



# State College Area School District

**Randy Brown**

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To: Board of Directors  
From: Curtis Johnson, Randy Brown, Joe Viglione  
Subject: 2024-25 Budget Development  
Date: November 3, 2023

The administration will discuss the budget development process for 2024-2025. This includes the Budget development Calendar per Act 1 of 2006 and the Act 1 Index.

The district budget development calendar including Board discussion and action based upon the PA Department of Education. This calendar takes into account the requirements of the Act 1 Budget process as well as the district Board meeting schedule.

At the November 20 meeting, the administration will present the Opt Out Resolution. In addition, there will be a presentation which considers the potential revenue impact of alternate tax rates.

At the November 29 finance committee meeting, the administration will present comparative financial statements for the current and budget year.

On December 4 the administration will present an initial proposed preliminary budget including a recommendation to adopt the Opt Out resolution.

Due to the Act 1 timeline, the Board will be asked to consider approving the Opt Out Resolution on December 18 due to the January 4, 2024 deadline.

In January, the budget development process will begin focusing on the composition of the district budget in order to inform the Board to pass the final budget before the June 30 deadline.



September 29, 2023

Re: 2024-25 Act 1 Index and Budget-Related Timelines

Dear Superintendent:

I am writing to inform you that the Pennsylvania Department of Education's (PDE) website has been updated with important information pertaining to Special Session Act 1 of 2006 (53 PS 6926).

PDE has calculated the base index for the 2024-25 fiscal year as 5.3 percent.

As defined in Section 302 of Act 1, for school districts with a market value/personal income aid ratio greater than 0.4000, an adjusted index has been calculated and posted on PDE's website at [www.education.pa.gov](http://www.education.pa.gov). From the top menu, select Policy and Funding then Property Tax Relief.

In addition, a timeline of events relating to the 2024-25 budget process has been created and is also available on PDE's website. This document lists both important dates and required events occurring between September 2023 and December 2024.

By the end of October 2023, the Consolidated Financial Reporting System (CFRS) will be opened for reporting of either the 2024-25 Preliminary General Fund Budget or Resolution Not to Exceed Index. A separate notification e-mail will be sent following the opening of CFRS-GFB.

Questions should be directed to [ra-PropertyTax@pa.gov](mailto:ra-PropertyTax@pa.gov).

Sincerely,

A handwritten signature in black ink that reads "Benjamin T. Hanft". The signature is written in a cursive style with a large initial "B" and a stylized "H".

Benjamin T. Hanft, Chief  
Division of Subsidy Administration

# State College Area School District

## 2024-2025 Budget Development

Date: November 6, 2023

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

### **November 6 Committee of the Whole**

- Present 2024-25 Budget Calendar and Act 1 Index

### **November 20 Board Meeting**

- Administration will review budget calendar, Opt Out Resolution and consider potential revenue impact of alternate tax rates.

### **November 29 Finance Committee**

- Administration will present comparative financial statements for current and budget year.

### **December 4 Committee of the Whole**

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

### **December 18 Board Discussion Action Required**

- Adopt resolution indicating will not raise the rate of any tax by more than index. (PDE deadline January 4)

### **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 4**

- Deadline to make 2024-25 proposed version of preliminary budget available for public inspection.

### **January 8 Committee of the Whole**

- Budget Development

### **January 9**

- Deadline to submit a copy of adopted resolution.

### **January 14**

- Deadline to give public notice of the intent to adopt the 2024-2025 preliminary budget unless resolution adopted. (PDE deadline January 24)

### **January 22 Board Meeting**

- Budget Development

### **January 24**

- Deadline to adopt the 2024-2025 preliminary budget unless resolution adopted.

### **January 29**

- Deadline to submit 2024-2025 preliminary budget containing proposed tax rate increases unless resolution adopted. (Five days after adoption, N/A if opt out resolution adopted)

### **February 1**

- Deadline to public notice in newspaper of intent to request approval for a referendum exception.

### **February 5 Committee of the Whole**

- Budget Development

### **February 8**

- Deadline to seek approval for referendum exceptions.

### **February 19 Board Meeting**

- Budget Development

### **February 23**

- Deadline to submit referendum question.

### **February 28**

- PDE deadline to issue ruling on school district's petition for referendum exception.

### **March 1**

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

### **March 11 Committee of the Whole**

- Budget Development

### **March 25 Board Meeting**

- Budget Development

### **April 1 Committee of the Whole**

- Budget Development

### **April 15 Board Meeting**

- Presentation of district proposed final budget for 2024-2025

### **April 23 Primary Election Day**

### **May 6 Committee of the Whole Action Required**

- Approval of district Proposed Final Budget for 2024-2025 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 14**

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

### **May 20 Board Meeting and Budget Hearing**

- Public hearing for district final budget for 2024-2025
- Proposed Final Budget on Form PDE-2028 available for public inspection (PDE deadline 20 days prior to final budget adoption)

### **May 24**

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

**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
- (PDE deadline June 30)

**July 15**

- Deadline to submit 2024-2025 Final Budget on Form PDE-2028 (resolution)

# Timeline for Events Related to 2024-2025 Budget Process

## Special Session Act 1 of 2006

**Dates in Timeline Apply to All School Districts except Philadelphia City SD, Pittsburgh SD, and Scranton SD**

Date	Description	Section
September 1, 2023 <i>(Annual deadline)</i>	<b>Department of Education</b> publishes the 2024-2025 base index in the Pennsylvania Bulletin.	Section 333(l)
September 30, 2023 <i>(Annual deadline)</i>	<b>Department of Education</b> notifies school districts of their 2024-2025 adjusted index.	Section 313(2)
December 15, 2023 <i>(Annual deadline)</i>	<b>School districts</b> with residents paying tax on compensation imposed by Philadelphia under the authority of the Sterling Act certify to the Department of Education the total amount of 2022 tax credits provided based on the tax rate of the school district. (Applies only to school districts that had an earned income and net profits tax in the 2022 calendar year.)	Sections 503(b)(2); 324(2)
December 5, 2023 <i>(30 days prior to preliminary budget public inspection deadline)</i>	<b>Department of Education</b> deadline to notify school districts of school year of AFR data to be used when calculating referendum exception in Section 333(f)(2)(v).	Section 333(j)(4)
January 1, 2024 <i>(60 days prior to March 1 application deadline)</i>	<b>School Districts</b> send notification, by first class mail, to owners of each parcel of residential property – which can be limited to owners who are not currently approved or whose approval is due to expire – stating that the owner must submit a completed application to county assessor to qualify for homestead exclusion. Mailing must include application, instructions, and deadline to apply.	Section 341(b)
January 4, 2024 <i>(110 days prior to primary election)</i>	<b>School district</b> deadline to make 2024-2025 proposed version of preliminary budget available for public inspection <b>or</b> adopt resolution pursuant to Section 311(d)(1) indicating that it will not raise the rate of any tax by more than its index.	Section 311(c); 311(d)(1)
January 9, 2024 <i>(5 days after resolution adoption)</i>	<b>School district</b> deadline to submit a copy of resolution adopted pursuant to 311(d)(1) and proposed tax rate increases to Department of Education in the Consolidated Financial Reporting System (CFRS) application.	Section 311(d)(2)
January 14, 2024 <i>(10 days prior to preliminary budget adoption deadline)</i>	<b>School district</b> deadline to give public notice of the intent to adopt the 2024-2025 preliminary budget unless resolution was adopted under Section 311(d)(1) indicating that it will not raise the rate of any tax by more than its index.	Section 311(c)

**Taxpayer Relief Act, SS Act 1 of 2006: Timeline for Events Related to 2024-2025 Budget Process**

Date	Description	Section
January 19, 2024 <i>(10 days after receipt of resolution)</i>	<b>Department of Education</b> deadline to notify school districts that adopted a resolution pursuant to Section 311(d)(1) whether the 2024-2025 proposed tax rates are equal to or less than their Index.	Section 311(d)(4)
January 24, 2024 <i>(90 days prior to primary election)</i>	<b>School district</b> deadline to adopt the 2024-2025 preliminary budget unless resolution adopted under Section 311(d)(1).	Section 311(a)
January 29, 2024 <i>(85 days prior to primary election)</i>	<b>School district</b> deadline to submit 2024-2025 preliminary budget containing proposed tax rate increases to Department of Education in the CFRS application.	Section 333(e)
February 1, 2024 <i>(1 week prior to filing of request for referendum exception)</i>	<b>School district</b> deadline to publish notice in newspaper of intent to request approval from Department of Education for a referendum exception.	Section 333(j)(2)
No later than March 1, 2024 <i>(Annual deadline)</i>	Deadline for <b>homeowners</b> to file a homestead application (and, if applicable, a farmstead application) with county assessor indicating property is owner-occupied. Resubmission of application required no more than one time every three years. No application fee for filing. (See January 1, 2024.)	Section 341(c), (e), (i)
February 8, 2024 <i>(75 days prior to primary election)</i>	<b>Department of Education</b> deadline to notify school districts that submitted the 2024-2025 preliminary budget whether the proposed tax rates are equal to or less than their Index.	Section 333(e)
February 8, 2024 <i>(75 days prior to primary election)</i>	<b>School district</b> deadline to seek approval from Department of Education for referendum exceptions requiring their approval.	Sections 333(j)
February 23, 2024 <i>(60 days prior to primary election)</i>	<b>School district</b> deadline to submit referendum question seeking voter approval of tax rate increase in excess of index to the county board of elections (for each county in which the school district is located), unless request for referendum exception has been submitted to Department of Education. If the school district's proposed tax rate increase would exceed their Index even if all its referendum exception requests were approved, and if it intends to submit a referendum question for that part of the tax rate increase, it must do so by this date.	Section 333(c)(3)
February 28, 2024 <i>(55 days prior to primary election)</i>	Deadline for <b>Department of Education</b> to issue ruling on school district's petition for referendum exception.	Sections 333(j)(5)



**Taxpayer Relief Act, SS Act 1 of 2006: Timeline for Events Related to 2024-2025 Budget Process**

<b>Date</b>	<b>Description</b>	<b>Section</b>
<p>March 4, 2024 <i>(50 days prior to primary election)</i></p>	<p><b>School district</b> deadline, if the Department of Education denies all or a part of the school district’s request for referendum exception, to submit to the county board of elections referendum question seeking voter approval of tax rate increase in excess of index for the portion of the referendum exception request denied.</p>	<p>Sections 333(j)(5)</p>
<p>April 15, 2024 <i>(Annual deadline)</i></p>	<p><b>Secretary of the Budget</b> certifies the total amount of revenue in the Property Tax Relief Fund and the Property Tax Relief Reserve Fund and the total amount available for distribution in 2024-2025.</p>	<p>Section 503(a)(1), (e)</p>
<p>April 20, 2024 <i>(Annual deadline)</i></p>	<p><b>Secretary of the Budget</b> notifies Department of Education whether it is authorized to provide school districts with property tax allocations under Section 505.</p>	<p>Section 503(d)</p>
<p>May 1, 2024 <i>(Annual deadline)</i></p>	<p><b>Department of Education</b> notifies school districts of the amount of their state allocation of property tax reduction funding. This only occurs if the Secretary of the Budget certifies, by April 15, 2024, that there are enough funds in the Property Tax Relief Fund to make a distribution to school districts in 2024-2025.</p>	<p>Section 505(a)(4)</p>
<p>May 1, 2024 <i>(Annual deadline)</i></p>	<p><b>Assessor</b> provides each school district with a certified report with information on homestead and farmstead properties, as provided in 53 Pa CS §8584(i).</p>	<p>Section 341(g)(3)</p>
<p>Prior to April 23, 2024</p>	<p><b>General Primary election.</b> County election officials, in conjunction with board of school directors, shall draft a non-legal interpretive statement to accompany referendum question that references items of expenditure for which tax rate increases are being sought. (See February 23 or March 4, 2024)</p>	<p>Section 333(c)(4)</p>
<p>No later than May 31, 2024 <i>(Optional action)</i></p>	<p>Deadline for <b>school district board of directors</b> electing to adopt resolution rejecting 2024-2025 property tax allocation. This action can only occur if the Department of Education has notified school districts by May 1, 2024, that there are enough funds in the Property Tax Relief Fund to make a distribution to school districts in 2024-2025. (This action applies only if a school district has not rejected a previous state property tax allocation.)</p>	<p>Section 903(a)</p>
<p>No later than May 31, 2024</p>	<p><b>School district</b> deadline to adopt 2024-2025 proposed version of final budget and upload the signed Certification of Use document in the CFRS application.</p>	<p>Section 687(a)(1) (School Code)</p>
<p>June 5, 2024</p>	<p><b>School district</b> deadline to submit copy of resolution (if adopted) rejecting 2024-2025 property tax allocation to Department of Education. (See May 31, 2024.)</p>	<p>Section 903(b)</p>

**Taxpayer Relief Act, SS Act 1 of 2006: Timeline for Events Related to 2024-2025 Budget Process**

<b>Date</b>	<b>Description</b>	<b>Section</b>
June 10, 2024 <i>(20 days prior to final budget adoption deadline)</i>	<b>School district</b> deadline to make 2024-2025 proposed final budget available for public inspection on the General Fund Budget from the CFRS application.	Section 312(c)
June 20, 2024 <i>(10 days prior to final budget adoption deadline)</i>	<b>School district</b> deadline to offer public notice of its intent to adopt the 2024-2025 final budget.	Section 312(c) Section 687(a)(2)(i) (School Code)
June 30, 2024 <i>(Annual deadline)</i>	<b>School district</b> deadline to adopt the 2024-2025 final budget.	Section 312(a)
June 30, 2024 <i>(Annual deadline)</i>	<b>School district</b> deadline to adopt a resolution implementing the homestead/farmstead exclusion. For school districts whose voters did not approve a local income tax for the purpose of providing homestead/farmstead exclusions, this only occurs if the Department of Education has notified school districts by May 1, 2024, that there are enough funds in the Property Tax Relief Fund to make a distribution to school districts in 2024-2025.	Section 321(d), 342, 505(a)(4)
July 15, 2024 <i>(Annual deadline)</i>	<b>School district</b> deadline to submit 2024-2025 final budget to Department of Education in the CFRS application.	Section 687(b) (School Code)
No later than August 4, 2024 <i>(60 days after receipt of resolution)</i>	<b>Department of Education</b> deadline to notify election officials of each county of the school districts in that county that have taken action to reject their 2024-2025 property tax relief allocation under Section 903(a). (See May 31, 2024.)	Section 904(b)
August 22, 2024	<b>Department of Education</b> pays school districts 50 percent of their state allocation of property tax reduction funding. This only occurs if the Secretary of the Budget certifies, by April 15, 2024, that there are enough funds in the Property Tax Relief Fund to make a distribution to school districts in 2024-2025.	Section 505(b)
October 24, 2024	<b>Department of Education</b> pays school districts 50 percent of their state allocation of property tax reduction funding. This only occurs if the Secretary of the Budget certifies, by April 15, 2024, that there are enough funds in the Property Tax Relief Fund to make a distribution to school districts in 2024-2025.	Section 505(b)
December 1, 2024	Deadline for <b>school districts</b> to report to the Department of Community and Economic Development, tax enactments, repeals, and changes to require withholding of a new tax, withholding at a new rate or to suspend withholding of such tax effective January 1, 2025.	Section 351(f)(2)