\$ 19,064,503</b>	<b>\$ 12,632,179</b>	<b>\$ 1,931,117</b>	<b>\$ 1,271,448</b>	<b>\$ -</b>	<b>\$ 4,346,271</b>	<b>\$ 6,701,974</b>	<b>\$ 168,963</b>	<b>\$ 46,116,455</b>	29%
31	<b>Non-instructional (Student Activities/Athletics/Comm ed)</b>	<b>\$ 1,322,117</b>	<b>\$ 618,750</b>	<b>\$ 690,810</b>	<b>\$ 13,505</b>	<b>\$ -</b>	<b>\$ 52,000</b>	<b>\$ 156,919</b>	<b>\$ 34,627</b>	<b>\$ 2,888,728</b>	2%
32	<b>Other Expenditures &amp; Financing Uses</b>										
33	Other	-	-	55,000	-	-	-	-	75,000	130,000	
34	Debt Service Transfer	-	-	-	-	-	-	-	7,613,534	7,613,534	
35	Debt Service- Referendum	-	-	-	-	-	-	-	5,254,125	5,254,125	
36	Capital Projects Transfer (Includes DCED Grant)	-	-	-	-	-	-	-	4,116,936	4,116,936	
37	Food Service Transfer	-	-	-	-	-	-	-	224,000	224,000	
38	Capital Reserve Transfer	-	-	-	-	-	-	-	1,640,000	1,640,000	
39	Budgetary Reserve	-	-	-	-	-	-	-	1,172,669	1,172,669	
40	<b>Total Other Exp &amp; Financing Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 55,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,096,264</b>	<b>\$ 20,151,264</b>	13%
41	<b>Total 2018-19 Budget</b>	<b>\$ 69,672,233</b>	<b>\$ 42,796,759</b>	<b>\$ 3,507,236</b>	<b>\$ 1,354,134</b>	<b>\$ 7,130,000</b>	<b>\$ 5,976,277</b>	<b>\$ 8,023,577</b>	<b>\$ 20,413,250</b>	<b>\$ 158,873,467</b>	100%



# 2018-19 Proposed Additions

<b>Recurring</b>	<b>Financial Impact</b>	<b>Alignment with SCASD Educational Strategic and Gifted Education Plans</b>
Student Day Staffing (7.8 Teacher FTEs & Special Ed/Recess Paras)	\$ 1,055,609	Educational Strategic Plan goals 1, 2 & 4
Director of Diversity and Inclusivity (Shifted position)	\$ 18,000	Educational Strategic Plan goals 1, 2, 4 & 5
Elementary Counselor (1.0 FTE)	\$ 80,651	Educational Strategic Plan goals 1, 3 & 5
Primary Autistic Support (1.0 FTE, 5 Paras)	\$ 250,174	Educational Strategic Plan goals 1-5
Elementary Instructional Support (0.5 FTE- Corl Street)	\$ 52,206	Educational Strategic Plan goals 1, 2 & 4
Elementary Classroom Teacher (1.0 FTE)	\$ 80,651	Educational Strategic Plan goals 1-5
Part-time Middle School Gifted Support Teacher (0.4 FTE)	\$ 26,055	Five-Year Gifted Education Plan
Security Services and Resource Officer	\$ 76,000	Educational Strategic Plan goal 1
Lead Counselor Stipend (shifting- no expected incr)	\$ -	Educational Strategic Plan goals 1, 3 & 5
Psychological Services (Two part-time psych interns)	\$ 40,000	Educational Strategic Plan goals 1, 3 & 5
High School Student Assessment (PSAT)	\$ 11,000	Educational Strategic Plan goals 1-4
Transportation position hrs incr (offset by decr existing cost)	\$ -	Educational Strategic Plan goals 1, 2, 4 & 5
<b>Non-Recurring</b>		
Math Curriculum	\$ 170,000	Educational Strategic Plan goals 1-4
Recruitment Software	\$ 30,000	Educational Strategic Plan goals 1-5
Student Day-Transportation and Curriculum	\$ 414,573	Educational Strategic Plan goals 1-4

## **Educational Strategic Plan Goals**

1. Engagement and Support for the Whole Student
2. Continuous Growth for Every Student
3. Critical Thinking, Creativity, Collaboration, and Problem Solving
4. Closing Individual Achievement and Opportunity Gaps
5. Successful Transitions and Readiness for a Purposeful Life

# PSERS

- Required contribution to the state retirement plan (PSERS) increased approximately \$1.6 million in the 2018-19 budget.
- Percentage of salary contribution rate will increase from 32.57% for 2017-18 to 33.43% for 2018-19.
- Rates will increase from 32.57% to 36.32% in 2022-23 based on the most recent PSERS projection.
- District has established a funding strategy to smooth tax increases.
- Board elected not to utilize exceptions for PSERS available for 2018-19.

# Fund Balance

- Proposed Final Budget includes:
  - Use of PSERS Fund Balance of \$1,207,573
  - Addition to Capital Reserve Fund of \$1,640,000
    - Funds a portion of the State High project, Debt service for Elementary Projects and other future facility projects.
- Projected unassigned General Fund Balance of \$12,581,636
  - Brings unassigned General Fund percentage of operating expense to 7.9%
  - Within allowed limit of less than or equal to 8%

**State College Area School District  
Indicators of Financial Health  
(Dollars in Thousands)**

			<b>Moody's Medians by Rating - US School Districts (Population of 50,000 to 100,000) (a)</b>				
			<b>Actual 2016-17</b>	<b>Budget 2018-19</b>			
					<b>Aaa</b>	<b>Aa (b)</b>	<b>A</b>
<b>Finances</b>							
1	<b>Operating Revenue</b>	\$149,444	\$158,110	\$147,329	\$120,019	\$106,616	
2	<b>Fund Balance (c)</b>	\$71,879	\$73,868	\$67,406	\$24,137	\$18,164	
3	<b>Cash Balance (c)</b>	\$82,036	\$81,846	\$83,374	\$32,245	\$23,944	
4	<b>Fund Balance as a % of Revenues (c)</b>	48.1%	46.7%	43.7%	20.5%	17.6%	
5	<b>Cash Balance as a % of Revenues (c)</b>	54.9%	51.8%	54.1%	27.5%	22.3%	
<b>Debt</b>							
6	<b>Net Direct Debt (including referendum debt)</b>	\$117,780	\$199,220	\$104,640	\$82,226	\$69,890	
7	<b>Net Direct Debt (excl referendum debt)</b>	\$44,445	\$129,635	\$104,640	\$82,226	\$69,890	
<b>Net Direct Debt / Operating Revenues (x):</b>							
8	Including Referendum Debt	0.79x	1.26x	0.71x	0.75x	0.63x	
9	Excluding Referendum Debt	0.30x	0.82x	0.71x	0.75x	0.63x	

(a) As published March 2018. Moody's median ratings shown above include all A level ratings, Aaa being the highest.

(b) District rating from Moody's is Aa1. Moody's identified this as representing the top 8% of PA school districts. Aa1 is the highest level assigned within the Aa rating category.

(c) District numbers above include both General Fund and Capital Reserve Fund. The State limits unassigned General Fund balance to no more than 8% of operating expense. The District has elected to transfer funds to the Capital Reserve Fund rather than assigning fund balance in the General Fund.

# State Budget

- Proposed changes could impact revenue and expense
- Required to be passed by June 30 each year
- District must pass budget by June 30
- Potential reopening district budget after state budget is passed

# Comments

- Comments are welcome at this time
- For more information on the budget process including all handouts that are related to the budget go to

[www.scasd.org/page/34381](http://www.scasd.org/page/34381)

# State College Area School District

