



## STATE COLLEGE AREA SCHOOL DISTRICT

### Office of Finance and Operations

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To: Finance and Audit  
From: Randy Brown and Donna Watson  
Date: January 11, 2012  
Subject: 2022-2023 Budget Development

The purpose of this discussion is to set the stage for the budget development process through final budget approval. The [Budget calendar](#) details the steps remaining in the process.

With the passage of the Accelerated Opt Out resolution earlier this week, our budget development will look at the components of the budget. The proposed budget is included in attachment A.

Upcoming presentations will include analysis of the revenue and expense components. Being 79% locally funded, real estate, earned income, and realty transfer tax revenue will be of primary focus. Since compensation accounts for more than 75% of all expenses, salaries, wages and benefits will take most of our attention for the expenses. Also deserving an understanding is charter school costs, capital project and reserve transfer as well as COVID-19 expenses. In this budget COVID-19 expenses will be funded largely by ARP ESSER III funding. Attachment B provides a summary of factors and descriptions for revenue and expenses. In an future presentation we will look at the budget from a functional approach.

# Attachment A

	A	B	C	E	F	G
1	<b>State College Area School District</b>					
2	<b>General Fund Activity</b>					
3	<b>Budget 2022-23</b>					
4						
13						
		<b>Board</b>	<b>Finance</b>	<b>Board</b>		
		<b>Presentation</b>	<b>Committee</b>	<b>Presentation</b>	<b>12/6/21 vs.</b>	
14		<b>5/24/21</b>	<b>10/13/21</b>	<b>12/6/21</b>	<b>10/13/21</b>	
15						
16	<b>Beginning Fund Balance</b>	\$13,222,030	\$13,499,037	\$13,222,179	(\$276,858)	a
17						
18	<b>Revenue</b>	171,669,896	175,328,980	175,531,997	203,017	
19						
20	Local	135,917,135	139,805,996	140,105,996	300,000	
21	State	32,007,392	32,468,092	32,371,110	(96,983)	
22	Federal	3,745,368	3,054,892	3,054,892	0	
23						
24	<b>Expense (including capital reserve transfer)</b>	176,131,677	179,232,111	179,506,827	274,717	
25	<b>Revenue less expense</b>	(4,461,781)	(3,903,132)	(3,974,830)	(71,699)	b
26						
27	Funding (Use) of Assigned Fund Bal (COVID-19)	(4,792,900)	(4,203,900)	(4,573,900)	(370,000)	c
28	Funding (Use) of Assigned Fund Bal (PSERS)	(396,159)	(396,159)	(396,159)	0	d
29	<b>Change in Assigned Fund Balance</b>	(5,189,059)	(4,600,059)	(4,970,059)	(370,000)	e (c+d)
30						
31	<b>Change in Unassigned General Fund Balance</b>	727,278	696,927	995,229	298,301	f (b-e)
32						
33	<b>Ending Unassigned Fund Balance</b>	<u>\$13,949,309</u>	<u>\$14,195,964</u>	<u>\$14,217,408</u>	<u>\$21,443</u>	(a+f)
34						
35	<b>Unassigned Fund Balance Percentage</b>	7.9%	7.9%	7.9%		
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						

## Attachment B

## State College Area School District

### General Fund Revenue

#### LOCAL SERVICES TAX

CURRENT REAL ESTATE TAX  
EARNED INCOME TAX  
REALTY TRANSFER TAX  
DELINQUENT REAL ESTATE TAX  
INTERIM REAL ESTATE TAX  
IDEA-B  
PAYMENTS IN LIEU OF TAX  
LOCAL SERVICES TAX  
TUITION  
MISC LOCAL REVENUE  
PUBLIC UTILITY REALTY TAX  
INTEREST ON INVESTMENTS

#### FACTORS

millage; assessed value additions, deletions, appeals; collections  
income earned by taxpayers  
.5% of real estate value sold  
collections of prior year delinquencies  
propertys added to tax roll since last tax bill  
allocation based upon student IEP's  
payments from PSU in place of real estate taxes on income produced properties; number of properties and lease amounts of prop  
number of individuals employed, full and part time  
nonresident students; community ed. Program enrollments  
rentals and other miscellaneous  
public utility realty tax in lieu of local real estate taxes  
available rate and amount of funds invested

#### STATE

BASIC ED INSTR SUBSIDY  
SPECIAL ED REVENUE  
REV. FOR RETIREMENT  
REV. FOR SOCIAL SECURITY  
PROPERTY TAX REDUCTION  
TRANSPORTATION REVENUE  
BOND REIMBURSEMENTS  
HEALTH SERVICES REVENUE  
READY TO LEARN GRANT  
SAFETY GRANTS  
VOCATIONAL EDUCATION  
OTHER STATE REVENUE  
TUITION - 1305/1306

formula driven based in part by number of students and student population makeup  
formula driver based in part by special education expenses and student population  
50% reimbursement of costs  
50% reimbursement of costs  
Homestead Exemption funded by gambling revenues  
formula driven based upon transportation costs, miles driven; public and nonpublic school students  
reimbursement of debt service payments  
reimbursement of certain health services provided  
allocation to assist with kindergarten and other eligible exepnses  
allocation varies  
reimbursement of career and technical center education expenses - formula driven  
other revenue  
reimbursement of costs to education nonresident students housed in various centers, homes or institutions inside district

#### FEDERAL

TITLE I REVENUE  
TITLE II REVENUE  
ACCESS FUNDS  
OTHER FEDERAL REVENUE (5)  
TITLE III REVENUE

subsidy based upon census poverty  
subsidy to fund costs associated with improving teacher and leader quality  
reimbursement of costs of services provided to ACCESS eligible students  
other revenue  
subsidy to fund costs for teaching English language learners

## State College Area School District

### EXPENSES

Salaries	salaries, wages, overtime, extra pay, activity advisor, coach; full-time and part-time
Health Insurance	self-funded - actual claims for covered individuals
PSERS	based upon allowable salaries and wages
Other Benefits	life insurance, workers compensation, dental, vision
Professional Services	administrative, technical, security, data, professional education, employee training
Purchased Property Services	water/sewage, rentals, repairs and maintenance
Charter School Expense	charter school tuition expense - rate based upon district costs and enrollment
Other Purchased Services	student transportation, insurance, advertising, travel, and tuition paid to other LEAs/institutions
Supplies/Equipment	general supplies, energy, food, books
Deferred Maintenance	transfer to capital projects fund for deferred maintenance expenses
Transfers/contingencies	transfer to food service fund and contingencies
Debt Service	debt service
Debt Service - Referendum Debt	debt service - referendum debt
Transfer to Capital Reserve	transfer to capital reserve fund