

To prepare students for lifelong success through excellence in education



info@scasd.org — 814.231.1042

To: Finance Committee
From: Robert O'Donnell, Randy Brown and Donna Watson
Subject: 2020-2021 Budget Development
Date: May 11, 2020

This budget development update follows the April 27 and May 5 board meeting and will help to prepare us for the May 18 board meeting. The 2019-2020 revenue and expense projections remain the same as those presented previously. Updates to the revenue and expenses for the 2020-2021 budget are included in this document.

The budget continues to reflect student programs will occur in-person in the fall. Our estimates consider the sudden economic impact of the pandemic. Since the impact of the pandemic has been so deep, widespread, and sudden, accurately projecting the timing of any economic recovery has been difficult.

2020-2021 Revenue

Projected local revenue is over \$9 million lower than initially projected two months ago in March. Compared to the April 27 revenue projections, local revenue is up by \$132,998 related to a change in the assessed value growth and an offsetting decrease in tuition revenue (Community Education/CEEL). The assessed value growth has been increased following further discussions with the county assessment office and our solicitor. Specifically, we now know more about the limitations of possible assessment appeals potentially impacting the budget.

Although state subsidy revenue is expected to remain flat at best, our projections have not changed with the hopes that the CARES Act funding will serve as an offset. The only changes included in the estimates are related to social security and retirement revenue resulting from corresponding reductions in those expenses. All other state revenue budgets remain the same from the April 27 levels. There is no change in the budget for federal revenue at this time.

2020-2021 Expenses

To ensure we make the most cost-effective staffing decisions, we must better understand our revenue from local and state resources, as well as what the SCASD learning model will look like

in the fall. Obviously, our local revenue stream is heavily dependent upon Penn State's status in the fall as well. Our desire is to develop a budget to support our educational program without furloughs. In order to achieve this, we have begun identifying vacant positions' responsibilities which can be temporarily accommodated in another way. As we move through the summer, enrollment information will become clearer, which will also allow us to better understand our staffing needs.

Of those required positions, we expect these to be filled by internal candidates. Personnel expenses have been reduced, since April 27, by \$2.4 million. In addition to reductions in expenses from personnel costs, we have identified numerous items which can be deferred or completed in other ways, reducing expenses by \$2.5 million. Unfortunately, the food service fund loss is now expected to increase by \$550,000, which will result in an increase in the transfer from the general fund.

Staffing

Currently, we are only posting those openings that are required to implement our educational program, regardless of whether we're in schools or remote learning. Due to our circumstances, we will post positions for internal candidates as a first step. This approach also enables us to identify potential savings/attrition.

There are currently 27 retirements and resignations (teaching, administrative).

- 11 required to be replaced, expecting eight replaced through transfers
- 10 priority positions on hold pending revenue availability
- Six full-time equivalent (FTE) positions not included in the budget

Multiple support staff positions are vacant, with replacements on hold. This includes two custodians and at least nine paraprofessionals.

In addition to our approach to staffing decisions, we are analyzing many other aspects of our budget to determine where we can reduce planned expenditures. Below are several areas where we've made reductions and adjusted our budget proposal.

1. IT software and professional services, defer some equipment purchases
2. CEEL - combining Corl St program at Easterly Parkway, rate increase
3. Fitness Center equipment purchase - deferred
4. HS Curriculum - defer curriculum work (professional development) and materials
5. MS Curriculum - defer curriculum work (professional development) and materials
6. Elem Curriculum - defer curriculum work (professional development) and materials
7. Plant services - reduce deferred maintenance funds, limit/open hours or close buildings on weekends, reduce preventative repair and upkeep, reduce supplies

8. Athletics - eliminate out of state travel, combine MS sports/activities due to participation, defer uniform purchases, reduce supplies
9. Asst. Superintendents - limit extra pay to teachers and paras, reduce conference travel, PD for admin team and strategic planning, middle school visits
10. Transportation - rate freeze for contracted carriers, defer bus purchases
11. School buildings - 10% overall budget reduction and 50% travel
12. Finance - reduce substitutes, capital reserve transfer

Future Year Budgets

Next, we look at the multi-year projections. In local revenue projections, we have updated our delinquent real estate tax estimates beginning in 2021-2022 for a five-year period. This reflects anticipated receipts of unpaid real estate tax in 2020-2021 and 2021-2022. Other revenue projections remain unchanged.

As we look specifically to the six to 10-year range, we see multi-million dollar losses in each of those years, ending with an estimated negative fund balance in excess of \$40 million. However, as we have discussed previously, given the numerous uncertainties which have risen during this budget process, we will focus on the one to five-year period. In fact, the number of unknowns remaining in this budget development process is unlike anything we've ever seen so late in the process.

In both five-year periods, expenses rise faster than revenue; however, fund balance is available in years one to five to offset the loss. The projected fund balance runs out in year six. We should be mindful that a planned use of fund balance without an intention to replace is not a sustainable practice. As we learn more about our future revenue, we will be able to determine what additional adjustments to expenses are needed. Nonetheless, in order to prepare for what we know at this time, we are making the appropriate reductions for the 2020-2021 budget, as they have a recurring impact.

Within the 2020-2021 budget proposal, we have removed the capital reserve transfer and drastically reduced the facility maintenance allotment. This funding can have an immediate influence on the annual budget, avoiding negative impacts on programs and employees. These budgeted items, unlike all other reductions, have been returned to future budget projections. However, that will be an annual Board decision within each budget development process. We will continue to update our projections, taking into account these uncertain times. But our highest priority at this point is to propose a 2020-2021 budget which provides sufficient resources for our program delivery.

Attachment A

	A	B	C	D	M	N	O	P
1	State College Area School District							
2	General Fund Revenue							
3	Projected 2019-20							
4								
5								
6								
7								
8		Board	Board	Board	Board	Revised	5/12/20 vs.	
9		Presentation	Presentation	Presentation	Presentation	5/12/20	4/27/20	
10		12/2/19	3/2/20	4/6/20	4/27/20			
9	LOCAL SERVICES TAX							
10	CURRENT REAL ESTATE TAX	\$99,954,436	\$99,954,436	\$99,954,436	\$99,954,436	\$99,954,436		\$0
11	REAL ESTATE TAX-REFERENDUM DEBT	4,946,210	4,946,210	4,946,210	4,946,210	4,946,210		-
12	EARNED INCOME TAX	18,850,000	18,850,000	18,000,000	18,000,000	18,000,000		-
13	REALTY TRANSFER TAX	2,200,000	2,910,000	2,700,000	2,700,000	2,700,000		-
14	DELINQUENT REAL ESTATE TAX	1,100,000	1,100,000	750,000	750,000	750,000		-
15	INTERIM REAL ESTATE TAX	600,000	890,900	680,000	1,150,000	1,150,000		-
16	IDEA-B	740,000	761,373	761,373	761,373	761,373		-
17	PAYMENTS IN LIEU OF TAX	664,382	674,646	674,646	674,646	674,646		-
18	LOCAL SERVICES TAX	406,000	390,000	390,000	390,000	390,000		-
19	TUITION	1,420,000	1,574,049	1,188,356	1,188,356	1,188,356		-
20	MISC LOCAL REVENUE	611,705	1,829,012	1,789,620	1,789,620	1,789,620		-
21	PUBLIC UTILITY REALTY TAX	117,190	117,190	117,190	117,190	117,190		-
22	INTEREST ON INVESTMENTS	400,000	1,000,000	1,000,000	1,000,000	1,000,000		-
23								
24	TOTAL LOCAL	132,009,923	134,997,816	132,951,831	133,421,831	133,421,831		0
25								
26	STATE							
27	BASIC ED INSTR SUBSIDY	8,407,038	8,407,038	8,407,038	8,407,038	8,407,038		-
28	SPECIAL ED REVENUE-REGULR	3,323,982	3,323,982	3,323,982	3,323,982	3,323,982		-
29	REV. FOR RETIREMENT	12,169,441	12,146,204	12,146,204	12,026,449	12,026,449		-
30	REV. FOR SOCIAL SECURITY	2,719,036	2,713,815	2,713,815	2,687,058	2,687,058		-
31	PROPERTY TAX REDUCTION	1,423,580	1,423,580	1,423,580	1,423,580	1,423,580		-
32	TRANSPORTATION REVENUE	800,000	800,000	800,000	800,000	800,000		-
33	BOND REIMBURSEMENTS	584,918	278,771	278,771	278,771	278,771		-
34	HEALTH SERVICES REVENUE	140,000	140,000	140,000	140,000	140,000		-
35	READY TO LEARN GRANT	310,013	310,013	310,013	310,013	310,013		-
36	SAFETY GRANTS	20,000	30,000	30,000	30,000	30,000		-
37	VOCATIONAL EDUCATION	250,379	250,379	250,379	250,379	250,379		-
38	OTHER STATE REVENUE	632,900	901,112	901,112	901,112	901,112		-
39	TUITION - 1305/1306	130,000	130,000	130,000	130,000	130,000		-
40	TOTAL STATE	30,911,288	30,854,894	30,854,894	30,708,382	30,708,382		-
41								
42	FEDERAL							
43	TITLE I REVENUE	744,552	749,932	749,932	749,932	749,932		-
44	TITLE II REVENUE	156,489	165,800	165,800	165,800	165,800		-
45	ACCESS FUNDS	250,000	377,764	377,764	377,764	377,764		-
46	OTHER FEDERAL REVENUE	60,000	74,168	74,168	74,168	74,168		-
47	TITLE III REVENUE	35,000	45,572	45,572	45,572	45,572		-
48								
49	TOTAL FEDERAL	1,246,041	1,413,236	1,413,236	1,413,236	1,413,236		-
50								
51	TOTAL REVENUE	\$164,167,252	\$167,265,946	\$165,219,961	\$165,543,449	\$165,543,449		\$0

	A	B	C	I	J	K	L	M
1	State College Area School District							
2	General Fund Expenses and Fund Balance Transfers							
3	Projected 2019-20							
4								
5								
6		Board Presentation 12/2/19	Board Presentation 3/2/20	Board Presentation 4/6/20	Board Presentation 4/27/20	Revised 5/12/20	5/12/20 vs. 4/27/20	
7	Salaries	\$72,392,841	\$72,397,353	\$72,397,353	\$71,683,546	\$71,683,546	\$0	
8	Health Insurance	13,800,964	13,542,321	13,542,321	13,592,321	13,592,321	-	
9	PSERS	24,290,626	24,292,408	24,292,408	24,052,898	24,052,898	-	
10	Other Benefits	7,029,120	6,987,128	6,987,128	6,934,315	6,934,315	-	
11	Professional Services	3,686,457	3,532,635	3,532,635	3,052,706	3,052,706	-	
12	Purchased Property Services	1,434,744	1,450,911	1,450,911	1,369,864	1,369,864	-	
13	Charter School Expense	6,921,425	6,000,513	6,000,513	6,000,513	6,000,513	-	
14	Other Purchased Services	6,598,350	6,657,764	6,657,764	6,322,611	6,322,611	-	
15	Supplies/Equipment	7,980,293	8,182,229	8,182,229	7,462,503	7,462,503	-	
16	Minor Capital Projects	2,225,174	2,258,549	2,258,549	2,258,549	2,258,549	-	
17	Transfers/contingencies	1,667,512	1,655,449	1,655,449	1,565,844	1,565,844	-	
18	Debt Service	7,453,050	7,453,050	7,453,050	7,453,050	7,453,050	-	
19	Debt Service - Referendum Debt	5,258,625	5,258,625	5,258,625	5,258,625	5,258,625	-	
20	Transfer to Capital Projects-DCED Grant	632,900	901,112	901,112	901,112	901,112	-	
21	Total Expense before transfer to capital reserve and fund balance use	161,372,081	160,570,047	160,570,047	157,908,457	157,908,457	-	
22								
23	Transfer to Capital Reserve	3,639,500	7,311,500	1,783,500	1,783,500	1,783,500	-	
24	Fund Balance Assignment/Use (COVID-19)			3,920,000	6,461,000	6,461,000	-	
25	Fund Balance Use (PSERS/Legal)	(659,620)	(659,620)	(659,620)	-	-	-	
26	Total Transfer to Capital Reserve and fund balance use	2,979,880	6,651,880	5,043,880	8,244,500	8,244,500	-	
27								
28	Total Expenses and Transfers	\$ 164,351,961	\$ 167,221,927	\$ 165,613,927	\$ 166,152,957	\$ 166,152,957	\$ -	
29								
30								
31	Total Debt Service (General + Capital Reserve Fund)							
32	Debt Service Paid from Capital Reserve (a)	\$4,079,915	\$4,079,915	\$4,079,915	\$4,079,915	\$4,079,915		
33	Total Debt Service (including referendum debt)	\$16,791,590	\$16,791,590	\$16,791,590	\$16,791,590	\$16,791,590		
34								
35	Interest included in Debt Service	\$9,111,590	\$9,111,590	\$9,111,590	\$9,111,590	\$9,111,590		
36	<i>(a) Debt service for Series 2018 and Series 2019 Bonds for all years is included in the Capital Reserve Fund.</i>							

	A	B	C	P	Q	R	S	T
2	General Fund Revenue							
3	Budget 2020-21							
4								
5								
6		Preliminary	Board	Board	Board	Revised	5/12/20 vs.	
7		Budget -	Presentation	Presentation	Presentation	5/12/2020	4/27/20	
8		12/2/19	3/2/20	4/6/20	4/27/2020			
9	LOCAL SERVICES TAX							
10	CURRENT REAL ESTATE TAX	\$ 103,380,229	\$ 103,380,229	\$ 98,499,105	\$ 98,499,105	\$ 98,702,922	\$ 203,817	(1)
11	REAL ESTATE TAX-REFERENDUM DEBT	4,945,740	4,945,740	4,945,740	4,945,740	4,945,740	-	
12	EARNED INCOME TAX	19,320,000	19,320,000	17,000,000	16,200,000	16,200,000	-	
13	REALTY TRANSFER TAX	2,200,000	2,400,000	1,350,000	1,350,000	1,350,000	-	
14	DELINQUENT REAL ESTATE TAX	1,100,000	1,100,000	900,000	850,000	850,000	-	
15	INTERIM REAL ESTATE TAX	600,000	700,000	400,000	400,000	400,000	-	
16	IDEA-B	740,000	740,000	740,000	740,000	740,000	-	
17	PAYMENTS IN LIEU OF TAX	664,382	674,646	674,646	674,646	674,646	-	
18	LOCAL SERVICES TAX	410,000	392,000	392,000	392,000	392,000	-	
19	TUITION	1,420,000	1,581,910	1,581,910	1,581,910	1,511,092	(70,818)	(2)
20	MISC LOCAL REVENUE	611,705	518,409	518,409	518,409	518,409	-	
21	PUBLIC UTILITY REALTY TAX	117,190	117,190	117,190	117,190	117,190	-	
22	INTEREST ON INVESTMENTS	250,000	400,000	250,000	250,000	250,000	-	
23	TOTAL LOCAL	135,759,245	136,270,123	127,368,999	126,519,000	126,651,998	132,998	
24	STATE							
25	BASIC ED INSTR SUBSIDY	8,407,038	8,407,038	8,407,038	8,407,038	8,407,038	-	
26	SPECIAL ED REVENUE-REGULR	3,323,982	3,323,982	3,323,982	3,323,982	3,323,982	-	
27	REV. FOR RETIREMENT	12,669,751	12,771,211	12,690,075	12,188,467	11,948,339	(240,129)	(3)
28	REV. FOR SOCIAL SECURITY	2,791,742	2,833,564	2,815,552	2,706,581	2,652,226	(54,355)	(3)
29	PROPERTY TAX REDUCTION	1,423,580	1,423,580	1,423,580	1,423,580	1,426,711	3,131	
30	TRANSPORTATION REVENUE	800,000	800,000	800,000	800,000	800,000	-	
31	BOND REIMBURSEMENTS	744,972	751,246	751,246	751,246	751,246	-	
32	HEALTH SERVICES REVENUE	140,000	140,000	140,000	140,000	140,000	-	
33	READY TO LEARN GRANT	310,013	310,013	310,013	310,013	310,013	-	
34	SAFETY GRANTS	-	35,000	35,000	35,000	35,000	-	
35	VOCATIONAL EDUCATION	100,000	100,000	100,000	100,000	100,000	-	
36	OTHER STATE REVENUE	-	-	-	-	-	-	
37	TUITION - 1305/1306	130,000	130,000	130,000	130,000	130,000	-	
38	TOTAL STATE	30,841,079	31,025,635	30,926,486	30,315,907	30,024,555	(291,352)	
39	FEDERAL							
40	TITLE I REVENUE	600,000	700,000	700,000	700,000	700,000	-	
41	TITLE II REVENUE	156,489	159,772	159,772	159,772	159,772	-	
42	ACCESS FUNDS	250,000	250,000	250,000	250,000	250,000	-	
43	OTHER FEDERAL REVENUE	60,000	60,000	60,000	60,000	60,000	-	
44	TITLE III REVENUE	35,000	35,000	35,000	35,000	35,000	-	
45	TOTAL FEDERAL	1,101,489	1,204,772	1,204,772	1,204,772	1,204,772	0	
46	TOTAL REVENUE	\$167,701,813	\$168,500,530	\$159,500,257	\$158,039,679	\$157,881,325	(\$158,354)	
47								
48								
49								
50								
51								
52	(1) Assumes assessed value growth of 1.0% (previously .8%) based on updated input from the assessment office.							
53	(2) Assumed decrease in CEEL revenue.							
54	(3) Related to decrease in budgeted salaries.							

	A	B	C	L	N	O	P	Q
1	State College Area School District							
2	General Fund Expenses and Fund Balance Transfers							
3	Budget 2020-21							
4								
5		Preliminary Budget 12/2/19	Board Presentation 3/2/20	Board Presentation 4/6/20	Board Presentation 4/27/20	Revised 5/12/20	5/12/20 vs. 4/27/20	
6	Salaries	\$74,476,245	\$75,591,943	\$75,111,419	\$72,204,388	\$70,754,328	(\$1,450,060)	(1)
7	Health Insurance	15,595,089	15,518,975	15,822,457	15,509,327	15,230,533	(278,794)	(2)
8	PSERS	25,339,502	25,542,422	25,380,149	24,376,933	23,896,677	(480,256)	(1)
9	Other Benefits	7,204,682	7,367,223	7,317,938	7,085,376	6,885,204	(200,172)	(1)
10	Professional Services	3,676,878	3,968,202	3,768,202	3,768,202	3,544,822	(223,380)	(3)
11	Purchased Property Services	1,459,135	1,398,770	1,398,770	1,398,770	1,214,940	(183,830)	(4)
12	Charter School Expense	7,040,000	6,489,092	6,489,092	6,489,092	6,489,092	-	
13	Other Purchased Services	6,675,361	6,781,011	7,081,011	7,081,011	6,937,527	(143,484)	(5)
14	Supplies/Equipment	7,672,204	7,389,498	7,389,498	7,389,498	6,335,227	(1,054,271)	(6)
15	Minor Capital Projects	2,269,677	2,269,677	2,269,677	2,269,677	1,384,838	(884,839)	(7)
16	Transfers/contingencies	1,321,017	1,547,119	1,547,119	1,547,119	2,095,349	548,230	(8)
17	Debt Service	7,469,638	7,469,638	7,469,638	7,469,638	7,469,638	-	
18	Debt Service - Referendum Debt	5,258,125	5,258,125	5,258,125	5,258,125	5,258,125	-	
19	Transfer to Capital Projects-DCED Grant	-	-	-	-	-	-	
20	Total Expense before transfer to capital reserve and fund balance use	165,457,553	166,591,696	166,303,094	161,847,156	157,496,300	(4,350,856)	
21								
22	Transfer to Capital Reserve	2,248,000	2,248,000	-				
23	Fund Balance Use (COVID-19)			(3,920,000)	(3,606,000)	951,000	4,557,000	
24	Fund Balance Use (PSERS/Legal)	(396,159)	(396,159)	(396,159)	(396,159)	(396,159)	0	
25	Total Transfer to Capital Reserve and fund balance use	1,851,841	1,851,841	(4,316,159)	(4,002,159)	554,841	4,557,000	
26								
27	Total Expenses and Transfers	\$167,309,394	\$168,443,537	\$ 161,986,936	\$ 157,844,998	\$ 158,051,141	\$ 206,145	
28								
29	Total Debt Service (General + Capital Reserve Fund)							
30	Debt Service Paid from Capital Reserve (a)	\$4,848,525	\$4,848,525	\$4,848,525	\$4,848,525	\$4,848,525		
31	Total Debt Service (including referendum debt)	\$17,576,288	\$17,576,288	\$17,576,288	\$17,576,288	\$17,576,288		
32								
33	Interest included in Debt Service	\$9,266,288	\$9,266,288	\$9,266,288	\$9,266,288	\$9,266,288		
34	<i>(a) Debt service for Series 2018 and Series 2019 Bonds for all years is included in the Capital Reserve Fund.</i>							
35								
36	(1) Primarily related to proposed hold on filling vacant positions pending improvement in revenue. Also assumes Corl Street CEEL offered at Easterly, deferred curriculum work and reduction in substitute costs.							
37	(2) Related to proposed hold on filling vacant positions pending improvement in revenue.							
38	(3) Reduced conference travel, alternate software solutions and Corl Street CEEL offered at Easterly.							
39	(4) Reduced preventive maintenance.							
40	(5) Transportation carrier rate freeze, reduced conference travel and printing.							
41	(6) Defer purchase of buses, plant services supply and equipment and other department supplies.							
42	(7) Defer minor capital improvements.							
43	(8) Assumed potential increase in food service transfer.							

	A	B	C	D	E	F	G	H	I	K	L	M
1	State College Area School District											
2	General Fund Activity											
3	Budget 2020-21											
4												
13												
14		Preliminary	Board	Board	4/6/20 vs.	Board	4/27/20 vs.	Revised	5/12/20 vs.			
15		12/2/19	Presentation	Presentation	3/2/20	Presentation	4/6/20	5/12/2020	4/27/2020			
16	Beginning Fund Balance	\$13,069,150	\$13,297,879	\$12,859,894	(\$437,985)	\$12,644,352	(\$215,542)	\$12,644,352	\$0			a
17												
18	Revenue	167,701,813	168,500,530	159,500,257	(9,000,272)	158,039,679	(1,460,578)	157,881,325	(158,354)			
19												
20	Local	135,759,245	136,270,123	127,368,999	(8,901,124)	126,519,000	(849,999)	126,651,998	132,998			
21	State	30,841,079	31,025,635	30,926,486	(99,149)	30,315,907	(610,579)	30,024,555	(291,352)			
22	Federal	1,101,489	1,204,772	1,204,772	-	1,204,772	-	1,204,772	-			
23												
24	Expense (including capital reserve transfer)	167,705,553	168,839,696	166,303,094	(2,536,602)	161,847,156	(4,455,938)	157,496,300	(4,350,856)			
25	Revenue less expense	(3,740)	(339,168)	(6,802,838)	(6,463,671)	(3,807,478)	2,995,359	385,025	4,192,503			b
26												
27	Funding (Use) of Assigned Fund Bal (COVID-19)	0	0	(3,920,000)	(3,920,000)	(3,606,000)	314,000	951,000	4,557,000			c
28	Funding (Use) of Assigned Fund Bal (PSERS)	(396,159)	(396,159)	(396,159)	-	(396,159)	0	(396,159)	-			d
29	Change in Assigned Fund Balance	(396,159)	(396,159)	(4,316,159)	(3,920,000)	(4,002,159)	314,000	554,841	4,557,000			e (c+d)
30												
31	Change in Unassigned General Fund Balance	392,419	56,992	(2,486,679)	(2,543,671)	194,681	2,681,359	(169,816)	(364,497)			f (b-e)
32												
33	Ending Unassigned Fund Balance	<u>\$13,461,569</u>	<u>\$13,354,871</u>	<u>\$10,373,215</u>	<u>(\$2,981,656)</u>	<u>\$12,839,033</u>	<u>\$2,465,817</u>	<u>\$12,474,536</u>	<u>(\$364,497)</u>			(a+f)
34												
35	Unassigned Fund Balance Percentage	8.0%	7.9%	6.2%		7.9%		7.9%				
36												
37	Notes:											
38	1. Revenue \$1.2MM less than 4/27/2020 presentation.											
39	2. Expense \$4.4MM less than 4/27/2020 presentation.											
40	3. 2019-20 and 2020-21 assigned fund balance provides funding to satisfies revenue shortfalls in 2021-22 and 2022-23											
41	4. 2019-20 and 2020-21 assigned fund balance generated by not transferring to capital reserve											
42	5. 2020-21 does not include a transfer to capital reserve.											

	B	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF
1	State College Area School District													
2	General Fund Revenue													
3	5/10/2020													
4														
5														
6	Assumptions:													
7	Earned Income Tax Growth (1)	2.90%	2.50%	-2.11%	-10.00%	0.00%	0.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
8	Assessed Value Growth (2)	1.43%	1.20%	1.95%	1.00%	0.80%	0.80%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%
9	Exceptions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Act 1 Index	2.40%	2.30%	2.30%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%
12	Actual/Projected Total Tax Increase	2.40%	1.95%	1.95%	0.00%	1.00%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

	Actual 2018-2019	Budget 2019-2020	Projected 2019-2020	Budget 2020-2021	Projected 2021-2022	Projected 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026	Projected 2026-2027	Projected 2027-2028	Projected 2028-2029	Projected 2029-2030	
13	LOCAL SERVICES TAX													
16	CURRENT REAL ESTATE TAX	\$96,102,333	\$99,167,790	\$99,954,436	\$98,702,922	\$101,712,018	\$104,930,524	\$108,518,121	\$112,217,825	\$116,042,334	\$119,987,604	\$124,061,837	\$128,263,656	\$132,601,797
17	REAL ESTATE TAX-REFERENDUM DEBT	4,941,977	4,946,210	4,946,210	4,945,740	4,945,269	4,944,564	4,943,388	4,946,210	4,943,153	4,943,623	4,942,447	4,944,093	4,945,551
18	EARNED INCOME TAX	18,388,631	18,690,000	18,000,000	16,200,000	16,200,000	16,200,000	16,610,000	17,030,000	17,460,000	17,900,000	18,350,000	18,810,000	19,280,000
19	REALTY TRANSFER TAX	3,070,277	2,200,000	2,700,000	1,350,000	1,650,000	1,950,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
20	DELINQUENT REAL ESTATE TAX	1,190,289	1,100,000	750,000	850,000	1,200,000	1,600,000	2,000,000	2,000,000	2,000,000	1,100,000	1,100,000	1,100,000	1,100,000
21	INTERIM REAL ESTATE TAX	1,277,422	600,000	1,150,000	400,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
22	IDEA-B	739,659	740,000	761,373	740,000	740,000	740,000	740,000	740,000	740,000	740,000	740,000	740,000	740,000
23	PAYMENTS IN LIEU OF TAX	664,382	664,382	674,646	674,646	674,646	674,646	674,646	674,646	674,646	674,646	674,646	674,646	674,646
24	LOCAL SERVICES TAX	386,864	406,000	390,000	392,000	396,000	400,000	404,000	408,000	412,000	416,000	420,000	424,000	428,000
25	TUITION	1,414,650	1,674,651	1,188,356	1,511,092	1,511,092	1,511,092	1,511,092	1,511,092	1,511,092	1,511,092	1,511,092	1,511,092	1,511,092
26	MISC LOCAL REVENUE	634,427	611,705	1,789,620	518,409	538,409	538,409	538,409	538,409	538,409	538,409	538,409	538,409	538,409
27	PUBLIC UTILITY REALTY TAX	118,725	117,190	117,190	117,190	117,190	117,190	117,190	117,190	117,190	117,190	117,190	117,190	117,190
28	INTEREST ON INVESTMENTS	1,269,780	400,000	1,000,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
29														
30	TOTAL LOCAL	130,199,417	131,317,928	133,421,831	126,651,998	130,534,624	134,456,424	139,006,846	143,133,371	147,388,823	150,878,564	155,405,621	160,073,086	164,886,685
31	STATE													
33	BASIC ED INSTR SUBSIDY	7,920,859	7,921,450	8,407,038	8,407,038	8,407,038	8,407,038	8,407,038	8,407,038	8,407,038	8,407,038	8,407,038	8,407,038	8,407,038
34	SPECIAL ED REVENUE	3,292,352	3,315,119	3,323,982	3,323,982	3,323,982	3,323,982	3,323,982	3,323,982	3,323,982	3,323,982	3,323,982	3,323,982	3,323,982
35	REV. FOR RETIREMENT	11,363,341	12,169,441	12,026,449	11,948,339	12,450,000	13,000,000	13,450,000	13,900,000	14,450,000	14,950,000	15,400,000	15,700,000	16,050,000
36	REV. FOR SOCIAL SECURITY	2,536,120	2,719,036	2,687,058	2,652,226	2,725,725	2,788,417	2,849,762	2,909,607	2,967,799	3,027,155	3,087,699	3,149,453	3,212,442
37	PROPERTY TAX REDUCTION	1,423,448	1,423,580	1,423,580	1,426,711	1,423,580	1,423,580	1,423,580	1,423,580	1,423,580	1,423,580	1,423,580	1,423,580	1,423,580
38	TRANSPORTATION REVENUE	926,079	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
39	BOND REIMBURSEMENTS (3)	320,857	630,098	278,771	751,246	749,552	741,629	741,751	741,931	741,981	678,501	678,455	521,717	521,866
40	HEALTH SERVICES REVENUE	140,026	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
41	READY TO LEARN GRANT	310,013	310,013	310,013	310,013	310,013	310,013	310,013	310,013	310,013	310,013	310,013	310,013	310,013
42	SAFETY GRANTS	65,000	20,000	30,000	35,000	0	0	0	0	0	0	0	0	0
43	VOCATIONAL EDUCATION	227,172	100,000	250,379	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
44	OTHER STATE REVENUE (4)	6,818,508	1,169,676	901,112	0	0	0	0	0	0	0	0	0	0
45	TUITION - 1305/1306	108,757	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
46														
47	TOTAL STATE	35,452,531	30,848,413	30,708,382	30,024,555	30,559,890	31,164,659	31,676,127	32,186,152	32,794,394	33,290,269	33,800,767	34,005,783	34,418,921
48	FEDERAL													
50	TITLE I REVENUE	783,712	744,552	749,932	700,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
51	TITLE II REVENUE	167,980	156,489	165,800	159,772	159,772	159,772	159,772	159,772	159,772	159,772	159,772	159,772	159,772
52	ACCESS FUNDS	343,115	250,000	377,764	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
53	OTHER FEDERAL REVENUE	119,545	60,000	74,168	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
54	TITLE III REVENUE	56,699	35,000	45,572	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
55														
56	TOTAL FEDERAL	1,471,051	1,246,041	1,413,236	1,204,772	1,104,772	1,104,772	1,104,772	1,104,772	1,104,772	1,104,772	1,104,772	1,104,772	1,104,772
57														
58	TOTAL REVENUE	167,123,000	163,412,382	165,543,449	157,881,325	162,199,286	166,725,855	171,787,745	176,424,295	181,287,989	185,273,605	190,311,160	195,183,641	200,410,377
59														
60														
61														
62	(1) Projected decrease in 2019-20, 2020-21 and 2021-22 are related to the estimated impact of COVID-19. Future years are assumed to increase gradually to slightly less than the historical 5-year average of 3.2% for years prior to COVID-19													
63	(2) Projected 2020-21, 2021-22 and 2022-23 reflect the estimated impact of COVID-19. Years 2023-24 forward assume historical 10-year average of 1.2% through 2019-20.													
64	(3) Excludes reimbursement due to the district for debt service payments related to the high school and elementary project debt paid during construction.													
65	(4) Other State Revenue for 2018-19 and 2019-20 include DCED grant revenue related to the State High Project and three elementary buildings. Projected 2019-20 is less than budget because a larger amount was received in 2018-19 than projected. This grant revenue is included in both revenue and expense.													

	B	C	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM
81	State College Area School District														
82	General Fund Expenses and Fund Balance Transfers														
83	5/10/2020														
84															
85															
86		Actual 2018-	Budget 2019-	Projected	Budget 2020-	Projected	Projected 2022-	Projected 2023-	Projected	Projected	Projected	Projected	Projected	Projected	Projected
87		2019	2020	2019-2020	2021	2021-2022	2023	2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	
88	Salaries	69,490,777	72,536,652	71,683,546	70,754,328	72,715,098	74,387,545	76,024,071	77,620,577	79,172,988	80,756,448	82,371,577	84,019,008	85,699,388	
89	Health Insurance	12,563,861	13,950,662	13,592,321	15,230,533	17,210,502	19,447,868	21,392,654	23,531,920	25,885,112	28,473,623	31,320,985	34,453,084	37,898,392	
90	PSERS	22,561,701	24,338,881	24,052,898	23,896,677	24,900,000	26,000,000	26,900,000	27,800,000	28,900,000	29,900,000	30,800,000	31,400,000	32,100,000	
91	Other Benefits	6,797,767	7,158,493	6,934,315	6,885,204	7,109,760	7,300,000	7,500,000	7,700,000	7,900,000	8,100,000	8,300,000	8,500,000	8,700,000	
92	Professional Services	3,150,563	3,647,514	3,052,706	3,544,822	3,680,000	3,740,000	3,800,000	3,860,000	3,930,000	4,000,000	4,070,000	4,140,000	4,210,000	
93	Purchased Property Services	1,781,117	1,370,308	1,369,864	1,214,940	1,400,000	1,420,000	1,440,000	1,460,000	1,480,000	1,510,000	1,540,000	1,570,000	1,600,000	
94	Charter School Expense	6,013,133	6,921,425	6,000,513	6,489,092	6,600,000	6,710,000	6,820,000	6,940,000	7,060,000	7,180,000	7,300,000	7,420,000	7,550,000	
95	Other Purchased Services	6,465,922	6,349,890	6,322,611	6,937,527	7,130,000	6,950,000	7,070,000	7,190,000	7,310,000	7,430,000	7,560,000	7,690,000	7,820,000	
96	Supplies/Equipment	8,155,769	8,033,761	7,462,503	6,335,227	7,250,000	7,320,000	7,390,000	7,420,000	7,490,000	7,560,000	7,640,000	7,720,000	7,800,000	
97	Minor Capital Projects	2,222,559	2,225,174	2,258,549	1,384,838	1,412,535	2,343,322	2,390,188	2,437,992	2,486,752	2,536,487	2,587,217	2,638,961	2,691,740	
98	Transfers/contingencies	283,622	1,652,884	1,565,844	2,095,349	1,672,256	1,699,701	1,727,696	1,756,249	1,785,374	1,815,082	1,845,384	1,876,291	1,907,817	
99	Debt Service	7,613,533	7,540,783	7,453,050	7,469,638	7,440,038	7,365,313	7,371,763	7,372,513	7,366,175	6,338,200	6,338,600	3,781,150	3,783,025	
100	Debt Service - Referendum Debt	5,254,125	5,258,625	5,258,625	5,258,125	5,257,625	5,256,875	5,255,625	5,258,625	5,255,375	5,255,875	5,254,625	5,256,375	5,257,925	
101	Transfer to Capital Projects - DCED Grant	6,799,671	1,169,676	901,112	-	-	-	-	-	-	-	-	-	-	
102	Transfer to Capital Reserve	8,175,289	1,783,500	1,783,500	-	-	2,315,000	2,237,500	2,098,200	2,334,500	2,032,000	2,957,500	2,823,500	4,987,000	
103	Fund Balance Assignment/Use (COVID-19)	-	-	6,461,000	951,000	(1,679,000)	(5,733,000)	-	-	-	-	-	-	-	
104	Fund Balance Use (PSERS)(2)	(1,207,573)	(659,620)	-	(396,159)	(396,159)	(396,159)	(396,159)	(396,159)	-	-	-	-	-	
105															
106	Total Expenses and Fund Balance Transfers	\$166,121,836	\$163,278,608	\$166,152,957	\$158,051,141	\$161,702,655	\$166,126,465	\$176,923,338	\$182,049,917	\$188,356,276	\$192,887,714	\$199,885,887	\$203,288,369	\$212,005,288	
107	Total Expense and Transfers (excl fund balance use/assignment)	\$167,329,409	\$163,938,228	\$159,691,957	\$157,496,300	\$163,777,814	\$172,255,624	\$177,319,497	\$182,446,076	\$188,356,276	\$192,887,714	\$199,885,887	\$203,288,369	\$212,005,288	
108															

	B	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG
1	State College Area School District													
2	General Fund Activity													
3	5/10/2020													
4														
5														
6														
15		Budget 2019-	Projected	Budget 2020-	Projected	Projected	Projected	Projected	Projected	Projected	Projected 2027-	Projected	Projected 2029-	
		2020	2019-2020	2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2028	2028-2029	2030	
17	Beginning Fund Balance	\$12,756,751	\$13,253,860	\$12,644,352	\$12,474,536	\$12,971,166	\$13,570,557	\$8,434,963	\$2,809,342	-\$4,258,946	-\$11,873,055	-\$21,447,783	-\$29,552,511	i
18														
19	Revenue	163,412,382	165,543,449	157,881,325	162,199,286	166,725,855	171,787,745	176,424,295	181,287,989	185,273,605	190,311,160	195,183,641	200,410,377	
21	Local	131,317,928	133,421,831	126,651,998	130,534,624	134,456,424	139,006,846	143,133,371	147,388,823	150,878,564	155,405,621	160,073,086	164,886,685	
22	State	30,848,413	30,708,382	30,024,555	30,559,890	31,164,659	31,676,127	32,186,152	32,794,394	33,290,269	33,800,767	34,005,783	34,418,921	
23	Federal	1,246,041	1,413,236	1,204,772	1,104,772	1,104,772	1,104,772	1,104,772	1,104,772	1,104,772	1,104,772	1,104,772	1,104,772	
24														
25	Expense and transfers (excluding use of fund balance)	163,938,228	159,691,957	157,496,300	163,777,814	172,255,624	177,319,497	182,446,076	188,356,276	192,887,714	199,885,887	203,288,369	212,005,288	
26	Revenue less expense	(525,846)	5,851,492	385,025	(1,578,528)	(5,529,769)	(5,531,752)	(6,021,781)	(7,068,287)	(7,614,110)	(9,574,727)	(8,104,728)	(11,594,911)	ii
27														
28	Funding/(Use) of Assigned Fund Balance (COVID-19)		6,461,000	951,000	(1,679,000)	(5,733,000)	-	-	-	-	-	-	-	iii
29	(Use) of Assigned Fund Balance (PSERS/Legal Liability)	(659,620)	0	(396,159)	(396,159)	(396,159)	(396,159)	(396,159)	0	0	0	0	0	iv
30	Incr (Decr) in Assigned Fund Balance	(659,620)	6,461,000	554,841	(2,075,159)	(6,129,159)	(396,159)	(396,159)	-	-	-	-	-	v (iii+iv)
31														
32	Change in Unassigned General Fund Balance	133,774	(609,508)	(169,816)	496,631	599,390	(5,135,593)	(5,625,622)	(7,068,287)	(7,614,110)	(9,574,727)	(8,104,728)	(11,594,911)	vi (ii-v)
33														
34	Ending Unassigned Fund Balance	\$12,890,525	\$12,644,352	\$12,474,536	\$12,971,166	\$13,570,557	\$8,434,963	\$2,809,342	(\$4,258,946)	(\$11,873,055)	(\$21,447,783)	(\$29,552,511)	(\$41,147,421)	(i+vi)

	B	C	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF
1	State College Area School District													
2	General Fund Balance													
3	5/10/2020													
4														
5		Budget	Projected	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
6		2019-2020	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	
7	General Fund - Unassigned													
8	Beginning Balance	\$12,756,751	\$13,253,860	\$12,644,352	\$12,474,536	\$12,971,166	\$13,570,557	\$8,434,963	\$2,809,342	(\$4,258,946)	(\$11,873,055)	(\$21,447,783)	(\$29,552,511)	
9														
10	Revenue less Expense	133,774	(609,508)	(169,816)	496,631	599,390	(5,135,593)	(5,625,622)	(7,068,287)	(7,614,110)	(9,574,727)	(8,104,728)	(11,594,911)	
11														
12	General Fund - Unassigned	12,890,525	12,644,352	12,474,536	12,971,166	13,570,557	8,434,963	2,809,342	(4,258,946)	(11,873,055)	(21,447,783)	(29,552,511)	(41,147,421)	
13														
14	% of Expense (subject to 8% cap)	7.86%	7.92%	7.92%	7.92%	7.88%	4.76%	1.54%	-2.26%	-6.16%	-10.73%	-14.54%	-19.41%	
15														
16														
17	General Fund - Assigned													
18	PSERS													
19	Beginning Balance	2,640,414	2,640,414	1,980,794	1,584,635	1,188,476	792,317	396,158	-	-	-	-	-	
20														
21	Additions													
22	Planned Uses	(659,620)	(659,620)	(396,159)	(396,159)	(396,159)	(396,159)	(396,158)	-	-	-	-	-	
23														
24	Ending Fund Balance	1,980,794	1,980,794	1,584,635	1,188,476	792,317	396,158	-	-	-	-	-	-	
25														
26	Debt Service/Capital													
27	Beginning Balance	-	-	-	-	-	-	-	-	-	-	-	-	
28														
29	Additions	-	-	-	-	-	-	-	-	-	-	-	-	
30	Uses	-	-	-	-	-	-	-	-	-	-	-	-	
31														
32	Ending Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-	
33														
42	COVID-19													
43	Beginning Balance	-	-	6,461,000	7,412,000	5,733,000	-	-	-	-	-	-	-	
44														
45	Additions/Use		6,461,000	951,000	(1,679,000)	(5,733,000)	-	-	-	-	-	-	-	
46														
47														
48	Ending Fund Balance	-	6,461,000	7,412,000	5,733,000	-	-	-	-	-	-	-	-	
49														
50														
51	Total General Fund - Assigned	1,980,794	8,441,794	8,996,635	6,921,476	792,317	396,158	-	-	-	-	-	-	
52														
53	Total General Fund	14,871,319	21,086,146	21,471,171	19,892,642	14,362,874	8,831,121	2,809,342	(4,258,946)	(11,873,055)	(21,447,783)	(29,552,511)	(41,147,421)	



STATE COLLEGE AREA SCHOOL DISTRICT

Office of Finance and Operations

240 VILLA CREST DRIVE • STATE COLLEGE PENNSYLVANIA • 16801

TELEPHONE: 814-231-1021 • FAX: 814-272-8790

TO: Finance and Audit Committee

FROM: Randy Brown, Megan Schaper

RE: Food Service Pricing for 2020-2021

DATE: May 12, 2020

Due to the current COVID-19 crisis, we will be proposing that the 2019-2020 food service pricing structure remain in effect for the 2020-2021 school year. In an memo to the Finance and Audit Committee in early February, an increase in the 2020-2021 school year was suggested, but with the economic hardship our district families are facing we are proposing that the rates remain the same.

2019-20 Lunch Program pricing proposed for 2020-21 School Year

Elementary Lunch	\$2.70
Elementary Breakfast	\$1.45
MS Lunch	\$2.95
Secondary Breakfast	\$1.95
High School Lunch	\$3.50
Milk	\$.65



**State College Area School District
 Business Office
 240 Villa Crest Drive
 State College, PA 16801
 814-231-1021**

To: Robert J. O'Donnell
 From: Randy L. Brown and Donna Watson
 RE: Supplemental Property Tax Rebate Program
 Date: May 11, 2020

The 2020-21 State College Area School District budget includes an allotment of \$100,000 for the continuation of the Supplemental Property Tax Rebate Program. The attached resolution and claim form have been updated assuming continuation of the program for what will be the sixth year.

Graph A below shows the dollars of qualified rebate applications for the past four years and for the period through May 11, 2020 and 2019. The decrease in applications in the current year is assumed to be related to the extension of the income tax filing deadline from April 15th to July 15th. Chart B shows the quantity of applications received by month in 2017-18, 2018-19 and YTD May 11, 2020. Chart C shows the volume and dollars of qualified rebate applications for the current year through May 11, 2020.

Chart A – Supplemental Tax Rebate Dollars by Year

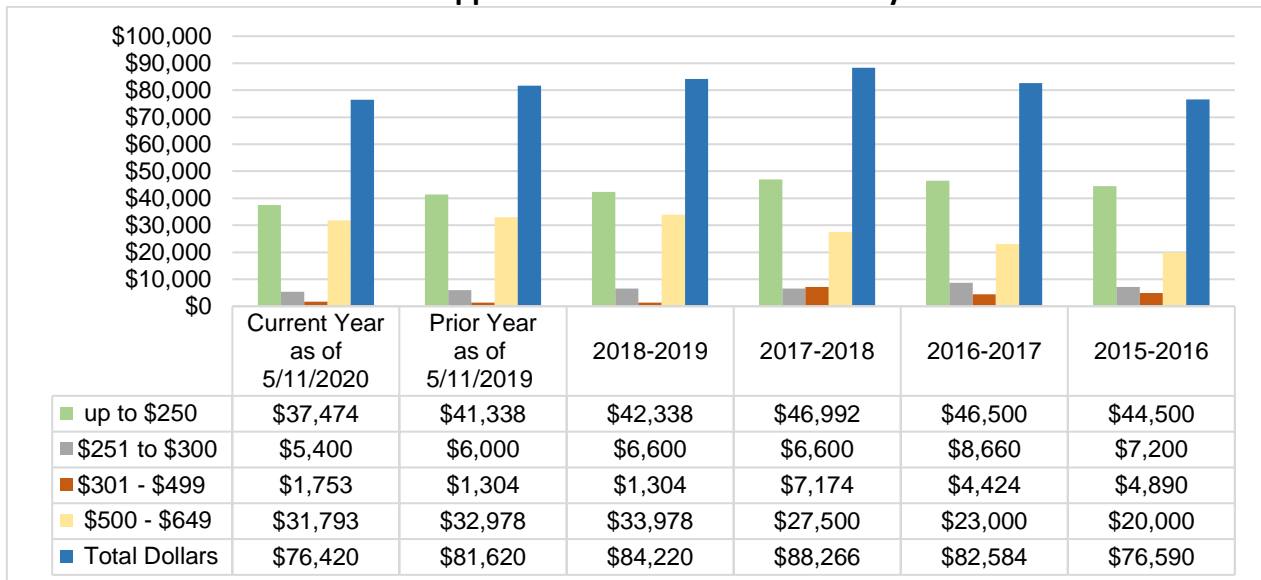


Chart B – Rebate Applications Received by Month

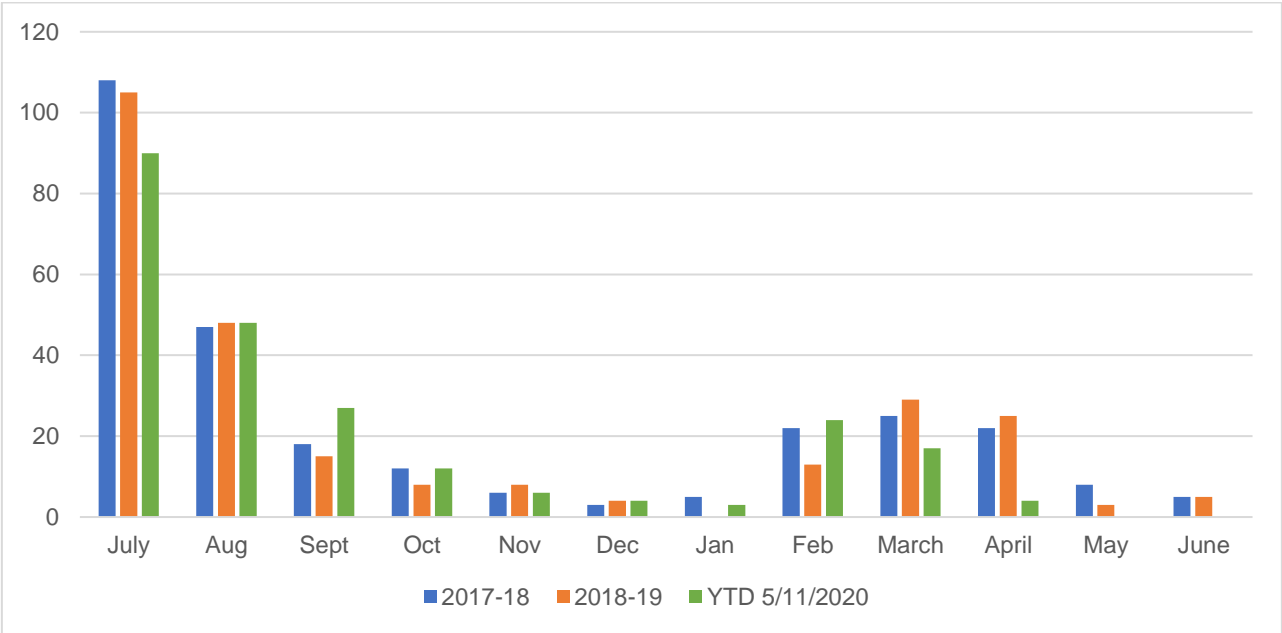
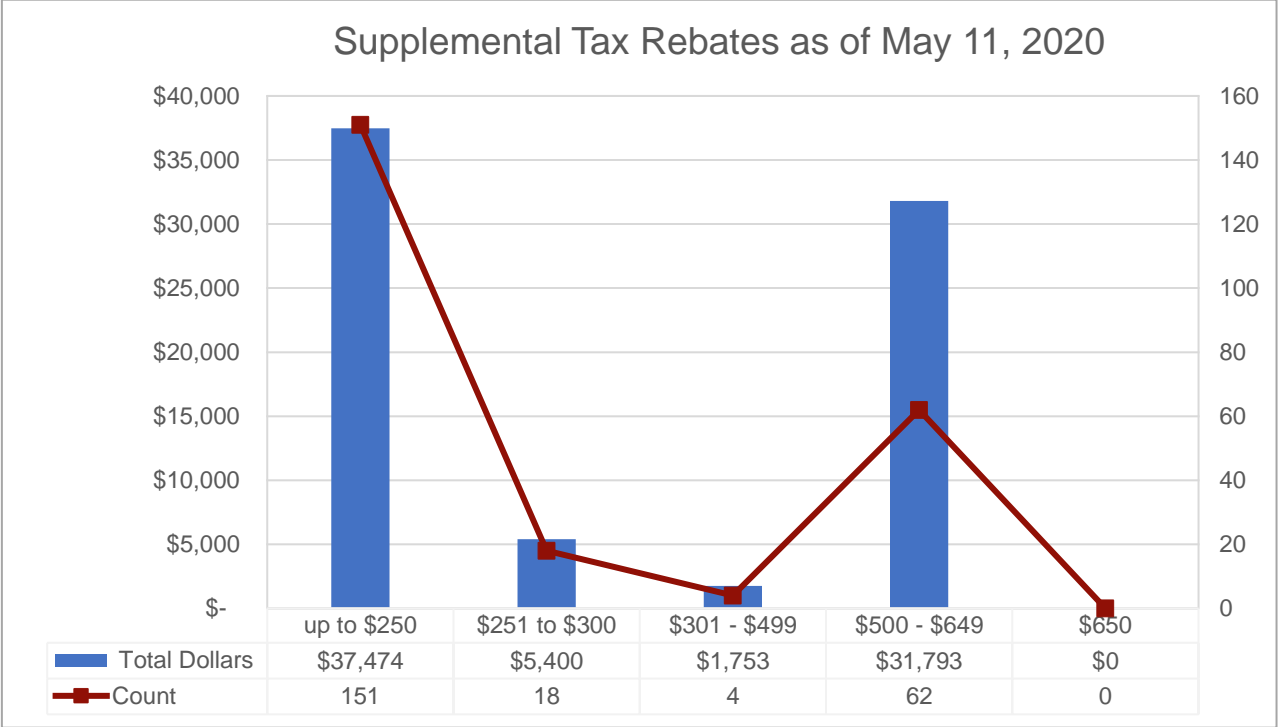


Chart C – Supplemental Tax Rebates as of May 11, 2020



STATE COLLEGE AREA SCHOOL DISTRICT
CENTRE COUNTY, PENNSYLVANIA

A RESOLUTION OF THE BOARD OF SCHOOL DIRECTORS OF STATE COLLEGE AREA SCHOOL DISTRICT, CENTRE COUNTY, PENNSYLVANIA, PROVIDING PROPERTY TAX REBATES TO CERTAIN SENIOR CITIZENS, WIDOWS, WIDOWERS, AND DISABLED PERSONS WITH FIXED AND LIMITED INCOMES; ESTABLISHING UNIFORM STANDARDS AND QUALIFICATIONS FOR ELIGIBILITY TO RECEIVE A REBATE; AND PROVIDING PENALTIES FOR FRAUDULENT CLAIMS.

WHEREAS, the Board of School Directors (“Board”) of the State College Area School District, Centre County, Pennsylvania (“School District”) considers it to be a matter of sound public policy to make special provisions for property tax rebates to that class of senior citizens, widows, widowers and disabled persons who are real property taxpayers of an approved Homestead/Farmstead property and to relieve their economic burden; and

WHEREAS, pursuant to this Resolution, the Board is demonstrating a willingness to help the above individuals.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1) **Definitions.** The following words and phrases, when used in this Resolution shall have the meanings ascribed to them in this Section 1, except where the context clearly indicates or requires a different meaning.

(a) “Act” means Chapter 13 (Senior Citizens Property Tax and Rent Rebate Assistance) of the Taxpayer Relief Act, Act 1 of Special Session 2006 as amended.

(b) “Claimant” means a person who files a claim for property tax rebate under the Act and, for the 2018 calendar year, (i) was sixty-five (65) years of age or over, or whose spouse (if a member of the household) was sixty-five (65) years of age or over, (ii) was a widow or widower and was fifty (50) years of age or over, or (iii) was a permanently disabled person eighteen (18) years of age or over. For the purposes of this Resolution, the term “widow” or “widower” shall mean the surviving wife or surviving husband, as the case may be, of a deceased individual and who has not remarried, and the term “permanently disabled person” shall mean a person who is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to continue indefinitely.

(c) “Claim Form” means the form attached hereto as Exhibit A and the additional information required to be filed with the Business Office of the School District as set forth on such form.

(d) “Total Income” shall mean income as defined by the Pennsylvania Department of Revenue for reporting for the Property Tax/Rent Rebate program. “Property Tax Paid” shall be the property taxes paid to the School District during the 2019/2020 School District Fiscal Year. Property taxes must have been paid prior to December 31, 2019 to qualify for Property Tax Rebate.

(e) “School District Fiscal Year” means July 1st to the following June 30th.

(f) "Resolution" means this Resolution.

2. **Property Tax Rebate.**

(a) Subject to the other provisions of this Resolution, during the 2020/2021 School District Fiscal Year, the School District shall pay a property tax rebate in accordance with the following schedule.

Total Income	Maximum Rebate
\$0 to \$8,000	\$650
\$8,001 to \$15,000	\$500
\$15,001 to \$18,000	\$300
\$18,001 to \$35,000	\$250

(b) Notwithstanding the foregoing, a Claimant with Total Income greater than \$35,000 shall not be eligible for a property tax rebate and any property tax rebate to be paid by the School District to an otherwise eligible Claimant in the 2020/2021 School District Fiscal Year shall be limited to the lesser of:

(i) The excess of property taxes paid to the School District by the Claimant in the 2019/2020 School District Fiscal Year over the property tax rebate paid to the Claimant under the Act during the 2020/2021 School District Fiscal Year by reason of the payment of such property taxes to the School District; or

(ii) Six Hundred Fifty Dollars (\$650.00)

(c) Notwithstanding (a) and (b) above, the total of all property tax rebates paid to the Claimant under the Act, when combined with the calculated property tax rebate payable from the School District, cannot exceed the Pennsylvania maximum allowable tax relief of 50 percent of the median assessed value of all homestead properties in the District multiplied by the School District tax millage rate. For the 2020/2021 year, the maximum relief available to Pennsylvania residents from all state and local programs is estimated at \$1,680. The School District rebate will be limited to an amount that will result in total property relief within this limit.

(d) Notwithstanding (a), (b) and (c) above, the School District reserves the right to rescind this resolution if the Pennsylvania Commonwealth Budget for 2020/2021 includes property tax reform.

3. **Filing.** To claim and receive the property tax rebate provided for under Section 2 from the School District, the Claimant must file a claim for the property tax rebate with the Business Office of the School District on or before the end June 30, 2021. The Claimant shall be entitled to a property tax rebate from the School District so long as funds remain available from the allotment approved by the Board. Rebate payments will be made to qualified applicants after the passage of the Commonwealth

budget for the 2020/2021 year. If two or more persons, under the same property, are able to meet the qualifications for a Claimant, the rebate shall be paid to the Claimant(s) who received the property tax rebate under the Act.

4. **Claim Form.**

(a) When filing for a property tax rebate from the School District, Claimant shall timely file with the Business Office of the School District a Claim Form (and all required additional information which shall include evidence of the rebate amount received from the Commonwealth of Pennsylvania). Appropriate evidence of the rebate amount received from the Commonwealth of Pennsylvania shall include a copy of the rebate check received from the Pennsylvania Department of Revenue, a copy of the Claimant's bank statement reflecting the deposit of the rebate amount or a statement printed from the Pennsylvania Department of Revenue website made available under the option titled "Where's my Property Tax/Rent Rebate?".

(b) The following is an example to illustrate the requirements of Sections 2 through 4. The example is for illustration purposes only.

Example: Claimant files for a property tax rebate under the Act with the Pennsylvania Department of Revenue by filing Form PA-1000 2019 (Property Tax or Rent Rebate Claim) in connection with property taxes paid in 2019. On July 15, 2020, Claimant receives a property tax rebate from the Commonwealth of Pennsylvania in connection with such filing. Claimant may now file for a property tax rebate with the School District by submitting a Claim Form to the School District with a copy of the Form PA-1000 2019 filed with the Pennsylvania Department of Revenue and evidence of the rebate amount received, on or before June 30, 2021.

4. **Incorrect Claim.** Whenever the Business Office of the School District finds a claim to have been incorrectly determined, the Business Officer shall calculate the correct amount of the claim and notify the Claimant of the reason for the redetermination and the amount of the corrected claim.

5. **Fraudulent Claim: Conveyance to Obtain Benefits.**

(a) In any case in which a claim is excessive and was filed with fraudulent intent, the claim shall be disallowed. The amount of the disallowed claim, if the claim has been paid, will be expected to be repaid. The Claimant and any person who assisted in preparation of filing of a fraudulent claim shall be subject to criminal prosecution in accordance with applicable provisions and penalties as provided in the Pennsylvania Crimes Code.

(b) A claim shall be disallowed if the Claimant received title to the homestead primarily for the purpose of receiving a property tax rebate.

6. **Petition for Redetermination.** Any Claimant whose claim for a property tax rebate is either denied, corrected or otherwise adversely affected by the Business Office of the School District, may file with the Board a petition for redetermination within ninety (90) days after the date of mailing

or written notice by the Business Office of such action. Such petition shall set forth the grounds upon which the Claimant alleges that such action of the Business Office is erroneous or unlawful, in whole or in part, and shall be accompanied by an affidavit or affirmation that the facts contained therein are true and correct. The Board shall hold such hearings as may be necessary for the purpose of redetermination and each Claimant who has duly filed such petition for redetermination shall be notified by the Board of the time when, and the place where, such hearing in his or her case will be held. The determination of the Board, after such hearings and any required further review, shall be final.

7. **Severability.** The provisions of this Resolution are severable; if any word, phrase, clause, sentence, section or provision of this Resolution is for any reason held to be unconstitutional or illegal or invalid, the decision of any Court shall not affect or impair any of the remaining provisions of this Resolution. It is hereby declared to be the intent of the Board of the School District that this Resolution would have been adopted had such unconstitutional or illegal or invalid word, phrase, clause, sentence, section or provision thereof not been included herein.

8. **Effective Date.** This Resolution shall be effective solely for the 2020/2021 School District Fiscal Year and shall be deemed repealed for all School District Fiscal Years thereafter.

RESOLVED by the Board this _____ day of _____, 2020.

Attest:

STATE COLLEGE AREA SCHOOL DISTRICT

By: _____

Secretary

President

The State College Area School District Board of School Directors has approved a supplemental property tax rebate program for the 2020-21 fiscal year providing for property tax rebates to senior citizens, widows, widowers and disabled persons who meet certain income eligibility guidelines and who are homeowners.

Rebates up to \$650 per single household are available and are based upon total income as listed on Form PA-1000 for 2019.

Income	Maximum Rebate
\$0 to \$8,000	\$650
\$8,001 to \$15,000	\$500
\$15,001 to \$18,000	\$300
\$18,001 to \$35,000	\$250

By implementing the rebate program, the board is demonstrating a willingness to help the aforementioned individuals for the 2020-21 fiscal year.

Criteria which must be met to qualify for the rebate:

- Claimant must be a homeowner. Renters are not eligible for the program.
- Household income must not exceed \$35,000 per year. One half of your social security income is excluded from this calculation.
- Any of the following criteria must be met:
 - Claimant or claimant’s spouse is 65 or older
 - Claimant is a widow or widower 50 and older
 - Claimant has disabilities and is 18 and older

• Claimant must have been awarded and received a rebate under the Pennsylvania Property Tax Rebate Program.

Issuance of state rebate checks is scheduled to begin July 1, 2020.

- Real estate tax bills for 2019-20 (issued July 2019) must have been paid by December 31, 2019.
- Property must have received a homestead/farmstead exclusion for the 2019-20 tax year.

If you have questions related to the completion of the Pennsylvania Form PA-1000, the Pennsylvania Department of Revenue instructions for the PA-1000 lists various agencies to contact for assistance, including Pennsylvania Department of Revenue district offices.

Frequently Asked Questions

What steps must be taken to apply for the rebate?

1) Apply for the 2019 Pennsylvania Property Tax Rebate using Form PA-1000 **before December 31, 2020**. Property Tax Rebate claim forms are available online at <http://www.revenue.state.pa.us> or by calling the department’s information line at 1-888-222-9190.

2) Receive a rebate under the Pennsylvania Supplemental Property Tax program.

3) Complete the SCASD Supplemental Property Tax Rebate Claim Form.

4) Submit your completed application to SCASD, Supplemental Property Tax Program, 240 Villa Crest Drive, State College, PA 16801, with the following:

- A copy of your completed PA-1000 form for 2019
- Evidence of receipt of rebate from the Pennsylvania Property Tax Rebate Program for 2019

If I moved during the year will I still qualify for the rebate? If you moved or had a change in your personal status during the year, your rebate will be prorated.

When can I submit my application? Property owners may submit applications anytime from July 1, 2020 to June 30, 2021.

If I meet all of the specified criteria, am I guaranteed a rebate? SCASD has set aside \$100,000 for the program in the 2020-21 budget. Applications will be processed on a first-come basis until funds are expended.

If I qualify for a rebate, how will the amount of my rebate be determined? The rebate will be based on your income level as defined under the Pennsylvania Tax Rebate Program and the amount of real estate taxes paid in the 2019-20 tax year. The rebate will be the lesser of the maximum rebate in the chart provided, or the real estate taxes paid less any state rebates received. For the current rebate year, the state mandated maximum tax relief is \$1,680.

When will I receive my rebate? Rebates will be issued by check. Please allow up to six weeks for review and processing. **Please note that payments will begin after passage of the Commonwealth 2020-21 Budget.**



STATE COLLEGE AREA SCHOOL DISTRICT

2019 Supplemental Property Tax Rebate Claim Form

- **Complete the District Claim Form**
- **Attach a copy of form PA-1000 for 2019**
- **Attach proof of receipt of the State Property Tax Rebate**
 - Copy of check received or
 - Copy of bank statement showing electronic deposit or
 - Statement printed from the Pennsylvania Department of Revenue website under the option titled: “Where’s my Property Tax Rebate?”

Mail completed form and all required documentation to:
 State College Area School District
 Supplemental Property Tax Program
 240 Villa Crest Drive
 State College, PA 16801

Questions?

Please contact the State College Area School District (SCASD) at 814-272-8456

SUPPLEMENTAL PROPERTY TAX REBATE CLAIM FORM

STATE COLLEGE AREA SCHOOL DISTRICT

For 2019-20 State College Area School District Property Tax

BILLS ISSUED JULY 2019

FILING INSTRUCTIONS

1. Complete PART A – Personal Information
2. Complete PART B – Property Tax Rebate Information from Form PA-1000
3. Assemble required documentation:
 - **This completed form**
 - **A copy of form PA-1000 for 2019 submitted to Pennsylvania Department of Revenue**
 - **Proof of receipt of the Pennsylvania Property Tax Rebate (received on or after July 1, 2020)**
4. Mail completed claim form and required documentation to:

State College Area School District
Supplemental Property Tax Program
240 Villa Crest Drive
State College, PA 16801

NOTE – must be filed after July 1, 2020, but before June 30, 2021.

PART A – Personal Information – COMPLETE ALL INFORMATION

(a-1) Name of Claimant: _____

(a-2) Address of Claimant: _____

(a-3) Tax Parcel Number: ____ - _____, _____, _____ -

(a-4) Total property taxes paid to School District for 2019-20: \$ __, _____. ____

(a-5) Birth date of Claimant: ____ / ____ / _____

(a-6) Social Security Number of Claimant: _____ - _____ - _____

PART B – Property Tax Rebate from the Commonwealth of PA – COMPLETE ALL INFORMATION

(b-1) Income Amount from Line 13 on Form PA-1000 2019 \$ _____

(b-2) Property Tax Rebate Amount from Line 15 on Form PA-1000 2019 \$ _____

I declare that this form is true, correct and complete, that the documents required and attached hereto are true and correct copies of those documents, and that to the best of my knowledge and belief this is the only claim filed by members of my household.

Claimant's Signature

Telephone Number

_____/_____/_____
Date

Signature of Preparer (if other than Claimant)

Note: Claim forms will be processed on a first-come, first-served basis until June 30, 2021, provided the \$100,000 allotment has not been expended. Checks will not be issued until after the passage of the Commonwealth 2020-21 budget.

Revised 5/10/20