

7.A.

# State College Area School District



# 2024-25 Budget Development

**State College  
Area School District  
May 6, 2024**

# Budget 2024-25

2024-2025 Real estate tax:

increase 2.65%

millage 50.9228 mills

Historical Tax Rate Changes:

2023-2024 4.10%

2022-2023 3.40%

2021-2022 0.00%

2020-2021 0.00%

# Budget 2024-25

**State College Area School District  
General Fund Activity  
Proposed Final Budget - 2024-25**

Beginning Fund Balance	\$	14,769,652
Revenue	\$	197,948,622
Local	\$	157,507,519
State	\$	38,966,103
Federal	\$	1,475,000
<b>Expense (including Capital Reserve transfer)</b>	\$	205,608,390
<b>Revenue less of expense</b>	\$	(7,659,768)
Funding/(Use) of Committed Fund Balance - Debt Service	\$	(2,349,000)
Funding/(Use) of Committed Fund Balance - Health Insurance	\$	(3,150,000)
<b>Change in Committed Fund Balance</b>	\$	<b>(5,499,000)</b>
<b>Change in Unassigned Fund Balance</b>	\$	<b>(2,160,768)</b>
<b>Ending Unassigned Fund Balance</b>	\$	<b>12,608,884</b>
<b>Unassigned Fund Balance Percentage</b>		<b>6.13%</b>

# Budget 2024-25 Revenue

REVENUES	Final 2023-2024 Budget	Board Present 4/15/2024	Board Present 5/6/24	5/6 vs 4/15 Present	Variance Explanation
<b>LOCAL SERVICES TAX</b>					
CURRENT REAL ESTATE TAX	\$ 117,684,204	\$ 118,476,582	\$ 118,111,748	\$ (364,834)	5/1/24 notification from PDE about property tax reduction
REAL ESTATE TAX-REFERENDUM DEBT	\$ 4,946,210	\$ 4,946,210	\$ 4,946,210	\$ -	
EARNED INCOME TAX	\$ 22,420,000	\$ 22,660,000	\$ 22,660,000	\$ -	
REALTY TRANSFER TAX	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ -	
DELINQUENT REAL ESTATE TAX	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ -	
INTERIM REAL ESTATE TAX	\$ 600,000	\$ 600,000	\$ 600,000	\$ -	
IDEA-B	\$ 898,756	\$ 918,756	\$ 918,756	\$ -	
PAYMENTS IN LIEU OF TAX	\$ 647,824	\$ 647,824	\$ 647,824	\$ -	
LOCAL SERVICES TAX	\$ 420,000	\$ 420,000	\$ 420,000	\$ -	
TUITION	\$ 1,555,621	\$ 1,950,991	\$ 1,950,991	\$ -	
MISC LOCAL REVENUE	\$ 557,607	\$ 534,800	\$ 534,800	\$ -	
PUBLIC UTILITY REALTY TAX	\$ 117,190	\$ 117,190	\$ 117,190	\$ -	
INTEREST ON INVESTMENTS	\$ 1,000,000	\$ 3,000,000	\$ 3,000,000	\$ -	
<b>TOTAL LOCAL</b>	<b>\$ 154,447,412</b>	<b>\$ 157,872,353</b>	<b>\$ 157,507,519</b>	<b>\$ (364,834)</b>	
<b>STATE</b>					
BASIC ED INSTR SUBSIDY	\$ 10,600,367	\$ 12,500,000	\$ 12,500,000	\$ -	
SPECIAL ED REVENUE	\$ 3,485,046	\$ 3,485,046	\$ 3,485,046	\$ -	
REV. FOR RETIREMENT	\$ 14,400,000	\$ 14,729,420	\$ 14,732,199	\$ 2,779	Further refinement of PSERS amount
REV. FOR SOCIAL SECURITY	\$ 3,173,000	\$ 3,330,178	\$ 3,330,793	\$ 615	Adjustment based on further refinement of salaries amount
PROPERTY TAX REDUCTION	\$ 1,794,014	\$ 1,794,014	\$ 2,169,431	\$ 375,417	5/1/24 notification from PDE about property tax reduction
TRANSPORTATION REVENUE	\$ 800,000	\$ 800,000	\$ 800,000	\$ -	
BOND REIMBURSEMENTS	\$ 910,907	\$ 910,907	\$ 910,907	\$ -	
HEALTH SERVICES REVENUE	\$ 140,000	\$ 140,000	\$ 140,000	\$ -	
READY TO LEARN GRANT	\$ 310,013	\$ 310,013	\$ 310,013	\$ -	
SAFETY GRANTS	\$ -	\$ -	\$ -	\$ -	
VOCATIONAL EDUCATION	\$ 226,000	\$ 226,000	\$ 226,000	\$ -	
OTHER STATE REVENUE (4)	\$ -	\$ 231,714	\$ 231,714	\$ -	
TUITION - 1305/1306	\$ 130,000	\$ 130,000	\$ 130,000	\$ -	
<b>TOTAL STATE</b>	<b>\$ 35,969,347</b>	<b>\$ 38,587,292</b>	<b>\$ 38,966,103</b>	<b>\$ 378,811</b>	
<b>FEDERAL</b>					
TITLE I REVENUE	\$ 600,000	\$ 825,000	\$ 825,000	\$ -	
TITLE II REVENUE	\$ 140,000	\$ 155,000	\$ 155,000	\$ -	
ACCESS FUNDS	\$ 350,000	\$ 350,000	\$ 350,000	\$ -	
OTHER FEDERAL REVENUE (5)	\$ 110,000	\$ 110,000	\$ 110,000	\$ -	
TITLE III REVENUE	\$ 35,000	\$ 35,000	\$ 35,000	\$ -	
<b>TOTAL FEDERAL</b>	<b>\$ 1,235,000</b>	<b>\$ 1,475,000</b>	<b>\$ 1,475,000</b>	<b>\$ -</b>	
<b>TOTAL REVENUE</b>	<b>\$ 191,651,759</b>	<b>\$ 197,934,645</b>	<b>\$ 197,948,622</b>	<b>\$ 13,977</b>	Change since 4/15 Board Meeting

# Budget 2024-25 - Expenses

EXPENSES	Final Budget Presentation	Board Present 4/15/24	Board Present 5/6/24	5/6 vs 4/15 Present	Variance Explanation
Salaries	\$ 84,647,186	\$ 88,840,284	\$ 88,856,677	\$ 16,393	Add SE/Gifted Secretary & IT Manager - Adjusted Bus Drivers
Health Insurance	\$ 17,717,801	\$ 20,500,000	\$ 21,500,000	\$ 1,000,000	Increase in Health Insurance - updated information
PSERS	\$ 28,800,000	\$ 29,458,840	\$ 29,464,397	\$ 5,557	Add SE/Gifted Secretary & IT Manager - Adjusted Bus Drivers
Other Benefits	\$ 8,000,000	\$ 8,674,400	\$ 8,674,970	\$ 570	Add SE/Gifted Secretary & IT Manager - Adjusted Bus Drivers
Professional Services	\$ 4,550,000	\$ 4,944,162	\$ 4,944,162	\$ -	
Purchased Property Services	\$ 1,380,000	\$ 1,476,588	\$ 1,476,588	\$ -	
Charter School Expense	\$ 6,800,000	\$ 6,525,000	\$ 6,525,000	\$ -	
Other Purchased Services	\$ 7,790,000	\$ 8,272,402	\$ 8,272,402	\$ -	
Supplies/Equipment	\$ 10,380,000	\$ 10,883,403	\$ 10,883,403	\$ -	
Deferred Maintenance	\$ 2,437,992	\$ 2,437,992	\$ 2,437,992	\$ -	
Transfers/contingencies/fees	\$ 2,776,230	\$ 3,080,973	\$ 5,095,973	\$ 2,015,000	Adjust PY Receipts & Food Services down, add Contingency for Health Insurance
Debt Service	\$ 12,218,200	\$ 12,218,200	\$ 12,218,200	\$ -	
Debt Service - Referendum Debt	\$ 5,258,625	\$ 5,258,625	\$ 5,258,625	\$ -	
<b>Total Expense before transfers &amp; use of fund balance</b>	<b>\$ 192,756,034</b>	<b>\$ 202,570,869</b>	<b>\$ 205,608,390</b>	<b>\$ 3,037,520</b>	
Fund Balance Commitment/Use (Debt Service)(3)	(2,349,000)	\$ (2,349,000)	\$ (2,349,000)	\$ -	
Fund Balance Commitment/Use (Health Insurance)	805,355	\$ -	\$ (3,150,000)	\$ (3,150,000)	Budget a transfer from Health Insurance Committed Fund Balance
<b>Total Fund Balance Commitment/(Use)</b>	<b>\$ (1,543,645)</b>	<b>\$ (2,349,000)</b>	<b>\$ (5,499,000)</b>	<b>\$ (3,150,000)</b>	
<b>Total Expense and Transfers (excl fund balance use/commitment)</b>	<b>\$ 191,212,389</b>	<b>\$ 200,221,869</b>	<b>\$ 200,109,390</b>	<b>\$ (112,480)</b>	Change since 4/15 Presentation

# Budget 2024-25 - Rollforward

REVENUES	Final 2023-2024 Budget	Board Present 4/15/2024	Board Present 5/6/24	5/6 vs 4/15 Present	
<b>BEGINNING FUND BALANCE</b>	\$ 14,828,184	\$ 15,669,652	\$ 14,769,652	\$ (900,000)	a
<b>REVENUE</b>	\$ 191,651,759	\$ 197,934,645	\$ 197,938,039	\$ 3,394	b
LOCAL	\$ 154,447,412	\$ 157,872,353	\$ 157,872,353	\$ -	
STATE	\$ 35,969,347	\$ 38,587,292	\$ 38,590,686	\$ 3,394	
FEDERAL	\$ 1,235,000	\$ 1,475,000	\$ 1,475,000	\$ -	
<b>EXPENSES (INCLUDING CAP RESERVE TRANSFER)</b>	\$ 192,756,034	\$ 202,570,869	\$ 205,608,390	\$ 3,037,521	c
<b>REVENUE LESS EXPENSE</b>	<b>\$ (1,104,275)</b>	<b>\$ (4,636,224)</b>	<b>\$ (7,670,351)</b>	<b>\$ (3,034,127)</b>	(b-c)
FUNDING/(USE) OF COMM FUND BAL - DEBT SERV	\$ (2,349,000)	\$ (2,349,000)	\$ (2,349,000)	\$ -	
FUNDING/(USE) OF COMM FUND BAL - HEALTH INS	\$ 805,355	\$ -	\$ (3,150,000)	\$ (3,150,000)	
<b>CHANGE IN COMMITTED FUND BALANCE</b>	<b>\$ (1,543,645)</b>	<b>\$ (2,349,000)</b>	<b>\$ (5,499,000)</b>	<b>\$ (3,150,000)</b>	d
<b>CHANGE IN UNASSIGNED FUND BALANCE</b>	<b>\$ 439,370</b>	<b>\$ (2,287,224)</b>	<b>\$ (2,171,351)</b>	<b>\$ 115,873</b>	(b-c)+d
<b>ENDING UNASSIGNED FUND BALANCE</b>	<b>\$ 15,267,554</b>	<b>\$ 13,382,428</b>	<b>\$ 12,598,301</b>	<b>\$ (784,127)</b>	a+(b-c)-d
<b>UNASSIGNED FUND BALANCE PERCENTAGE</b>	7.92%	6.61%	6.13%		

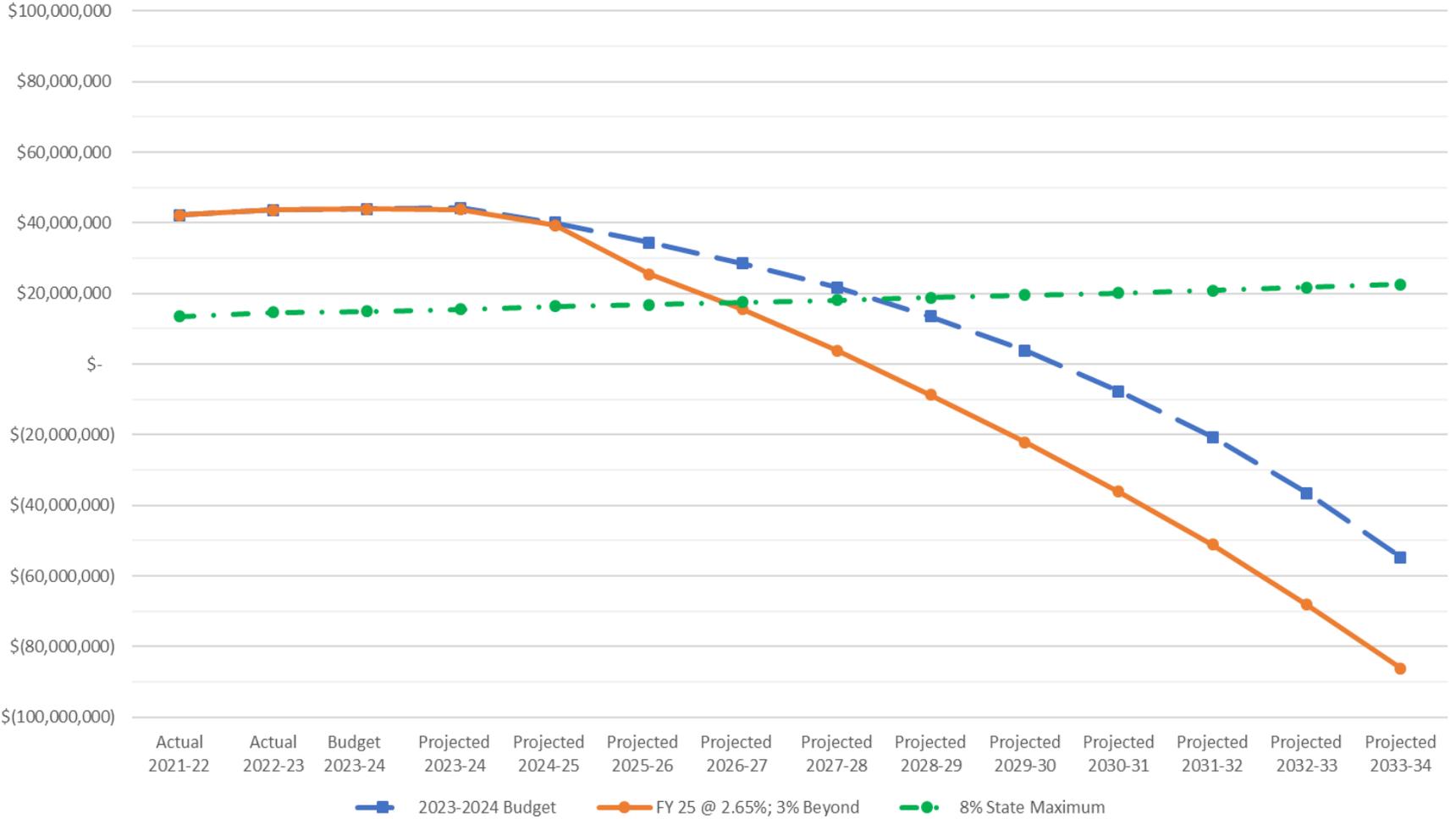
# Budgeted Changes Since 4/15 Presentation

- Health insurance increased by \$1M based upon updated information
- Contingency:
  - Increase due to a change in methodology for health insurance, budgeting worst case scenario versus projected amount, funding the difference via a transfer from Committed Fund Balance – Health Insurance
  - Reduction based on updated information and calculations
- Addition of 2 positions:
  - IT Manager
  - MTSS and Intervention Support Secretary
- Adjustment of Bus Driver positions to expected occupied positions

State College Area School District  
2024-25 Proposed Final Budget

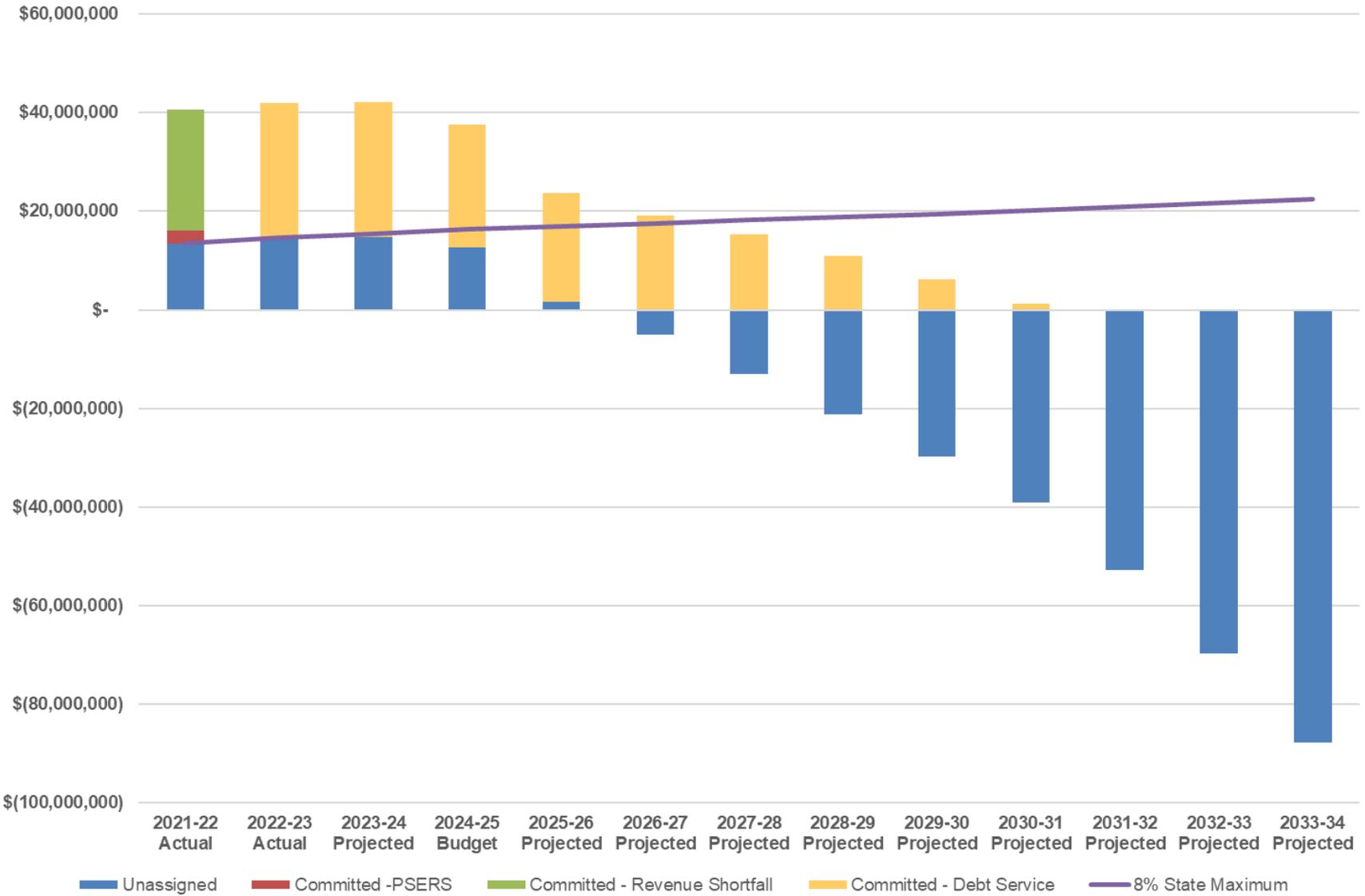
	A	B	C	D	E	F	G	H	I	J	K
Function	Salaries	Benefits	Professional Services	Purchased Property Services	Charter School	Other Purchased Services	Supplies/ Equip	Other Exp & Financing Uses	Total Expense	2024-25 % of Total Budget	2023-24 % of Total Budget
<b>Instructional</b>											
<b>Regular Instructional</b>											
1 Regular Programs	\$44,656,235	\$28,071,658	\$56,041	\$26,892	\$4,391,602	\$492,081	\$1,005,670	\$40,489	\$78,740,666		
2 Federally Funded Regular Prog	650,115	402,849	1,000	-	-	-	39,198	-	1,093,163		
3 <b>Total Regular Instructional</b>	<b>45,306,350</b>	<b>28,474,507</b>	<b>57,041</b>	<b>26,892</b>	<b>4,391,602</b>	<b>492,081</b>	<b>1,044,868</b>	<b>40,489</b>	<b>79,833,829</b>	<b>39%</b>	<b>39%</b>
4 <b>Other Instructional</b>											
5 Vocational Educ	2,469,779	1,644,025	19,500	6,800	-	57,000	338,860	18,915	4,554,879		
6 Other Programs	1,860,817	1,211,646	78,510	-	-	95,269	118,310	95,009	3,459,561		
7 <b>Total Other Instructional</b>	<b>4,330,596</b>	<b>2,855,671</b>	<b>98,010</b>	<b>6,800</b>	<b>-</b>	<b>152,269</b>	<b>457,170</b>	<b>113,924</b>	<b>8,014,441</b>	<b>4%</b>	<b>4%</b>
8											
9 <b>Special Programs- Elem/Sec</b>											
10 Life Skills Support- Public	268,792	154,649	-	-	-	-	6,800	-	430,240		
11 Deaf or Hearing Impaired Support	159,205	94,556	-	-	-	1,650	300	-	255,711		
12 Blind or Visually Impaired Support	155,499	159,833	-	1,500	-	1,720	4,300	-	322,852		
13 Speech and Language Support	972,204	664,324	-	-	-	5,323	18,000	325	1,660,176		
14 Emotional Support-Public	520,264	330,062	-	-	-	829,704	5,700	-	1,685,730		
15 Autistic Support	3,121,100	2,470,347	-	-	-	665,531	13,100	-	6,270,078		
16 Learning Support- Public	5,798,356	4,606,624	3,500	36,200	-	76,241	132,802	3,600	10,657,322		
17 Gifted Support	1,313,744	831,379	1,000	-	-	2,990	22,725	3,550	2,175,388		
18 Multi-Handicapped Support	379,207	443,831	-	-	-	-	400	-	823,439		
19 Special Programs- Other Support	260,908	143,257	60,600	200	2,133,398	250,500	82,000	-	2,930,863		
20 <b>Total Special Programs</b>	<b>12,949,277</b>	<b>9,898,863</b>	<b>65,100</b>	<b>37,900</b>	<b>2,133,398</b>	<b>1,833,659</b>	<b>286,127</b>	<b>7,475</b>	<b>27,211,799</b>	<b>13%</b>	<b>13%</b>
21											
22 <b>Support Services</b>											
23 Support Services - Students	4,655,116	3,207,638	279,115	175	-	20,700	94,945	2,000	8,259,688		
24 Support Services - Instr Staff	3,243,913	2,403,119	211,605	3,000	-	115,590	702,557	20,200	6,699,984		
25 Support Services - Admin	5,874,222	3,783,698	769,400	19,450	-	64,409	160,656	168,520	10,840,355		
26 Support Services - Pupil Health	1,377,942	1,047,830	714,350	1,695	-	200	57,870	-	3,199,887		
27 Support Services - Business	951,581	626,553	342,715	-	-	47,314	139,550	6,950	2,114,663		
28 Oper of Main of Plant Serv	4,710,537	3,636,865	1,340,204	1,231,500	-	563,064	3,032,500	10,500	14,525,171		
29 Student Transportation Serv	1,504,155	1,158,496	10,168	55,027	-	4,412,610	666,887	840	7,808,184		
30 Support Services - Central	2,426,260	1,756,845	376,840	54,300	-	501,358	3,753,947	54,050	8,923,600		
31 <b>Total Support Services</b>	<b>24,743,727</b>	<b>17,621,043</b>	<b>4,044,397</b>	<b>1,365,147</b>	<b>-</b>	<b>5,725,245</b>	<b>8,608,912</b>	<b>263,060</b>	<b>62,371,531</b>	<b>30%</b>	<b>31%</b>
32											
33 <b>Non-instructional (i.e Student Activities/Athletics/Comm ed)</b>	<b>1,526,727</b>	<b>789,283</b>	<b>679,614</b>	<b>39,850</b>	<b>-</b>	<b>69,148</b>	<b>486,326</b>	<b>75,025</b>	<b>3,665,974</b>	<b>2%</b>	<b>2%</b>
34											
35 <b>Other Expenditures &amp; Financing Uses</b>											
36 Other	-	-	-	-	-	-	-	100,000	100,000		
37 Debt Service Transfer	-	-	-	-	-	-	-	12,218,200	12,218,200		
38 Debt Service- Referendum	-	-	-	-	-	-	-	5,258,625	5,258,625		
39 Deferred Maintenance Transfer	-	-	-	-	-	-	-	2,437,992	2,437,992		
40 Food Service Transfer	-	-	-	-	-	-	-	-	-		
41 Capital Reserve Transfer	-	-	-	-	-	-	-	-	-		
42 Budgetary Reserve	-	-	-	-	-	-	-	4,496,000	4,496,000		
43 <b>Total Other Exp &amp; Financing Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,510,817</b>	<b>24,510,817</b>	<b>12%</b>	<b>12%</b>
44											
45 <b>Total 2024-25 Budget</b>	<b>88,856,677</b>	<b>\$59,639,368</b>	<b>\$4,944,162</b>	<b>\$1,476,588</b>	<b>\$6,525,000</b>	<b>\$8,272,402</b>	<b>\$10,883,403</b>	<b>\$25,010,790</b>	<b>\$205,608,391</b>	<b>100%</b>	<b>100%</b>
46											
47 2024-25 % of Total Budget	43%	29%	2%	1%	3%	4%	5%	12%	100%		
48 2023-24 % of Total Budget	44%	27%	2%	1%	4%	4%	6%	12%	100%		

# General Fund - Unassigned and Committed Fund Balance (Excluding Health)



## General Fund - Unassigned and Committed Fund Balance (Excluding Health)

Assumes 2.65% tax increase in 2024-25; 3% thereafter



# Impact of Real Estate Tax Increase

2023-24 tax data used to calc impact of tax increase on property types (impact on FY 25 tax bills)

Property Type	2023-24 Tax	Count of Parcels	Average Tax	Impact of Tax Increase
Residential	\$ 72,921,066	20,324	\$ 3,588	\$ 95
Commercial and Industrial	\$ 44,352,141	1,585	\$ 27,982	\$ 742
Agricultural	\$ 3,005,871	571	\$ 5,264	\$ 140
<b>All Taxable Properties (1)</b>	<b>\$ 122,268,897</b>	<b>24,507</b>	<b>\$ 4,989</b>	<b>\$ 132</b>

(1) Includes properties summarized in the three subgroups above, plus other properties such as vacant land and non-commercial apartments.

\*Excludes the impact of any change in the homestead/farmstead exclusion

# Next Steps

- May 20 - Board Meeting and Budget Hearing
  - Final budget 2024-25
- June 3 - 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

# Questions

# State College Area School District

