



State College Area School District

Randy Brown

Finance and Operations Officer

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To: Board of Directors
From: Curtis Johnson, Donna Watson and Randy Brown
Date: March 30, 2023
Subject: 2023-2024 Budget Development

This update is to prepare the Board for the final steps of the budget development process. A [finance committee meeting was held on March 30](#) to offer an additional opportunity to review updated information.

Highlights included in this update:

- Updated revenue projections
- Updated expense projections
- Full Time Equivalent staffing analysis for 2022-23 and 2023-24 budgets
- Departmental budget analysis for 2022-23 and 2023-24 budgets
- Expense budget analysis for 2023-24 and 2024-25 budgets
- Requested budget related information
- Fund balance analysis
- Supplemental tax rebate
- Updated timeline

Updated multi-year projections have been attached as well.

Attachment A

Comparative Statement Budget 2023-24

Assuming 4.1% Tax Increase

	A	B	C	F	I	L	O	P	Q
1	State College Area School District								
2	General Fund Revenue								
3	Budget 2023-24								
4									
5		Board Presentation 5/16/22	Board Presentation 12/5/22 (1)	Board Presentation 1/11/23 (2)	Board Presentation 2/20/23 (3)	Board Presentation 3/13/23 (4)	Board Presentation 3/30/23	3/30/23 vs. 3/13/23	Variance Explanation (>\$100K)
6	LOCAL SERVICES TAX								
7	CURRENT REAL ESTATE TAX	\$ 111,404,824	\$ 114,422,706	\$ 114,422,706	\$ 114,164,002	\$ 114,164,002	\$ 114,164,002	\$ -	
8	REAL ESTATE TAX-REFERENDUM DEBT	4,943,388	4,943,388	4,943,388	4,943,388	4,943,388	4,943,388	-	
9	EARNED INCOME TAX	20,100,000	21,530,000	21,980,000	21,980,000	21,980,000	21,770,000	(210,000)	Lower than anticipated EIT growth in 2023-24
10	REALTY TRANSFER TAX	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	-	
11	DELINQUENT REAL ESTATE TAX	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	-	
12	INTERIM REAL ESTATE TAX	600,000	600,000	600,000	600,000	600,000	600,000	-	
13	IDEA-B	733,819	898,756	898,756	898,756	898,756	898,756	-	
14	PAYMENTS IN LIEU OF TAX	674,646	674,646	647,824	647,824	647,824	647,824	-	
15	LOCAL SERVICES TAX	393,000	394,000	412,000	412,000	412,000	408,000	(4,000)	
16	TUITION	1,462,805	1,462,805	1,462,805	1,555,621	1,555,621	1,555,621	-	
17	MISC LOCAL REVENUE	549,915	549,915	549,915	557,607	557,607	557,607	-	
18	PUBLIC UTILITY REALTY TAX	117,190	117,190	117,190	117,190	117,190	117,190	-	
19	INTEREST ON INVESTMENTS	250,000	700,000	2,500,000	2,500,000	2,500,000	2,500,000	-	
20	TOTAL LOCAL	145,129,586	150,193,405	152,434,583	152,276,388	152,276,388	152,062,388	(214,000)	
21									
22	STATE								
23	BASIC ED INSTR SUBSIDY	9,039,487	10,600,367	10,600,367	10,600,367	10,600,367	10,600,367	-	
24	SPECIAL ED REVENUE-REGULR	3,409,937	3,485,046	3,485,046	3,485,046	3,485,046	3,485,046	-	
25	REV. FOR RETIREMENT	14,300,000	14,300,000	13,600,000	13,600,000	13,615,203	13,648,124	32,921	
26	REV. FOR SOCIAL SECURITY	3,061,845	3,063,087	3,063,087	3,063,087	3,079,130	3,086,576	7,446	
27	PROPERTY TAX REDUCTION	1,421,949	1,421,949	1,421,949	1,421,949	1,421,949	1,421,949	-	
28	TRANSPORTATION REVENUE	800,000	800,000	800,000	800,000	800,000	800,000	-	
29	BOND REIMBURSEMENTS	938,994	910,702	910,702	910,702	910,702	910,702	-	
30	HEALTH SERVICES REVENUE	140,000	140,000	140,000	140,000	140,000	140,000	-	
31	READY TO LEARN GRANT	310,013	310,013	310,013	310,013	310,013	310,013	-	
32	SAFETY GRANTS	-	-	-	-	-	-	-	
33	VOCATIONAL EDUCATION	196,000	196,000	196,000	196,000	226,000	226,000	-	
34	OTHER STATE REVENUE	-	105,190	105,190	105,190	105,190	105,190	-	
35	TUITION - 1305/1306	130,000	130,000	130,000	130,000	130,000	130,000	-	
36	TOTAL STATE	33,748,225	35,462,354	34,762,354	34,762,354	34,823,600	34,863,966	\$ 40,366	
37									
38	FEDERAL								
39	TITLE I REVENUE	600,000	600,000	600,000	600,000	600,000	600,000	-	
40	TITLE II REVENUE	140,000	140,000	140,000	140,000	140,000	140,000	-	
41	ACCESS FUNDS	250,000	350,000	350,000	350,000	350,000	350,000	-	
42	OTHER FEDERAL REVENUE	168,788	147,200	147,200	288,858	288,858	288,858	-	
43	TITLE III REVENUE	35,000	35,000	35,000	35,000	35,000	35,000	-	
44									
45	TOTAL FEDERAL	1,193,788	1,272,200	1,272,200	1,413,858	1,413,858	1,413,858	0	
46									
47	TOTAL REVENUE	\$180,071,599	\$186,927,959	\$188,469,137	\$188,452,599	\$188,513,846	\$188,340,212	(\$173,634)	
48									
49									
50	(1) Projection assumes 4.1% tax increase vs. 2%, higher assessed value growth in 2022-23, greater than anticipated EIT growth in 2021-22, higher IDEA allocation and interest rates. State revenue reflects actual 2022-23 state subsidy, estimated PCCD grant utilization and federal revenue reflects higher than projected ACCESS revenue in 2021-22.								
51	(2) Projection assumes 3.5% earning income tax increase vs. 2.5%, increased interest rates and a reflects a decrease in the PSERS employer percentage to 34% based upon the December 2022 actuarial report.								
52	(3) Projection assumes .75% assessed value growth vs. 1.2% previously projected, proposed increase in CEEL rates and assumed shift of ESSER spending from 2022-23.								
53	(4) Projection assumes a change in state revenue related to retirement, social security and vocational education.								

	A	B	C	F	I	L	M	N
1	State College Area School District							
2	General Fund Expenses and Fund Balance Transfers							
3	Budget 2023-24							
4								
5		Board Presentation 5/16/22	Board Presentation 12/5/22 (1)	Board Presentation 1/11/23 (2)	Board Presentation 3/13/23 (3)	Board Presentation 3/30/23	3/30/23 vs. 3/13/23	Variance Explanation (>\$100K)
6	Salaries	\$81,681,864	\$81,715,005	\$81,715,005	\$82,143,003	\$82,341,620	\$198,617	Increase in exp related to refinement of salary projections is offset by reduction of 2 FTE Elementary teacher and 5 FTE Sp Ed para positions not filled in 2022-23 and 6 FTE K-2 paras related to reducing hrs to pre-COVID level.
7	Health Insurance	20,158,837	17,599,934	17,599,934	17,599,934	16,107,092	(1,492,842)	Reflects reduction in healthcare reductions
8	PSERS	28,600,000	28,600,000	27,200,000	27,230,405	27,296,247	65,842	Related to changes in salaries
9	Other Benefits	7,800,000	7,800,000	7,800,000	7,821,100	7,827,843	6,743	Related to changes in salaries
10	Professional Services	4,240,000	4,270,000	4,270,000	4,613,244	4,613,244	-	
11	Purchased Property Services	1,430,000	1,430,000	1,430,000	1,361,616	1,361,616	-	
12	Charter School Expense	6,620,000	6,620,000	6,620,000	6,683,714	6,683,714	-	
13	Other Purchased Services	7,550,000	7,830,000	7,830,000	7,711,689	7,711,689	-	
14	Supplies/Equipment	8,620,000	8,880,000	8,880,000	10,871,498	10,871,498	-	
15	Minor Capital Projects	2,390,188	2,390,188	2,390,188	2,390,188	2,390,188	0	
16	Transfers/contingencies	1,789,107	1,789,107	1,789,107	1,658,559	2,453,559	795,000	Increase in contingency
17	Debt Service	7,367,000	12,218,800	12,218,800	12,218,800	12,218,800	-	
18	Debt Service - Referendum Debt	5,255,625	5,255,625	5,255,625	5,255,625	5,255,625	-	
20	Total Expense before transfer to capital reserve and fund balance use	183,502,621	186,398,658	184,998,658	187,559,375	187,132,736	(426,639)	
21								
22	Transfer to Capital Reserve	2,435,928	0	2,463,000	0	0	-	
23								
24	Total Expense including transfer to capital reserve	185,938,549	186,398,658	187,461,658	187,559,375	187,132,736	(426,639)	
25								
26	Fund Balance Commitment/Use (Revenue Shortfall)	(5,919,820)	(521,000)	0	0	0	-	
27	Fund Balance Commitment/Use (Debt Service)	-	0	0	(290,800)	0	290,800	Reflects change in unassigned fund balance
28	Fund Balance Commitment/Use (Health Insurance)	-	799,997	799,997	799,997	799,997	-	
29	Fund Balance Use (PSERS/Legal)	(396,159)	0	0	0	0	-	
30	Total fund balance commitment/(use)	(6,315,979)	278,997	799,997	509,197	799,997	290,800	
31								
32	Total Expenses and Transfers	\$179,622,570	\$186,677,655	\$188,261,655	\$188,068,572	\$187,932,733	(\$135,839)	
33								
34								
35	(1) Projection reflects lower health insurance expense based upon the first year under a self insured plan, increased bus contractor rates and higher assumed inflation increases. Projection also assumes all debt service will be funded from the general fund, no transfer to capital reserve, lower utilization of committed fund balance and increase in committed health insurance to reflect the impact of cost increases.							
36	(2) Reflects updated PSERS percentages published in Dec 2022, increased in transfer to capital reserve based upon change in revenue and expense and no required utilization of committed fund balance.							
37								
38	(3) Reflects updated salary projections based upon contracted and estimated salary increases, FTEs reflect 2022-23 budget, adjusted to reflect current year revisions. Professional services reflect electrical study, increased professional development, OT/PT services, and field trips. Other purchased services reflect assumed lower number of contracted buses. Supplies/equipment reflect addition of reading program, HR system and increased cyber security, electric/gas and other inflation. Transfers represent elimination of Food Service transfer offset by incr in estimated exp for prior year real estate tax appeals not yet settled. Eliminated transfer to capital reserve fund based on change in revenues less expense. Fund balance represents the utilization of fund balance to maintain unassigned fund balance at just below the state maximum.							
39								
40								

	A	B	C	E	F	H	I	J
1	State College Area School District							
2	General Fund Activity							
3	Budget 2023-24							
4								
13								
		Board	Board	Board	Board	Board		
		Presentation	Presentation	Presentation	Presentation	Presentation	3/30/23 vs.	
14		5/16/22	12/5/22	1/11/23	3/13/23	3/30/23	3/13/23	
15								
16	Beginning Fund Balance	\$14,287,835	\$14,511,599	\$14,511,599	\$14,410,285	\$14,410,285	\$0	a
17								
18	Revenue	180,071,599	186,927,959	188,469,137	188,513,846	188,340,212	(173,634)	b
19								
20	Local	145,129,586	150,193,405	152,434,583	152,276,388	152,062,388	(214,000)	
21	State	33,748,225	35,462,354	34,762,354	34,823,600	34,863,966	40,366	
22	Federal	1,193,788	1,272,200	1,272,200	1,413,858	1,413,858	-	
23								
24	Expense (including capital reserve transfer)	185,938,549	186,398,658	187,461,658	187,559,375	187,132,736	(426,639)	c
25	Revenue less expense	(5,866,950)	529,300	1,007,478	954,470	1,207,475	253,005	d (b-c)
26								
27	Funding (Use) of Committed Fund Bal (Revenue Shortfall)	(5,919,820)	(521,000)	0	0	0	-	e
28	Funding (Use) of Committed Fund Bal (Debt Service)	0	0	0	(290,800)	0	290,800	f
29	Funding (Use) of Committed Fund Bal (Health Insurance)	0	799,997	799,997	799,997	799,997	-	g
30	Funding (Use) of Committed Fund Bal (PSERS)	(396,159)	0	-	-	-	-	h
31	Change in Assigned Fund Balance	(6,315,979)	278,997	799,997	509,197	799,997	290,800	i (e+f+g+h)
32								
33	Change in Unassigned General Fund Balance	449,029	250,303	207,481	445,273	407,478	(37,795)	j (d-i)
34								
35	Ending Unassigned Fund Balance	\$14,736,864	\$14,761,902	\$14,719,080	\$14,855,558	\$14,817,763	(\$37,795)	(a+j)
36								
37	Unassigned Fund Balance Percentage	7.9%	7.9%	7.9%	7.9%	7.9%		

Attachment B

Multiyear Projection
Assuming 4.1% Tax Increase

	B	C	AD	AG	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU
81	State College Area School District															
82	General Fund Expenses and Fund Balance Transfers															
83	3/24/2023															
84																
85																
86			Actual 2019-	Actual 2020-	Actual 2021-	Budget 2022-	Projected	Budget 2023-	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
87			2020	2021	2022	2023	2022-2023	2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032
88	Salaries		71,274,299	70,932,556	74,651,307	79,642,022	77,869,544	82,341,620	84,647,186	86,763,365	88,932,450	90,977,896	92,797,454	94,653,403	96,546,471	98,477,400
89	Health Insurance		13,478,031	14,266,500	14,414,360	18,326,215	15,999,940	16,107,092	17,717,801	19,489,581	21,438,539	23,582,393	25,940,633	28,534,696	31,388,166	34,526,982
90	PSERS		23,775,689	23,969,757	25,309,537	27,520,202	26,907,665	27,296,247	28,800,000	30,200,000	31,500,000	32,700,000	33,800,000	35,000,000	36,300,000	37,000,000
91	Other Benefits		6,773,545	6,803,775	7,157,467	7,647,440	7,464,185	7,827,843	8,000,000	8,200,000	8,400,000	8,600,000	8,800,000	9,000,000	9,200,000	9,400,000
92	Professional Services		2,831,599	2,947,482	3,268,113	4,296,346	4,284,226	4,613,244	4,550,000	4,630,000	4,710,000	4,790,000	4,870,000	5,100,000	5,040,000	5,130,000
93	Purchased Property Services		1,320,379	1,551,666	1,954,582	1,421,940	1,421,940	1,361,616	1,380,000	1,400,000	1,420,000	1,440,000	1,460,000	1,480,000	1,510,000	1,540,000
94	Charter School Expense		5,929,478	5,867,965	5,755,475	6,513,252	6,302,899	6,683,714	6,800,000	6,920,000	7,040,000	7,160,000	7,280,000	7,400,000	7,530,000	7,660,000
95	Other Purchased Services		6,138,888	6,094,301	6,820,794	7,435,132	7,577,695	7,711,689	7,790,000	7,920,000	8,050,000	8,190,000	8,330,000	8,470,000	8,610,000	8,760,000
96	Supplies/Equipment		7,579,832	8,208,900	7,801,185	8,635,038	9,136,371	10,871,498	10,380,000	10,450,000	10,530,000	10,610,000	10,690,000	10,870,000	11,050,000	11,240,000
97	Deferred Maintenance		2,258,549	1,384,838	2,300,000	2,343,321	2,343,321	2,390,188	2,437,992	2,486,752	2,536,487	2,587,216	2,638,961	2,691,740	2,745,575	2,800,486
98	Transfers/contingencies/fees		703,311	490,210	463,149	1,361,870	1,010,691	2,453,559	2,776,230	2,819,755	2,864,150	2,909,433	2,955,622	3,002,734	3,050,789	3,099,804
99	Debt Service		7,453,050	7,083,822	7,415,475	7,360,250	12,216,550	12,218,800	12,218,200	12,215,425	11,181,600	11,181,850	8,634,075	8,635,950	7,464,825	7,467,388
100	Debt Service - Referendum Debt		5,258,625	5,258,125	5,257,625	5,256,875	5,256,875	5,255,625	5,258,625	5,255,375	5,255,875	5,254,625	5,256,375	5,257,925	5,257,425	5,258,925
101	Transfer to Capital Projects - DCED Grant		606,921	-	-	-	-	-	-	-	-	-	-	-	-	-
102	Transfer to Capital Reserve (1)		3,081,825	-	6,960,000	2,513,370	4,153,586	-	-	-	-	-	2,547,775	2,545,900	3,717,025	3,714,462
103	Fund Balance Commitment/Use (Revenue Shortfall)(2)		10,158,600	14,314,000	-	(3,974,900)	(24,472,600)	-	(2,369,000)	(2,994,000)	(3,011,000)	(3,741,000)	(4,369,000)	(4,852,925)	(4,846,925)	(1,205,191)
104	Fund Balance Commitment/Use (Debt Service)(3)		-	-	-	-	27,389,041	-	805,355	885,890	974,479	1,071,927	1,179,120	1,297,032	1,426,735	1,569,408
105	Fund Balance Commitment/Use (Health Insurance) (4)		-	-	7,200,000	-	792,790	799,997	805,355	885,890	974,479	1,071,927	1,179,120	1,297,032	1,426,735	1,569,408
106	Fund Balance Use (PSERS)(5)		-	-	-	(396,159)	(2,640,414)	-	-	-	-	-	-	-	-	-
107																
108	Total Expenses and Fund Balance Transfers		\$168,622,623	\$169,173,898	\$176,729,069	\$175,902,216	\$183,014,304	\$187,932,732	\$191,192,389	\$196,642,143	\$201,822,580	\$207,314,341	\$212,811,013	\$219,086,454	\$225,990,085	\$236,439,665
109																
110	Total Expense and Transfers (excl fund balance use/commitment)		\$158,464,023	\$154,859,898	\$169,529,069	\$180,273,275	\$181,945,488	\$187,132,735	\$192,756,034	\$198,750,253	\$203,859,101	\$209,983,414	\$216,000,894	\$222,642,348	\$229,410,275	\$236,075,448
111																
112	(1) Includes a transfer beginning in 2028-29 in the amount which debt service decreases from the 2027-28 base year. This proposed transfer is intended to replenish the capital reserve fund for future projects.															
113	(2) Revenue shortfall committed fund balance created in 2019-2020 due to economic situation created in pandemic. In 2022-2023 recommend redesignating fund balance to debt service commitment.															
114	(3) Debt Service commitment will fund payments up to the previously proposed level in the Capital Reserve Fund. These debt service payments were moved to the General Fund in recent projections to preserve the Capital Reserve Fund balance as previous projections showed a deficit in the General Fund which would not allow a transfer to the Capital Reserve Fund.															
115	(4) Health Insurance commitment created to establish a reserve to fund payments in excess of budget.															
116	(5) Recommendation for elimination of PSERS Fund Balance in 2022-23, including this balance in the debt service commitment.															
117																
118																
119																
120	Expenses excluding Transfer to Capital, Debt Service and Fund Balance Use/Commitment					165,142,780	160,318,477	169,658,310	175,279,209	181,279,453	187,421,626	193,546,939	199,562,669	206,202,573	212,971,000	219,634,673
121	Salaries and Benefits					133,135,880	128,241,334	133,572,802	139,164,987	144,652,947	150,270,989	155,860,289	161,338,087	167,188,099	173,434,637	179,404,383
122	Salary and Benefit %					80.62%	79.99%	78.73%	79.40%	79.80%	80.18%	80.53%	80.85%	81.08%	81.44%	81.68%

	B	C	W	Z	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO
1	State College Area School District																
2	General Fund Activity																
3	3/24/2023																
4																	
5																	
6																	
15																	
16																	
17	Beginning Fund Balance	\$13,253,860	\$12,627,467	\$12,264,882	\$13,152,498	\$13,429,482	\$14,410,284	\$14,817,764	\$15,266,716	\$15,741,293	\$16,145,552	\$16,630,155	\$17,107,210	\$17,123,164	\$16,204,447	i	
18																	
19	Revenue	167,918,285	168,866,114	177,666,991	177,037,551	183,995,107	188,340,212	191,641,340	197,116,720	202,226,839	207,798,943	213,288,069	219,102,409	225,071,367	230,966,869		
20																	
21	Local	135,482,211	133,927,009	138,584,567	140,611,289	145,690,196	152,062,388	154,809,058	159,501,862	163,943,842	168,839,403	173,870,820	179,015,222	184,316,371	189,789,164		
22	State	29,981,916	29,871,141	34,456,309	33,502,270	35,125,923	34,863,966	35,597,282	36,379,858	37,047,997	37,724,540	38,182,249	38,852,187	39,519,996	39,942,705		
23	Federal	2,454,158	5,067,965	4,626,115	2,923,993	3,178,988	1,413,858	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000	1,235,000		
24																	
25	Expense and transfers (excluding use of fund balance)	158,464,023	154,859,898	169,529,069	180,273,275	181,945,488	187,132,735	192,756,034	198,750,253	203,859,101	209,983,414	216,000,894	222,642,348	229,410,275	236,075,448		
26	Revenue less expense	9,454,262	14,006,217	8,137,922	(3,235,723)	2,049,619	1,207,477	(1,114,694)	(1,633,533)	(1,632,262)	(2,184,470)	(2,712,825)	(3,539,939)	(4,338,907)	(5,108,579)	ii	
27																	
28	Funding/(Use) of Committed Fund Balance (Revenue Shortfall)	10,158,600	14,314,000	-	(3,974,900)	(24,472,600)	-	-	-	-	-	-	-	-	-	-	iii
29	Funding/(Use) of Committed Fund Balance (Debt Service)					27,389,041	-	(2,369,000)	(2,994,000)	(3,011,000)	(3,741,000)	(4,369,000)	(4,852,925)	(4,846,925)	(1,205,191)	iv	
30	Funding/(Use) of Committed Fund Balance (Health Insurance)			7,200,000	-	792,790	799,997	805,355	885,890	974,479	1,071,927	1,179,120	1,297,032	1,426,735	1,569,408	v	
31	(Use) of Committed Fund Balance (PSERS/Legal Liability)	0	0	0	(396,159)	(2,640,414)	0	0	0	0	0	0	0	0	0	vi	
32	Incr (Decr) in Assigned Fund Balance	10,158,600	14,314,000	7,200,000	(4,371,059)	1,068,817	799,997	(1,563,645)	(2,108,110)	(2,036,521)	(2,669,073)	(3,189,880)	(3,555,893)	(3,420,190)	364,217	vii (iii+iv+v)	
33																	
34	Change in non-spendable Fund Balance	77,945	28,325	228,405													
35	Change in enterprise Fund Balance		(83,127)	(1,727)													
36	Change in Unassigned General Fund Balance	(626,393)	(362,585)	1,164,600	1,135,336	980,803	407,480	448,952	474,577	404,259	484,603	477,055	15,954	(918,717)	(5,472,796)	viii(ii-vii)	
37																	
38	Ending Unassigned Fund Balance	\$12,627,467	\$12,264,882	\$13,429,482	\$14,287,834	\$14,410,284	\$14,817,764	\$15,266,716	\$15,741,293	\$16,145,552	\$16,630,155	\$17,107,210	\$17,123,164	\$16,204,447	\$10,731,650	(i+viii)	
39																	

	B	C	W	Z	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN
1	State College Area School District															
2	General Fund Balance															
3	3/24/2023															
4																
5		Actual	Actual	Actual	Budget	Projected	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
6		2019-2020	2020-2021	2021-2022	2022-2023	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	
7	General Fund - Unassigned															
8	Beginning Balance	\$13,253,860	\$12,627,467	\$12,264,882	\$13,152,498	\$13,429,482	\$14,410,284	\$14,817,764	\$15,266,716	\$15,741,293	\$16,145,552	\$16,630,155	\$17,107,210	\$17,123,164	\$16,204,447	
9																
10	Revenue less Expense (1)	(626,393)	(362,585)	1,164,600	1,135,336	980,803	407,480	448,952	474,577	404,259	484,603	477,055	15,954	(918,717)	(5,472,796)	
11																
12	General Fund - Unassigned	12,627,467	12,264,882	13,429,482	14,287,834	14,410,284	14,817,764	15,266,716	15,741,293	16,145,552	16,630,155	17,107,210	17,123,164	16,204,447	10,731,650	
13																
14	% of Expense (subject to 8% cap)	7.97%	7.92%	7.92%	7.93%	7.92%	7.92%	7.92%	7.92%	7.92%	7.92%	7.92%	7.69%	7.06%	4.55%	
15																
16																
17	General Fund - Committed															
18	PSERS															
19	Beginning Balance	2,640,414	2,640,414	2,640,414	2,244,255	2,640,414	-	-	-	-	-	-	-	-	-	-
20																
21	Additions															
22	Planned Uses	-	-	-	(396,159)	(2,640,414)	-	-	-	-	-	-	-	-	-	-
23																
24	Ending Fund Balance	2,640,414	2,640,414	2,640,414	1,848,096	-	-	-	-	-	-	-	-	-	-	-
25																
26																
27																
28																
29																
30																
31																
32																
33																
34																
35																
36																
37																
38																
39																
40																
41																
42	Revenue Shortfall															
43	Beginning Balance	-	10,158,600	24,472,600	30,832,174	24,472,600	-	-	-	-	-	-	-	-	-	-
44																
45	Additions/Use	10,158,600	14,314,000	-	(3,974,900)	(24,472,600)	-	-	-	-	-	-	-	-	-	-
46																
47	Ending Fund Balance	10,158,600	24,472,600	24,472,600	26,857,274	-	-	-	-	-	-	-	-	-	-	-
48																
49	Debt Service															
50	Beginning Balance	-	-	-	-	-	27,389,041	27,389,041	25,020,041	22,026,041	19,015,041	15,274,041	10,905,041	6,052,116	1,205,191	
51																
52	Additions/Use						27,389,041	-	(2,369,000)	(2,994,000)	(3,011,000)	(3,741,000)	(4,369,000)	(4,852,925)	(4,846,925)	(1,205,191)
53																
54	Ending Fund Balance	-	-	-	-	27,389,041	27,389,041	25,020,041	22,026,041	19,015,041	15,274,041	10,905,041	6,052,116	1,205,191	-	
55																
56	Health Insurance															
57	Beginning Balance	-	-	-	-	7,200,000	7,992,790	8,792,787	9,598,141	10,484,031	11,458,511	12,530,437	13,709,557	15,006,589	16,433,324	
58																
59	Additions/Use	-	-	7,200,000	-	792,790	799,997	805,355	885,890	974,479	1,071,927	1,179,120	1,297,032	1,426,735	1,569,408	
60																
61	Ending Fund Balance	-	-	7,200,000	-	7,992,790	8,792,787	9,598,141	10,484,031	11,458,511	12,530,437	13,709,557	15,006,589	16,433,324	18,002,732	
62																
63																
64	Total General Fund - Committed	12,799,014	27,113,014	34,313,014	28,705,370	35,381,831	36,181,828	34,618,182	32,510,072	30,473,552	27,804,478	24,614,598	21,058,705	17,638,515	18,002,732	
65																
66	Total General Fund	25,426,481	39,377,896	47,742,496	42,993,204	49,792,115	50,999,592	49,884,898	48,251,365	46,619,103	44,434,633	41,721,808	38,181,869	33,842,961	28,734,382	
67																

	B	C	W	Z	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN
70	State College Area School District															
71	Capital Reserve Fund															
72	3/24/2023															
73																
74		Actual	Actual	Actual	Budget	Projected	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
75		2019-2020	2020-2021	2021-2022	2022-2023	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	
76																
77	Beginning Balance	\$65,352,257	\$64,456,646	\$59,832,977	\$55,453,954	\$62,086,123	\$65,581,432	\$63,081,820	\$61,544,714	\$59,984,552	\$58,400,987	\$59,127,002	\$62,411,682	\$65,743,757	\$70,296,939	
78																
79	Additions:															
80	Transfer (5)	1,783,500	-	6,960,000	2,513,370	4,153,586	-	-	-	-	-	2,547,775	2,545,900	3,717,025	3,714,462	
81	Lemont Sale	1,298,325														
82	Bond Reimbursements				198,370	-	-	-	-	-	-	-	-	-	-	
83	Net Investment Earnings	1,191,756	224,857	148,921	681,809	1,041,722	833,721	796,227	773,171	749,768	726,015	736,905	786,175	836,156	904,454	
84	Total Additions	4,273,581	224,857	7,108,921	3,393,549	5,195,308	833,721	796,227	773,171	749,768	726,015	3,284,680	3,332,075	4,553,181	4,618,916	
85																
86	Uses:															
88	Debt Service:															
89	2018 Bonds - Elementary (1)	(3,441,200)	(3,444,450)	(3,444,700)	(3,444,600)											
90	2019 Bonds - HS/Elem/Nittany Ave/Memorial Field/Playgrounds/North bldg (2)	(638,715)	(1,404,075)	(1,411,075)	(1,411,700)											
91	Middle School (3)															
92																
93	Capital Expenditures:															
94	Athletic/Recreation Facilities (4)				(2,333,333)			(2,333,333)	(2,333,333)	(2,333,333)						
95	Physical Plant Building (6)					(1,700,000)	(3,333,333)									
96	MNMS HVAC	(563,613)														
97	South Track Lighting	(442,209)														
98	North Field Lighting															
99	North Field Project	(83,455)														
100	Total Uses	(5,169,192)	(4,848,525)	(4,855,775)	(7,189,633)	(1,700,000)	(3,333,333)	(2,333,333)	(2,333,333)	(2,333,333)						
101																
102	Net Change	(895,611)	(4,623,668)	2,253,146	(3,796,084)	3,495,308	(2,499,612)	(1,537,106)	(1,560,162)	(1,583,565)	726,015	3,284,680	3,332,075	4,553,181	4,618,916	
103																
104	Ending Fund Balance	\$64,456,646	\$59,832,977	\$62,086,123	\$51,657,870	\$65,581,432	\$63,081,820	\$61,544,714	\$59,984,552	\$58,400,987	\$59,127,002	\$62,411,682	\$65,743,757	\$70,296,939	\$74,915,855	
105																
107	<i>(1) Elementary: Series 2018 Bonds - debt service for 25 years to fund \$56.9 MM @ 3.72%. Debt service for the Series 2018 Bonds was paid from the Capital Reserve Fund through 2021-22. Recommend payment from General Fund beginning in 2022-23.</i>															
108	<i>(2) Series 2019 Bonds - debt service for 25 years to fund \$25.6 MM @ 2.74%. Borrowing includes \$6.1 Million High School; Elem \$2.9 million; Memorial Field \$12.7 million; Playgrounds \$900,000; North building \$3 million. Debt service for Series 2019 Bonds was paid from the Capital Reserve Fund through 2021-22. Recommend payment from General Fund beginning in 2022-23.</i>															
109	<i>(3) Current projection assumes no borrowing for the middle school project.</i>															
110	<i>(4) Assumes estimated \$7.6 million for Athletic/Recreation Facilities is funded from Capital Reserve. Assumed timing of expenses extended through 2025-26.</i>															
111	<i>(5) Includes a transfer beginning in 2028-29 in the amount which debt service decreases from the 2027-28 base year. This proposed transfer is intended to replenish the capital reserve fund for future projects.</i>															
112	<i>(6) Assumes the funding for the Physical Plant building, which is intended to begin construction in 2022-23, will be funded from the Capital Reserve Fund.</i>															
113																
114	<i>This fund balance is being generated to fund in whole or in part Park Forest Middle school and any other future projects.</i>															

State College Area School District
Fund Balance Summary - General and Capital Reserve Fund
3/24/2023

	Actual 2019- 2020	Actual 2020- 2021	Actual 2021- 2022	Budget 2022- 2023	Projected 2022- 2023	Budget 2023- 2024	Projected 2024- 2025	Projected 2025- 2026	Projected 2026- 2027	Projected 2027- 2028	Projected 2028- 2029	Projected 2029- 2030	Projected 2030- 2031	Projected 2031- 2032
Nonspendable Fund Balance	\$ 1,855,488	\$ 1,827,163	\$ 1,598,758	\$ 1,827,163	\$ 1,598,758	\$ 1,598,758	1,598,758	1,598,758	1,598,758	1,598,758	1,598,758	1,598,758	1,598,758	1,598,758
General - Assigned- Enterprise		83,127	84,854	83,127	84,854	84,854	84,854	84,854	84,854	84,854	84,854	84,854	84,854	84,854
General Unassigned	12,627,467	12,264,882	13,429,482	14,287,834	14,410,284	14,817,764	15,266,716	15,741,293	16,145,552	16,630,155	17,107,210	17,123,164	16,204,447	10,731,650
General Committed Revenue Shortfall	10,158,600	24,472,600	24,472,600	26,857,274	-	-	-	-	-	-	-	-	-	-
General Committed Debt Service					27,389,041	27,389,041	25,020,041	22,026,041	19,015,041	15,274,041	10,905,041	6,052,116	1,205,191	-
General Committed Health Insurance			7,200,000	-	7,992,790	8,792,787	9,598,141	10,484,031	11,458,511	12,530,437	13,709,557	15,006,589	16,433,324	18,002,732
General Committed PSERS	2,640,414	2,640,414	2,640,414	1,848,096	-	-	-	-	-	-	-	-	-	-
Total General Fund	27,281,969	41,288,186	49,426,108	44,903,494	51,475,727	52,683,204	51,568,510	49,934,977	48,302,715	46,118,245	43,405,420	39,865,480	35,526,573	30,417,994
Capital Reserve Fund	64,456,646	59,832,977	62,086,123	51,657,870	65,581,432	63,081,820	61,544,714	59,984,552	58,400,987	59,127,002	62,411,682	65,743,757	70,296,939	74,915,855
Total Fund Balance	<u>\$ 91,738,615</u>	<u>\$ 101,121,163</u>	<u>\$ 111,512,231</u>	<u>\$ 96,561,364</u>	<u>\$ 117,057,159</u>	<u>\$ 115,765,024</u>	<u>\$ 113,113,224</u>	<u>\$ 109,919,529</u>	<u>\$ 106,703,702</u>	<u>\$ 105,245,247</u>	<u>\$ 105,817,102</u>	<u>\$ 105,609,238</u>	<u>\$ 105,823,512</u>	<u>\$ 105,333,849</u>

Attachment C

Expense by Department Budget

2022-23 vs Budget 2023-24

**State College Area School District
Expense by Department
Budget 2022-23 vs. Budget 2023-24**

Department Title	2022-23 Budget	2023-24 Budget	Variance	Explanations
DISTRICTWIDE	122,678,658	123,208,459	529,801	Contractual and estimated salary and related benefit increases \$4.4 million, offset by a reduction in FTEs compared to prior year \$754k and a decr in health \$2.2 million and PSERS related to rate \$918k.
SUPERINTENDENT	442,515	519,910	77,395	Conf travel/training \$30k; Morale Survey \$30k; Guest Speakers \$20k
ASST SUPER FOR SECOND ED	725,667	747,460	21,793	Vector \$8k; professional development and sal/ben inflator
FIN & OPERATIONS OFFICER	15,827,488	14,125,611	(1,701,877)	Decr in Capital Reserve Transf \$2.5 million offset by increase in contingency of \$795k
ASST SUPVR FOR ELEM ED	476,058	528,394	52,336	Vector \$8k; Ipads for Elem princ \$4k; professional development and sal/ben inflator
DIRECTOR-HUMAN RESOURCES	667,589	755,918	88,329	Est incr in retirement bonus and longevity
DIRECTOR OF SPECIAL EDUC	2,976,074	3,160,467	184,393	Incr in tuition expense
DIRECTOR OF STUDENT SERVICES	441,728	661,767	220,039	Expenses previously changed to ESSER for mental health services \$160k; PCCD grant funded mental health conf \$50k
DIRECTOR OF TECHNOLOGY	3,659,793	4,417,047	757,254	Equipment inflation \$300k; Cyber security \$200k; HR System \$149k; Auditorium support \$75k; multi-factor authentication \$20k; phone and internet \$10k; offset by decr in WAN \$40k and contracted maint \$32k.
PUBLIC INFORMATION SPEC	78,072	57,350	(20,722)	Reduced advertising
ASST BUSINESS ADMINISTRAT	13,818,869	18,850,768	5,031,899	\$4.9 million debt service prev in capital reserve fund; \$125k related to potential assessment appeals
ATHLETICS DIRECTOR	2,008,217	2,076,364	68,148	Girls wrestling and inflation
PHYSICAL PLANT DIRECTOR	5,335,994	6,166,075	830,081	Gas and Electric \$598k; Electrical study \$140k; ADA doors and classroom locks \$65k
AQUATICS DIRECTOR	65,826	67,208	1,381	
TRANSPORTATION DIRECTOR	4,458,342	4,627,586	169,243	Bus contract/inflation \$157k ; Est IU provided trans \$136k ; offset by decr in vehicle purchase (\$120k)
STUDENT ACTIVITIES DIR	596,986	613,793	16,807	Annual uniform cleaning \$4k; Field trip \$8 k; salary increases
CAREER TECH CENTER DIRECT	329,126	420,028	90,902	\$86k related to incr in students attending CPI
CTC ENTERPRISE	86,500	103,950	17,450	Incr in estimated rev and exp related to enterprise funds.
CORL STREET ELEMENTARY	32,667	33,738	1,070	
EASTERLY PARKWAY ELEM	42,307	44,562	2,255	
FERGUSON TOWNSHIP ELEM	39,899	43,824	3,925	
PARK FOREST ELEMENTARY	57,034	60,587	3,553	
RADIO PARK ELEMENTARY	50,875	55,808	4,932	
GRAY'S WOODS ELEMENTARY	51,813	52,012	199	
MOUNT NITTANY ELEMENTARY	56,230	60,447	4,217	
DIRECTOR OF GIFTED ED	96,770	102,557	5,787	
REGISTRATION	32,719	32,719	-	
EQUITY & INCLUSION	106,767	133,276	26,510	Additional training and presenters
SPRING CREEK ELEMENTARY	48,197	52,012	3,815	

Department Title	2022-23 Budget	2023-24 Budget	Variance	Explanations
VIRTUAL ACADEMY-ELEM	99,000	66,883	(32,117)	Assumed decr in enrollment
FEDERAL GRANTS	812,411	392,981	(419,430)	Decr in ESSER funded spending
MOUNT NITTANY MIDDLE SCHL	139,320	142,296	2,976	
PARK FOREST MIDDLE SCHL	155,364	162,687	7,323	
DIR OF CURRICULUM 6-8	83,050	129,477	46,427	Offset by decrease in Dir of Curr 9-12
VIRTUAL ACADEMY-SECONDARY	204,869	354,703	149,834	Costs reclassified from Educational Alternative
HIGH SCHOOL PRINCIPALS	645,824	636,801	(9,023)	
INTERN'L BACC DIPLOMA PRG	59,010	67,847	8,837	
DIR OF CURRICULUM 9-12	270,206	193,489	(76,717)	Offset by increase in Dir of Curr 6-8
EDUCATIONAL ALTERNATIVES	283,697	128,715	(154,982)	Costs reclassified to Virtual academy
COMMUNITY EDUCATION	1,619,818	1,676,855	57,037	Inflation of compensation and provider costs
LIBRARY	48,973	48,973	0	
ELEM CURR BUDGET	562,952	1,351,331	788,379	New Reading curriculum
	180,273,275	187,132,735	6,859,460	

Attachment D

Full Time Equivalent (FTE) Summary

2022-23 vs Budget 2023-24

State College Area School District
FTE's

Position	Budget 2022-23	Budget 2023-24	FY24 vs. FY23 Budget
COORDINATOR	6.00	5.10	(0.90)
ELEMENTARY TEACHER	246.20	242.20	(4.00)
GUIDANCE COUNSELORS	22.00	23.50	1.50
HOME AND SCHOOL VISITOR	4.00	4.00	-
INSTR TECHNOLOGY SPECIALIST	4.50	4.00	(0.50)
INTERPRETER	1.50	1.50	-
LIBRARIAN	11.50	11.50	-
MENTAL HEALTH CLIN	3.00	4.00	1.00
NURSES, DENTAL HYGIENISTS	9.00	9.00	-
PSYCHOLOGIST	11.00	11.00	-
SECONDARY TEACHER	264.44	264.38	(0.06)
SPECIAL EDUCATION TEACHER	68.00	69.70	1.70
SPEECH AND HEARING	10.00	11.00	1.00
Total SCAEA	661.14	660.88	(0.26)

Explanation
.5 Counseling Coord (offset by decr in counselor); .9 reduction in SAT coordinator; .5 virtual moved to Asst Princ.
Reduction in Virtual teachers from 3 to 2; 1.0 transferred to mental health; additional reduction of 2.0 positions which were unfilled in 2022-23.
1.0 Behavior Interv (repurposed PFMS English); 1.0 coordinator moved to counselor; offset by .5 decrease that was moved to counseling coordinator
.5 position budgeted in error in 2022-23
Transfer from Elem
2 FTE teachers added; offset by reduction of 5 special ed paras
Added position

CLERICAL	4.00	4.00	-
CLERICAL PARAPROFESSIONAL	1.00	1.00	-
HEALTH CARE PARAPROFESSIONAL	9.57	10.00	0.43
LIBRARY PARAPROFESSIONAL	10.00	10.00	-
MONITOR PARAPROFESSIONAL	1.00	-	(1.00)
PARAPROFESSIONAL	97.40	102.39	5.00
PARAPROFESSIONAL - LIFT BUS	0.57	0.57	-
PARAPROFESSIONAL COMP LAB	4.00	3.00	(1.00)
PARAPROFESSIONAL-SPECIAL EDUC	158.86	148.99	(9.86)
SECRETARY	55.73	55.73	-
Total SCESPA	342.13	335.69	(6.44)

Parking lot monitor will not be filled
Reflects an increase in hours during 2022-23, but reflects a decrease compared to hours currently worked.
Repurposed for tech specialist
Repurposed with increase in Special Educ Teachers; reduction of additional 5.0 positions which were unfilled in 2022-23.

Position	Budget 2022-23	Budget 2023-24	FY24 vs. FY23 Budget	Explanation
PHYSICAL PLANT CUSTODIAN	67.50	65.00	(2.50)	
PHYSICAL PLANT GROUNDS	7.00	9.00	2.00	
PHYSICAL PLANT MAINTENANCE	6.00	6.00	-	
PHYSICAL PLANT SUPERVISOR	6.00	6.00	-	
TRANSPORTATION BUS DRIVER	31.63	30.00	(1.63)	Reduction related to fewer utilized positions
TRANSPORTATION MECHANIC	5.00	5.00	-	
TRANSPORTATION SUPERVISOR	2.00	2.00	-	
Total AFSCME	125.13	123.00	(2.13)	
ACT93 MANAGERS	12.50	12.50	-	
ASSISTANT PRINCIPAL	6.00	6.50	0.50	Virtual Asst Principal (increase is offset by decrease in coordinators)
CENTRAL OFFICE ADMINISTRATOR	5.00	5.00	-	
OTHER ADMINISTRATOR	15.00	15.00	-	
PRINCIPAL	11.00	11.00	-	
Total Administrators	49.50	50.00	0.50	
CEEL ASST SITE SUPERVISOR-C.E.	2.00	1.00	(1.00)	Position not utilized
CEEL SUPERVISOR-COMM ED	7.00	7.00	-	
EDUCATIONAL RECORDS COORDINATR	1.00	1.00	-	
EXECUTIVE SECRETARY	7.00	7.00	-	
FINANCE OFFICE	1.00	1.00	-	
HUMAN RESOURCES	1.00	1.00	-	
POOL OPERATOR/FITNESS CTR	1.50	1.50	-	
PRINTER	2.00	2.00	-	
SECURITY GUARD	2.10	3.00	0.90	Lead Security guard added offset by reduction in contracted guards
TECHNOLOGY SPECIALIST	15.00	17.00	2.00	1.0 addition and a transfer of 1.0 computer lab para.
ASG, Exec Secretary and Technology	39.60	41.50	1.90	
Total	1,217.50	1,211.07	(6.42)	

Note: There have been reductions and shifts in 2023-24 budgeted FTE's to reflect unfilled positions in 2022-23 due to lower enrollment than previously expected.

Attachment E

2023-2024 Budget Development Calendar

State College Area School District

2023-2024 Budget Development - Updated March 24, 2023

Key dates in the budget process based on PDE published filing requirements.

November 9 Finance Committee

- Administration will present budget projections including real estate tax increases at 0%, 2%, and 4.1% (Act 1 Index).

November 21 Board Discussion

- Administration will present budget projections including real estate tax increases at 0%, 2%, and 4.1% (Act 1 Index).

December 5 Board Discussion

- Administration will present an initial proposed preliminary budget including recommendation to adopt opt out resolution.

December 14 Finance Committee

- Budget Development - Proposed preliminary budget presented

December 19 Board Discussion

- Board discussion of proposed preliminary budget and adopt opt out resolution.

December 31

- District deadline to notify residential property owners not currently approved or whose approval is due to expire that the owner must submit a completed application to county assessment office to qualify for homestead exclusion. Deadline for submitting an application is March 1.

January 11 Committee of the Whole

- Budget Development

January 23 - Board Meeting Action Required

- Deadline to make 2023-2024 proposed preliminary budget available for public inspection or adopt resolution indicating will not raise the rate of any tax by more than index. (PDE deadline January 26)

January 28

- Deadline to submit a copy of adopted resolution

February 6 Committee of the Whole Action Required

- Adopt a preliminary budget if resolution is not adopted. (PDE deadline February 15)

February 11

- Deadline to submit 2023-2024 preliminary budget containing proposed tax rate increases to PDE. (Five days after adoption, N/A if opt out resolution adopted)

February 20 Board Meeting

- Budget Development

February 23

- Deadline to publish notice of intent to request approval for a referendum exception.

March 1

- Deadline for residential property owners to submit homestead application to County Assessment office.

March 2

- File Referendum exception request (N/A if opt out resolution adopted)

March 13 Committee of the Whole

- Budget Development

March 17

- PDE deadline to file referendum exception request (75 days prior to primary Election) (N/A if opt out resolution adopted)

March 20 Board

- Budget Development

March 22

- PDE to rule on school district request for referendum exception (55 days prior to primary election)

March 30 Finance Committee

- Budget Development

April 3 Committee of the Whole

- Budget Development

April 17 Board Meeting

- Presentation of district proposed final budget for 2023-2024

May 1 Committee of the Whole Action Required

- Approval of district Proposed Final Budget for 2023-2024 for board.
(Resolution and advertising - 30 days prior to final budget adoption; PDE Deadline May 31)
- School Board President to sign and send to PDE Certification of Use of PDE-2028

May 15 Board Meeting and Budget Hearing

- Public hearing for district final budget for 2023-2024
- Proposed Final Budget on Form PDE-2028 available for public inspection (PDE deadline 20 days prior to final budget adoption)

May 16

- Primary Election Day

May 25

- District publish notice of intent to adopt Final Budget (PDE deadline 10 days prior to adoption)

June 5 Committee of the Whole (Board action required)

- Adopt Final Budget on Form PDE-2028 (resolution)
- Homestead and Farmstead Exclusion Resolution
- Annual Tax Levy Resolution
- Installment Payment Plan Resolution
- (PDE deadline June 30)