Randy L. Brown, Business Administrator
131 West Nittany Avenue
State College, PA 16801
814-231-1021
rlb21@scasd.org

To: Robert J. O'Donnell

From: Randy L. Brown
Donna Watson

Date: December 12, 2013

Subject: State High Project Financing

Attached is the information shared at the board meeting on November 25 and December 2. This information has been discussed previously which has informed the discussions regarding the referendum amount.

A maximum referendum amount is expected to be approved at this board meeting, December 16, 2013. Updates related to the project cost estimates based upon analysis by our construction estimator and architect and updated financing information will be provided in January and February.

The referendum amount is expected to be finalized at the February 10, 2014, board meeting with the final referendum question approved in March 2014.

This financing update is also available on the State High Project website along with additional financing resources.

We will be present at Monday evening's board meeting should you wish to further discuss any of this information.

Randy L. Brown, Business Administrator
131 West Nittany Avenue
State College, PA 16801
814-231-1021
rlb21@scasd.org

To: Robert J. O'Donnell

From: Randy L. Brown
Donna Watson

Date: November 27, 2013

Subject: State High Project Financing

Attached is the memo and presentation shared at the board meeting on November 25, 2013. The presentation has been refined to include recommended changes from board members.

We will be present at Monday evening's board meeting should you wish to further discuss any of this information.

Randy L. Brown, Business Administrator
131 West Nittany Avenue
State College, PA 16801
814-231-1021
rlb21@scasd.org

To: Robert J. O'Donnell

From: Randy L. Brown
Donna Watson

Date: November 22, 2013

Subject: State High Project Financing Update - Taxpayer Impact

The attached examples of estimated tax impacts have been limited to the following scenarios based upon recent discussions with the board.

Attached are four examples of estimated tax impact; two are based on a potential $75 million referendum debt and district allocation of approximately three-quarter mills, and two are based on a potential $85 million referendum debt and district allocation of approximately one-half mill. Additional assumptions include:

Project Cost	$115 million
Interest Rate	5.3%
Term	30 years
SCASD Reserve Allocation	$10 million

We have also attached graphs illustrating the tax impacts from these examples.

Examples of the estimated tax impact for an average homeowner illustrate the potential annual increase for an average homeowner assuming a successful referendum vote. Base (non-referendum) school district tax increases of 1.70% and 3.02% are used in the examples as bookend estimates of possible annual tax increases. The Act 1 Index for the previous two years was 1.70%, and the average school district tax increase for the past ten years is 3.02%. These tax rates show the range of potential tax increases and do not indicate that the Board has approved a tax increase for future years. We have not prepared financial projections outside of those assuming a successful referendum, therefore we have not provided any comparison to projected tax increases should the anticipated May referendum not be successful.

The assessed value of the average homeowner in the school district is approximately $71,300. The last assessment by the county was completed in 1995, therefore the assessed values for new properties added to the tax rolls after 1995 are calculated at 1995 levels.

The referendum tax millage rate is the tax rate necessary to pay the estimated annual debt service on the referendum debt. The attached calculations assume a 1.5% annual increase in assessed value and the resulting value of a mill. The referendum tax will remain in effect until the debt for the State High Project is repaid, currently estimated at 30 years. The estimated millage and tax increase required to repay the referendum debt service is based upon the parameters used in the examples. The amount of millage that may be assessed to taxpayers each year for the duration of the repayment period is only the amount that will generate tax revenue equal to the debt service (principal and interest) due on the referendum debt each year. Therefore, as the value of a mill changes in response to changes in assessed value, the amount of tax millage assessed to individual taxpayers would change as well.

See attached for examples of how the tax increase related to the referendum could be phased. In the first two examples which illustrate the impact of a $75 million referendum tax, the referendum tax increase would be $25 in 2014-15, $106 in 2015-16 and $37 in 2016-17. These are the years during which the mills related to referendum debt service would be phased in and begin to appear on taxpayers' bills as a separate line item. Once the debt service is in place for the cost of the State High Project, the change in referendum tax would be primarily related to changes in assessed value. The impact of the assumed 1.5% increase in assessed value is illustrated in the attached examples.

The base tax increases shown in the examples increase by the assumed tax increase of either 1.7% or 3.02%. Therefore, during the phase-in years of the referendum borrowing, the <u>total</u> percent tax increase using the $75 million referendum debt examples would be 2.61%, 5.42% and 2.85% in periods 2014-15, 2015-16 and 2016-17, respectively, assuming a 1.7% base tax increase, or 2.61%, 6.72% and 4.12%, respectively, during these same years assuming a 3.02% base tax increase. Subsequent annual increases are estimated at approximately $47 (1.52%) to $105 (2.83%) annually through 2023-24. These increases would result in a range of monthly increases from $6.00 to $15.89 through 2016-17, and 3.89 to $8.78 through 2023-24.

The State High Project website has included a calculator for taxpayers to estimate their own individual tax increases for the referendum debt at several possible referendum amounts. An updated calculator will be provided to estimate base school district tax increases as well as estimates for the referendum debt.

Referendum debt of $85 million compared to the $75 million example increases the annual tax for the average homeowner by approximately $22 beginning in 2016-17 and continuing at approximately $20 until the bonds are fully paid.

Please note there are many variables used in the district financial projections that will impact actual tax increases. Major variables include interest rates at the time when the bonds will be sold, assessed value growth, and decisions at the state level that affect district

revenues and expenses. The interest rate used in these examples is 5.3%, which represents the historical average rate for AA- rated bonds. Current interest rates for AA- bonds are approximately 4.7%. Revenue projections are based on historical averages, and salaries and benefits projections assume level staffing and operations. The general fund budget projections assume debt service and capital reserve allocations totaling $9 million to provide resources for allocation to the State High Project and other district capital projects. Finally, the general fund budget projections take into account the December 2012 estimated employer contribution levels for PSERS. The district expects to begin using fund balance reserves to fund PSERS expenses in the 2014-2015 fiscal year, and use of these reserves is projected to continue through 2023-2024.

The administration will continue to communicate the financial projections for the district's general budget and State High Project in the coming months. Further discussion of the 2014-2015 General Fund budget and projected tax increase will occur on December 16.

State College Area School District
Budget Projections
11.21.2013
$75 million Referendum with $1,632,000 annual budget allocation (approximates 3/4 mill)

Enter Assessed Value from real estate tax bill:

Average Assessed Value	**$ 71,300**

Assumptions: Act 1 Index	***1.70%***	***1.70%***	***1.70%***	***1.70%***	***1.70%***	***1.70%***	***1.70%***	***1.70%***	***1.70%***	***1.70%***	***1.70%***
	2013-2014	**2014-2015**	**2015-2016**	**2016-2017**	**2017-2018**	**2018-2019**	**2019-2020**	**2020-2021**	**2021-2022**	**2022-2023**	**2023-2024**
Base School District Tax											
Millage Tax Rate	38.75	39.41	40.08	40.76	41.45	42.15	42.87	43.60	44.34	45.09	45.86
Estimated Millage Increase		0.66	0.67	0.68	0.69	0.70	0.72	0.73	0.74	0.75	0.77
Estimated Tax Increase		$ 47	$ 48	$ 48	$ 49	$ 50	$ 51	$ 52	$ 53	$ 53	$ 55
Estimated Base Real Estate Tax Bill	$ 2,763	$ 2,810	$ 2,858	$ 2,906	$ 2,955	$ 3,005	$ 3,057	$ 3,109	$ 3,161	$ 3,215	$ 3,270
Referendum Tax											
Estimated Millage		0.35	1.83	2.35	2.32	2.28	2.25	2.21	2.18	2.15	2.12
Estimated Tax Increase (Decrease)		$ 25	$ 106	$ 37	$ (2)	$ (2)	$ (2)	$ (2)	$ (2)	$ (2)	$ (2)
Estimated Referendum Tax Bill		$ 25	$ 131	$ 168	$ 165	$ 163	$ 160	$ 158	$ 156	$ 153	$ 151
Estimated Percent Increase (Decrease)		0.91%	3.73%	1.23%	-0.08%	-0.08%	-0.08%	-0.07%	-0.07%	-0.07%	-0.07%
Total Tax											
Total Estimated Real Estate Tax Bill	$ 2,763	$ 2,835	$ 2,989	$ 3,074	$ 3,121	$ 3,168	$ 3,217	$ 3,267	$ 3,317	$ 3,368	$ 3,421
Total Estimated Tax Increase		$ 72	$ 154	$ 85	$ 47	$ 47	$ 49	$ 50	$ 50	$ 51	$ 53
Total Estimated Millage Increase		1.01	2.15	1.20	0.66	0.67	0.69	0.70	0.71	0.72	0.74
Total Estimate Percent Tax Increase		**2.61%**	**5.42%**	**2.85%**	**1.52%**	**1.52%**	**1.54%**	**1.54%**	**1.54%**	**1.54%**	**1.56%**

The Base School District Tax increase is based upon a 1.7% increase, which represents the Act 1 Index (limit on tax increase) for 2012-2013 and 2013-2014.
The Referendum Tax millage rate increase (decrease) is based upon the amount of revenue needed to cover the estimated debt service divided by the revenue generated by one mill of tax revenue. The value of a mill is budgeted to grow by 1.5% in each year of the projections. The Referendum Tax will remain in effect until the debt for the high school is paid in full (estimated 30 years), following a positive referendum election.

Referendum tax increase in 2013-2014 dollars:

Millage Increase	2.45
Percentage Increase	6.33%

State College Area School District
Budget Projections
11.21.2013
$75 million Referendum with $1,632,000 annual budget allocation (approximates 3/4 mill)

Enter Assessed Value from real estate tax bill:

Average Assessed Value **$ 71,300**

Assumptions: Act 1 Index	*1.70%*	*1.70%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*
	2013-2014	**2014-2015**	**2015-2016**	**2016-2017**	**2017-2018**	**2018-2019**	**2019-2020**	**2020-2021**	**2021-2022**	**2022-2023**	**2023-2024**
Base School District Tax											
Millage Tax Rate	38.75	39.41	40.60	41.83	43.09	44.39	45.73	47.11	48.53	50.00	51.51
Estimated Millage Increase		0.66	1.19	1.23	1.26	1.30	1.34	1.38	1.42	1.47	1.51
Estimated Tax Increase		$ 47	$ 85	$ 88	$ 90	$ 93	$ 96	$ 98	$ 101	$ 105	$ 108
Estimated Base Real Estate Tax Bill	$ 2,763	$ 2,810	$ 2,895	$ 2,982	$ 3,072	$ 3,165	$ 3,261	$ 3,359	$ 3,460	$ 3,565	$ 3,673
Referendum Tax											
Estimated Millage		0.35	1.83	2.35	2.32	2.28	2.25	2.21	2.18	2.15	2.12
Estimated Tax Increase (Decrease)		$ 25	$ 106	$ 37	$ (2)	$ (2)	$ (2)	$ (2)	$ (2)	$ (2)	$ (2)
Estimated Referendum Tax Bill		$ 25	$ 131	$ 168	$ 165	$ 163	$ 160	$ 158	$ 156	$ 153	$ 151
Estimated Percent Increase (Decrease)		0.91%	3.73%	1.22%	-0.08%	-0.08%	-0.07%	-0.07%	-0.07%	-0.06%	-0.06%
Total Tax											
Total Estimated Real Estate Tax Bill	$ 2,763	$ 2,835	$ 3,026	$ 3,150	$ 3,237	$ 3,328	$ 3,421	$ 3,517	$ 3,616	$ 3,718	$ 3,824
Total Estimated Tax Increase		$ 72	$ 191	$ 125	$ 87	$ 90	$ 93	$ 96	$ 99	$ 103	$ 105
Total Estimated Millage Increase		1.01	2.67	1.75	1.23	1.27	1.31	1.35	1.39	1.44	1.48
Total Estimate Percent Tax Increase		**2.61%**	**6.72%**	**4.12%**	**2.77%**	**2.79%**	**2.80%**	**2.81%**	**2.81%**	**2.84%**	**2.83%**

The Base School District Tax increase from 2015-16 forward is based upon a 3.02% increase, which represents the average historical base tax increase.

The Referendum Tax millage rate increase (decrease)is based upon the amount of revenue needed to cover the estimated debt service divided by the revenue generated by one mill of tax revenue. The value of a mill is budgeted to grow by 1.5% in each year of the projections. The Referendum Tax will remain in effect until the debt for the high school is paid in full (estimated 30 years), following a positive referendum election.

Referendum tax increase in 2013-2014 dollars:

Millage Increase	2.45
Percentage Increase	6.33%

State College Area School District
Budget Projections
11.21.2013
$85 million Referendum with $1,090,000 annual budget allocation (approximates 1/2 mill)

Enter Assessed Value from real estate tax bill:

Average Assessed Value **$ 71,300**

Assumptions: Act 1 Index	*1.70%*	*1.70%*	*1.70%*	*1.70%*	*1.70%*	*1.70%*	*1.70%*	*1.70%*	*1.70%*	*1.70%*	*1.70%*
	2013-2014	**2014-2015**	**2015-2016**	**2016-2017**	**2017-2018**	**2018-2019**	**2019-2020**	**2020-2021**	**2021-2022**	**2022-2023**	**2023-2024**
Base School District Tax											
Millage Tax Rate	38.75	39.41	40.08	40.76	41.45	42.15	42.87	43.60	44.34	45.09	45.86
Estimated Millage Increase		0.66	0.67	0.68	0.69	0.70	0.72	0.73	0.74	0.75	0.77
Estimated Tax Increase		$ 47	$ 48	$ 48	$ 49	$ 50	$ 51	$ 52	$ 53	$ 53	$ 55
Estimated Base Real Estate Tax Bill	$ 2,763	$ 2,810	$ 2,858	$ 2,906	$ 2,955	$ 3,005	$ 3,057	$ 3,109	$ 3,161	$ 3,215	$ 3,270
Referendum Tax											
Estimated Millage		0.35	1.83	2.66	2.62	2.58	2.54	2.51	2.47	2.43	2.40
Estimated Tax Increase (Decrease)		$ 25	$ 106	$ 59	$ (3)	$ (3)	$ (3)	$ (3)	$ (3)	$ (3)	$ (3)
Estimated Referendum Tax Bill		$ 25	$ 131	$ 190	$ 187	$ 184	$ 181	$ 179	$ 176	$ 173	$ 171
Estimated Percent Increase (Decrease)		0.91%	3.73%	1.97%	-0.09%	-0.09%	-0.09%	-0.08%	-0.08%	-0.08%	-0.08%
Total Tax											
Total Estimated Real Estate Tax Bill	$ 2,763	$ 2,835	$ 2,989	$ 3,096	$ 3,142	$ 3,189	$ 3,238	$ 3,287	$ 3,337	$ 3,388	$ 3,441
Total Estimated Tax Increase		$ 72	$ 154	$ 107	$ 46	$ 47	$ 49	$ 49	$ 50	$ 51	$ 52
Total Estimated Millage Increase		1.01	2.15	1.50	0.65	0.66	0.68	0.69	0.70	0.71	0.73
Total Estimate Percent Tax Increase		**2.61%**	**5.42%**	**3.59%**	**1.50%**	**1.50%**	**1.52%**	**1.52%**	**1.52%**	**1.52%**	**1.54%**

The School District Tax increase is based upon a 1.7% increase, which represents the Act 1 Index (limit on tax increase) for 2012-2013 and 2013-2014.

The Referendum Tax millage rate increase (decrease) is based upon the amount of revenue needed to cover the estimated debt service divided by the revenue generated by one mill of tax revenue. The value of a mill is budgeted to grow by 1.5% in each year of the projections. The Referendum Tax will remain in effect until the debt for the high school is paid in full (estimated 30 years), following a positive referendum election.

Referendum tax increase in 2013-2014 dollars:

Millage Increase	2.78
Percentage Increase	7.17%

State College Area School District
Budget Projections
11.21.2013
$85 million Referendum with $1,090,000 annual budget allocation (approximates 1/2 mill)

Enter Assessed Value from real estate tax bill:

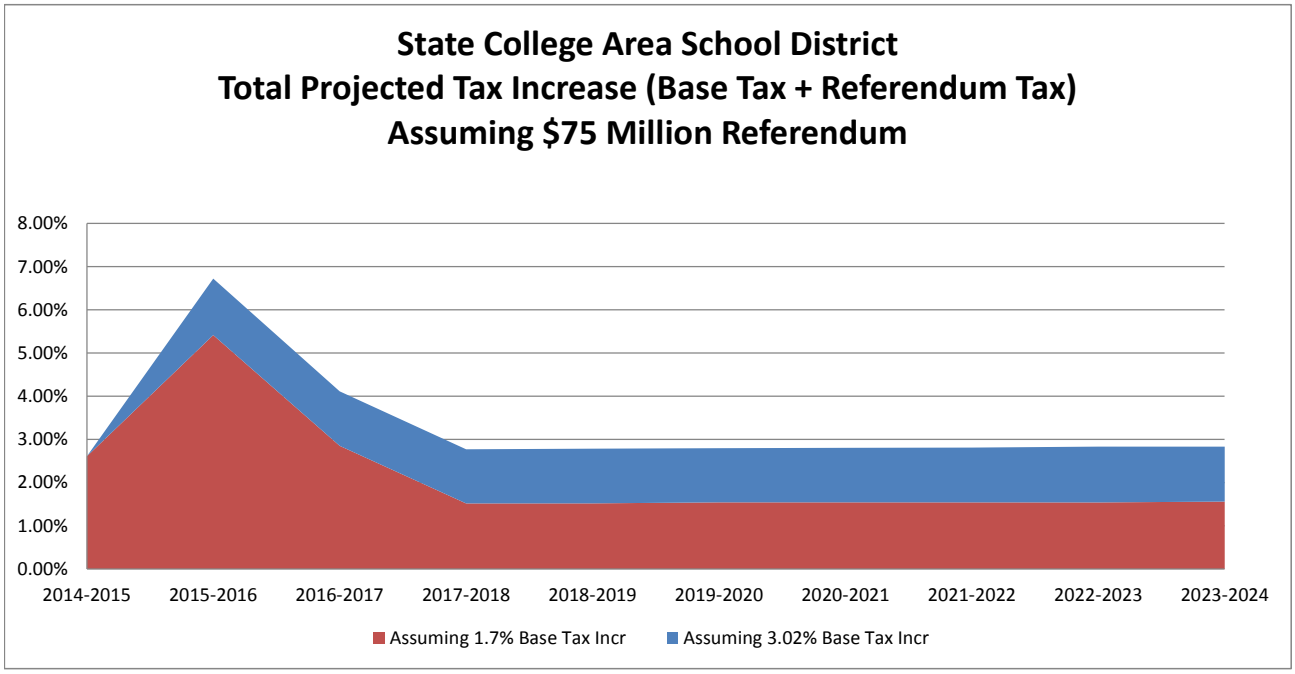
Average Assessed Value **$ 71,300**

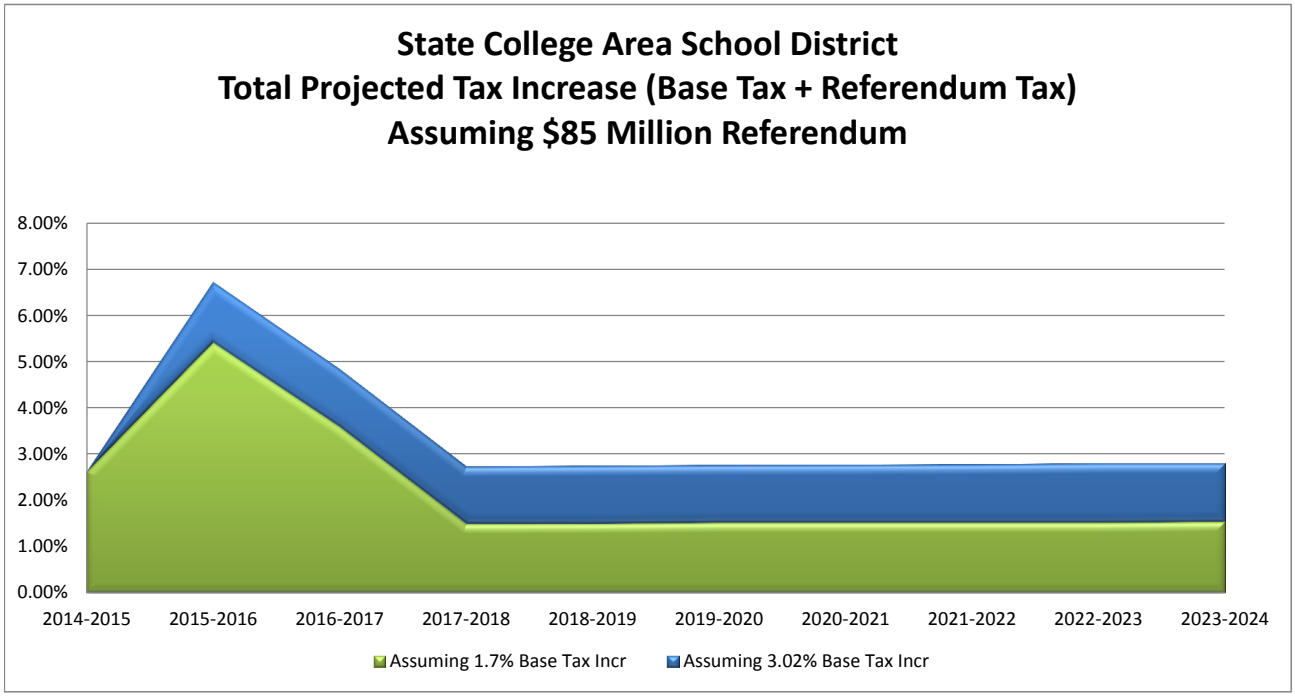
Assumptions: Act 1 Index	*1.70%*	*1.70%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*	*3.02%*
	2013-2014	**2014-2015**	**2015-2016**	**2016-2017**	**2017-2018**	**2018-2019**	**2019-2020**	**2020-2021**	**2021-2022**	**2022-2023**	**2023-2024**
Base School District Tax											
Millage Tax Rate	38.75	39.41	40.60	41.83	43.09	44.39	45.73	47.11	48.53	50.00	51.51
Estimated Millage Increase		0.66	1.19	1.23	1.26	1.30	1.34	1.38	1.42	1.47	1.51
Estimated Tax Increase		$ 47	$ 85	$ 88	$ 90	$ 93	$ 96	$ 98	$ 101	$ 105	$ 108
Estimated Base Real Estate Tax Bill	$ 2,763	$ 2,810	$ 2,895	$ 2,982	$ 3,072	$ 3,165	$ 3,261	$ 3,359	$ 3,460	$ 3,565	$ 3,673
Referendum Tax											
Estimated Millage		0.35	1.83	2.66	2.62	2.58	2.54	2.51	2.47	2.43	2.40
Estimated Tax Increase (Decrease)		$ 25	$ 106	$ 59	$ (3)	$ (3)	$ (3)	$ (3)	$ (3)	$ (3)	$ (3)
Estimated Referendum Tax Bill		$ 25	$ 131	$ 190	$ 187	$ 184	$ 181	$ 179	$ 176	$ 173	$ 171
Estimated Percent Increase (Decrease)		0.91%	3.73%	1.94%	-0.09%	-0.08%	-0.08%	-0.08%	-0.07%	-0.07%	-0.07%
Total Tax											
Total Estimated Real Estate Tax Bill	$ 2,763	$ 2,835	$ 3,026	$ 3,172	$ 3,259	$ 3,349	$ 3,442	$ 3,538	$ 3,636	$ 3,738	$ 3,843
Total Estimated Tax Increase		$ 72	$ 191	$ 146	$ 87	$ 90	$ 93	$ 96	$ 99	$ 102	$ 105
Total Estimated Millage Increase		1.01	2.67	2.05	1.22	1.26	1.30	1.34	1.38	1.43	1.47
Total Estimate Percent Tax Increase		**2.61%**	**6.72%**	**4.84%**	**2.74%**	**2.76%**	**2.77%**	**2.78%**	**2.79%**	**2.81%**	**2.81%**

The School District Tax increase from 2015-16 forward is based upon a 3.02% increase, which represents the average historical base tax increase.
The Referendum Tax millage rate increase (decrease) is based upon the amount of revenue needed to cover the estimated debt service divided by the revenue generated by one mill of tax revenue. The value of a mill is budgeted to grow by 1.5% in each year of the projections. The Referendum Tax will remain in effect until the debt for the high school is paid in full (estimated 30 years), following a positive referendum election.

Referendum tax increase in 2013-2014 dollars:

Millage Increase	2.78
Percentage Increase	7.17%


State College Area School District
Total Projected Tax Increase (Base Tax + Referendum Tax)
Assuming $75 Million Referendum
8.00%
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
2014-2015
2015-2016
2016-2017
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
2022-2023
2023-2024
Assuming 1.7% Base Tax Incr
Assuming 3.02% Base Tax Incr


State College Area School District
Total Projected Tax Increase (Base Tax + Referendum Tax)
Assuming $85 Million Referendum
8.00%
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
2014-2015
2015-2016
2016-2017
2017-2018
2018-2019
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2020-2021
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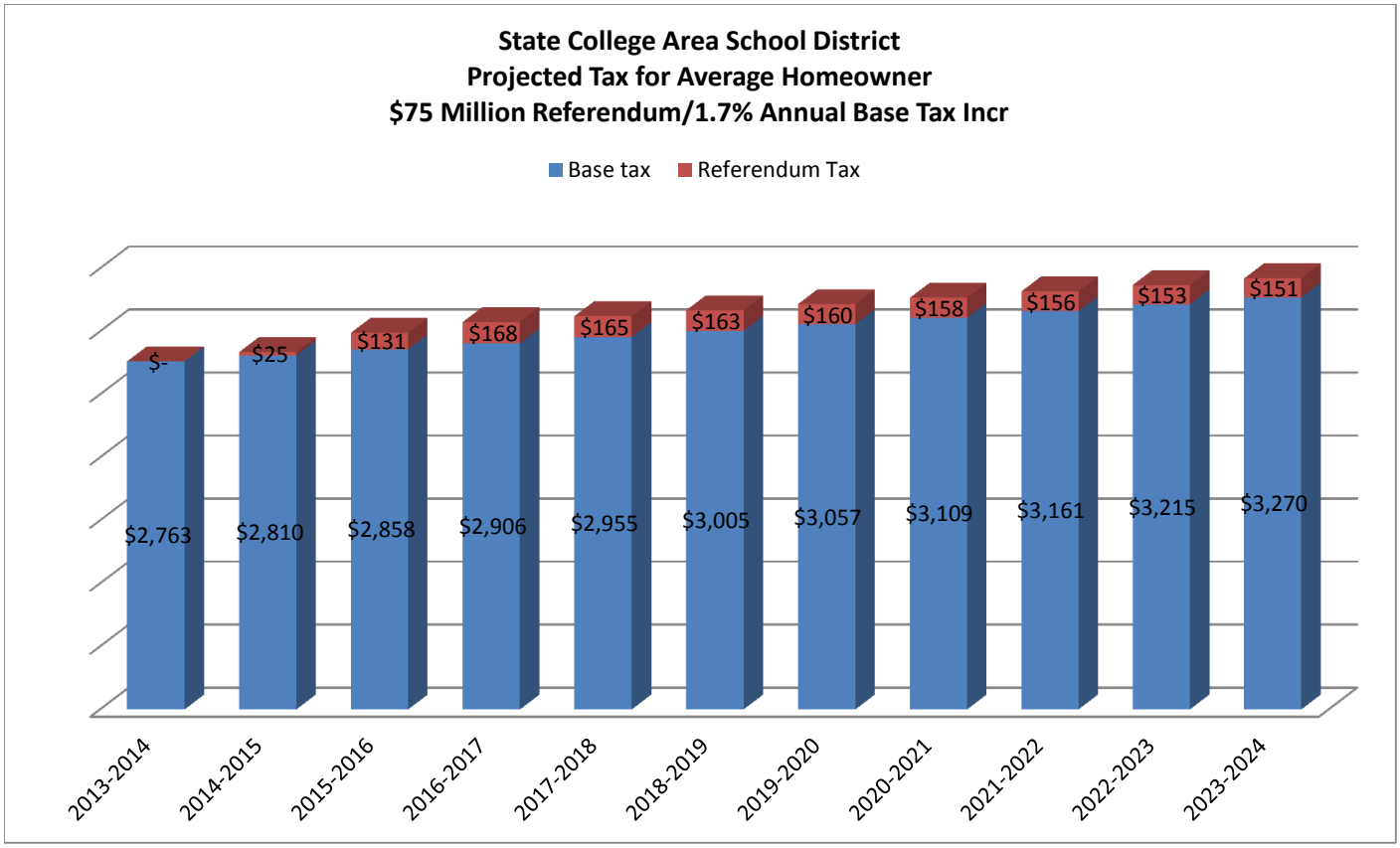
2022-2023
2023-2024
Assuming 1.7% Base Tax Incr
Assuming 3.02% Base Tax Incr


State College Area School District
Projected Tax for Average Homeowner
$75 Million Referendum/1.7% Annual Base Tax Incr
Base tax
Referendum Tax
$-
$25
$131
$168
$165
$163
$160
$158
$156
$153
$151
$2,763
$2,810
$2,858
$2,906
$2,955
$3,005
$3,057
$3,109
$3,161
$3,215
$3,270
2013-2014
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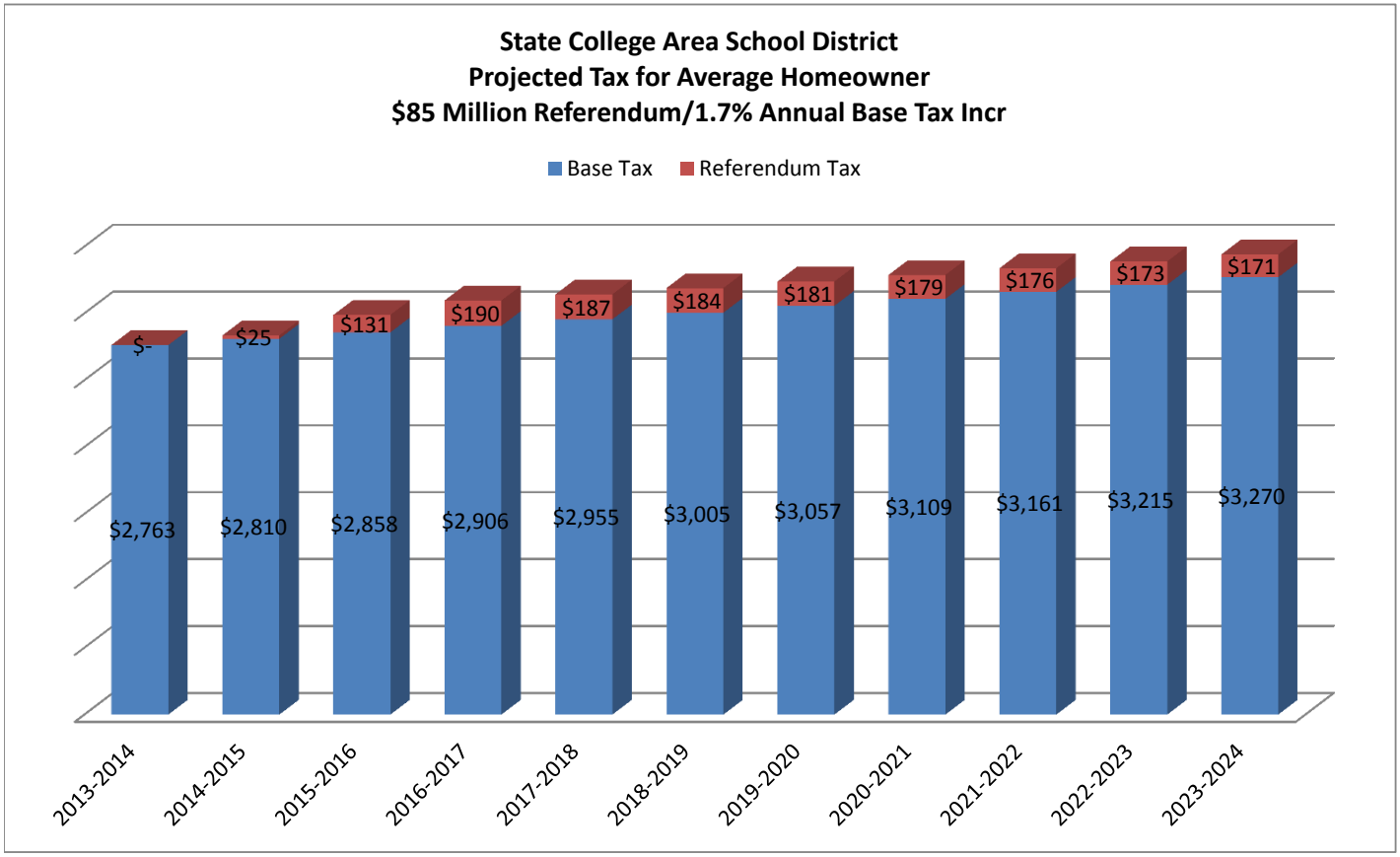
2023-2024


State College Area School District
Projected Tax for Average Homeowner
$85 Million Referendum/1.7% Annual Base Tax Incr
Base Tax
Referendum Tax
$-
$25
$131
$190
$187
$184
$181
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$176
$173
$171
$2,763
$2,810
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$3,005
$3,057
$3,109
$3,161
$3,215
$3,270
2013-2014
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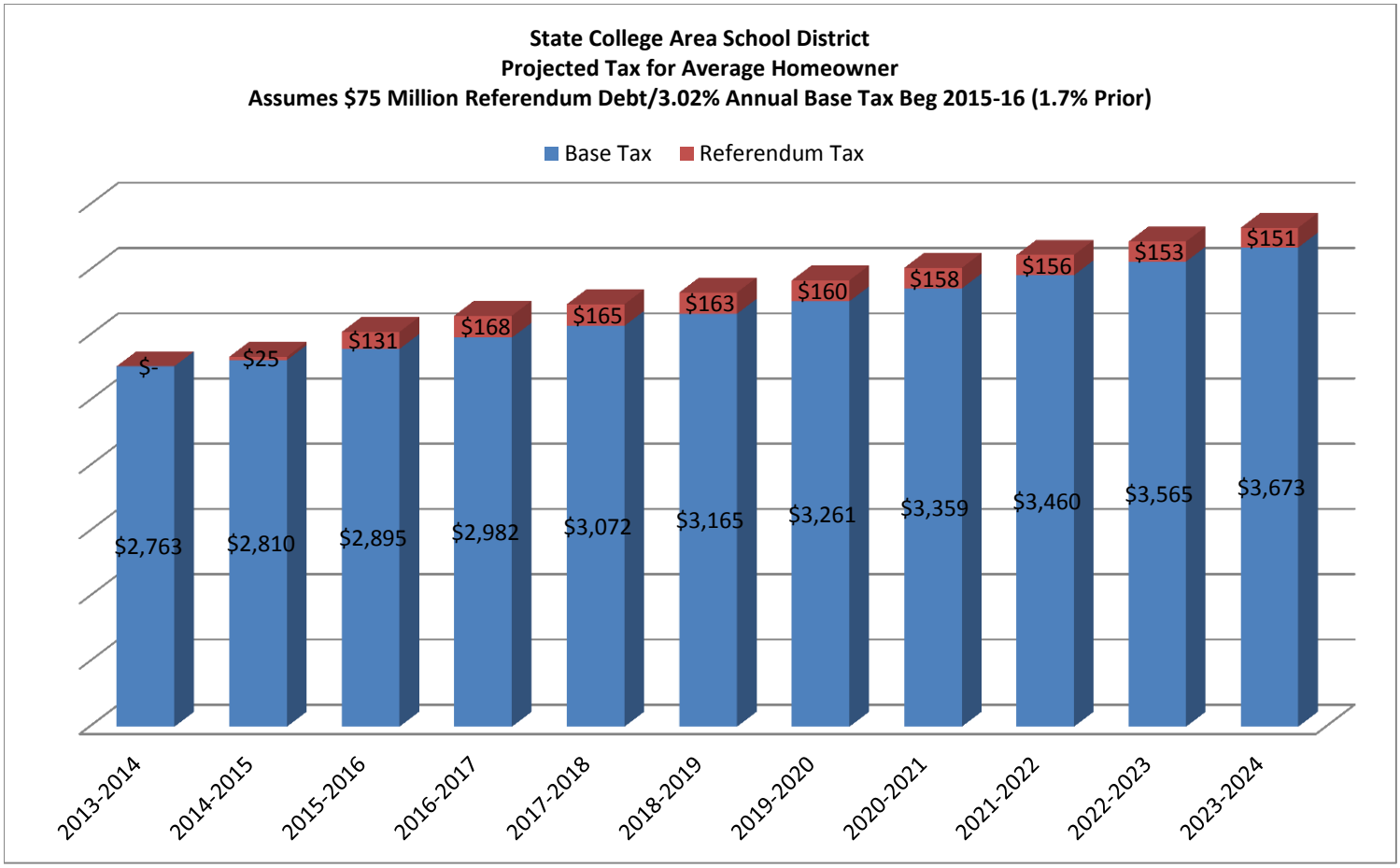
2023-2024


State College Area School District
Projected Tax for Average Homeowner
Assumes $75 Million Referendum Debt/3.02% Annual Base Tax Beg 2015-16 (1.7% Prior)
Base Tax
Referendum Tax
$-
$25
$131
$168
$165
$163
$160
$158
$156
$153
$151
$2,763
$2,810
$2,895
$2,982
$3,072
$3,165
$3,261
$3,359
$3,460
$3,565
$3,673
2013-2014
2014-2015
2015-2016
2016-2017
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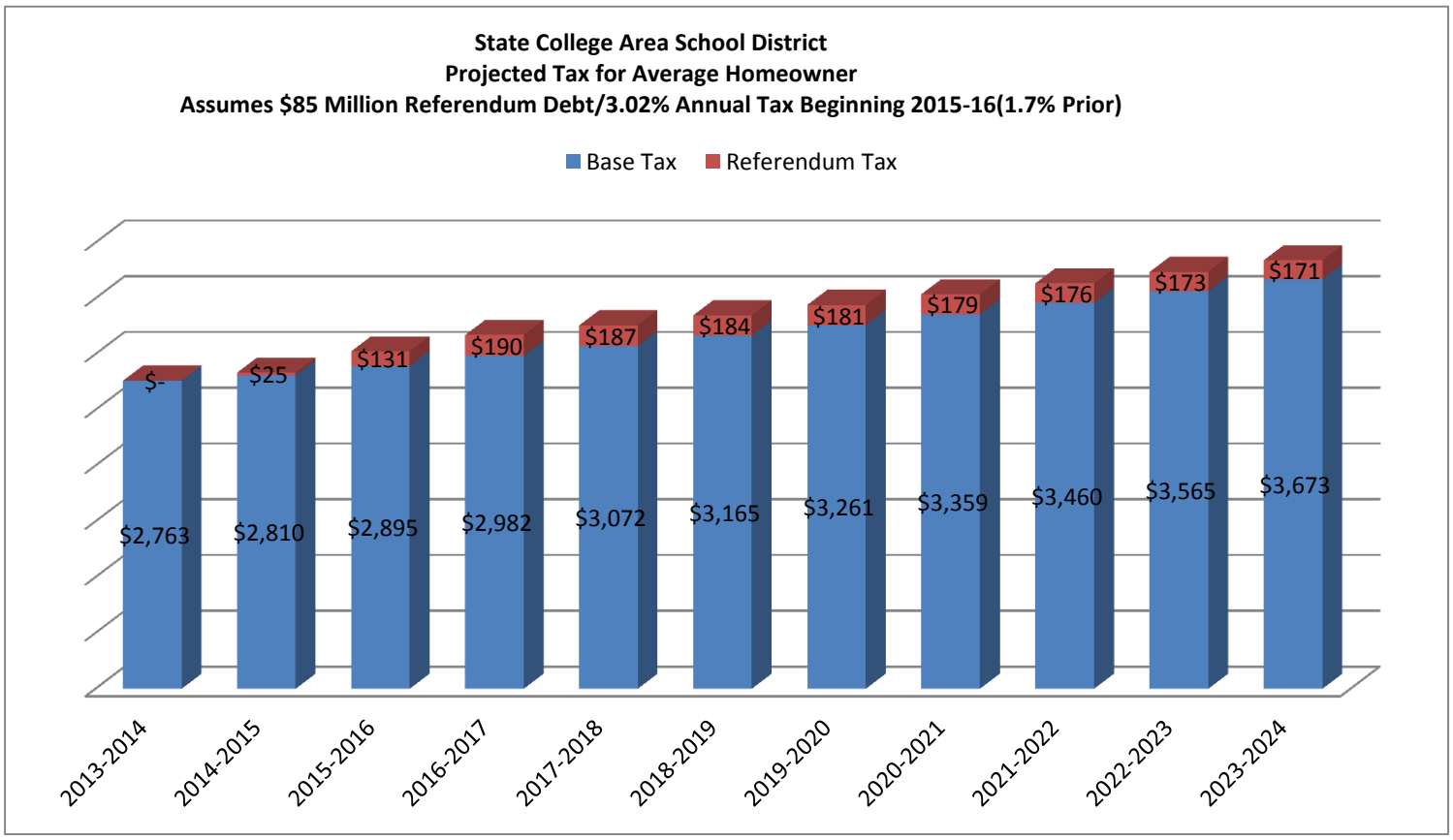
2018-2019
2019-2020
2020-2021
2021-2022
2022-2023
2023-2024


State College Area School District
Projected Tax for Average Homeowner
Assumes $85 Million Referendum Debt/3.02% Annual Tax Beginning 2015-16(1.7% Prior)
Base Tax
Referendum Tax
$-
$25
$131
$190
$187
$184
$181
$179
$176
$173
$171
$2,763
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2013-2014
2014-2015
2015-2016
2016-2017
2017-2018
2018-2019
2019-2020
2020-2021
2021-2022
2022-2023
2023-2024

State High Project Financing Update

Estimated Taxpayer Impact

November 25, 2013

(Revised November 27, 2013)

Estimated Taxpayer Impact

Projected increases

- Base School District Tax (non-referendum)
- Referendum Debt

Assessed value

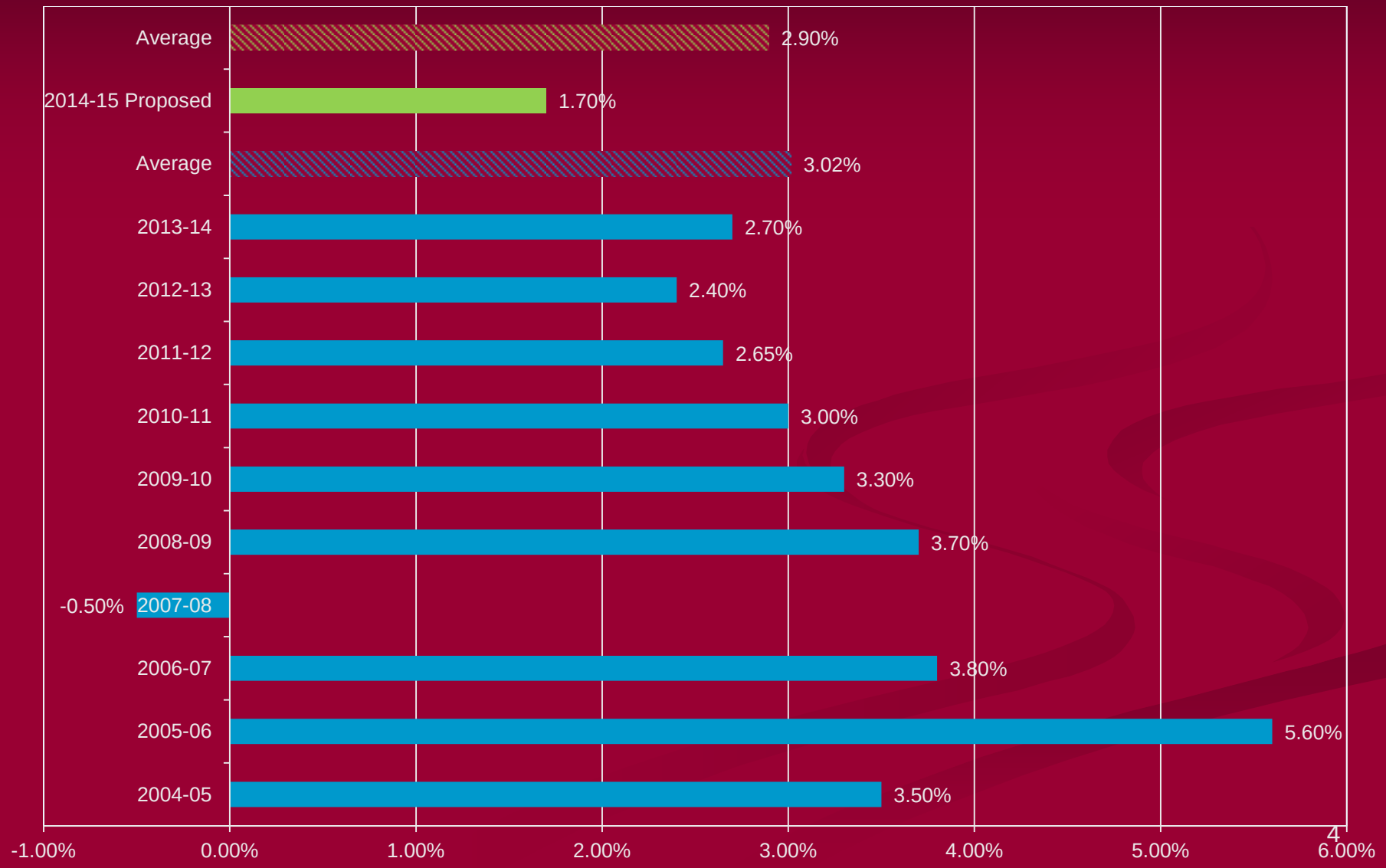
- Average homeowner assessed value in examples - $71,300
- Last county assessment – 1995

Parameters

- Base School District Tax
  - 1.70% - current projected increase
    - 2012-2013 and 2013-2014 Act 1 Index
  - 3.02% - ten year historical average

- Referendum Debt Range – project cost $115 million
  - $75,000,000 – approx. ¾ mill district allocation
  - $85,000,000 – approx. ½ mill district allocation

Historical Average Tax Increase - 3.02%



Referendum Tax

- Referendum tax – determined based on the amount of revenue needed to pay the annual debt service (principal + interest) related to the referendum debt
- Used only for repayment of this debt
- Factors impacting the debt service payment amount
  - Interest rate at the time of bond issuance– example assumes 5.3% (25 yr. historical average for AA- rated bonds)
  - Bond term – examples assumes primarily 30 year term

Referendum Tax

- The amount of referendum tax per property owner (taxpayer) will change as assessed value changes
  - Increase in assessed value decreases the referendum tax per taxpayer
  - Examples assume a 1.5% annual increase in assessed value
- Referendum Tax remains in effect until debt for State High Project is repaid (estimated 30 years)
- Phased in over a period of years as the funds are borrowed for construction of the high school project.

Referendum Question

- Voters to approve an amount of borrowing for the State High Project, allowing for a separate tax to be included on real estate tax bills.

Estimated Tax Increase
$75 Million Referendum/ 1.7% Base Tax Increase
Average Taxpayer ($71,300)

Year	Base Tax (A)	Referendum Tax (B)	Total Tax (A + B)	Increase *	% Increase **	Total Tax Mills
2013-14	$2,763		$2,763			38.75
2014-15	2,810	$25	2,835	$72	2.61%	39.76
2015-16	2,858	131	2,989	154	5.42%	41.91
2016-17	2,906	168	3,074	85	2.85%	43.11
2017-18	2,955	165	3,121	47	1.52%	43.77
2018-19	3,005	163	3,168	47	1.52%	44.43
2019-20	3,057	160	3,217	49	1.54%	45.12
2020-21	3,109	158	3,267	50	1.54%	45.81
2021-22	3,161	156	3,317	50	1.54%	46.52
2022-23	3,215	153	3,368	51	1.54%	47.24
2023-24	3,270	151	3,421	53	1.56%	47.98

* Increase compared to prior year total tax. ** Increase divided by prior year total tax.

Estimated Tax Increase
$75 Million Referendum/ 3.02% Base Tax Incr. (1.7% in 2014-15)
Average Taxpayer ($71,300)

Year	Base Tax (A)	Referendum Tax (B)	Total Tax (A+B)	Increase *	% Increase **	Total Tax Mills
2013-14	$2,763		$2,763			38.75
2014-15	2,810	$25	2,835	$72	2.61%	39.76
2015-16	2,895	131	3,026	191	6.72%	42.43
2016-17	2,982	168	3,150	125	4.12%	44.18
2017-18	3,072	165	3,237	87	2.77%	45.41
2018-19	3,165	163	3,328	90	2.79%	46.67
2019-20	3,261	160	3,421	93	2.80%	47.98
2020-21	3,359	158	3,517	96	2.81%	49.32
2021-22	3,460	156	3,616	99	2.81%	50.71
2022-23	3,565	153	3,718	103	2.84%	52.15
2023-24	3,673	151	3,824	105	2.83%	53.63

* Increase compared to prior year total tax. ** Increase divided by prior year total tax.

Estimated Tax Increase
$85 Million Referendum/ 1.7% Base Tax Increase
Average Taxpayer ($71,300)

Year	Base Tax (A)	Referendum Tax (B)	Total Tax (A+B)	Increase *	% Increase **	Total Tax Mills
2013-14	$2,763		$2,763			38.75
2014-15	2,810	$25	2,835	$72	2.61%	39.76
2015-16	2,858	131	2,989	154	5.42%	41.91
2016-17	2,906	190	3,096	107	3.59%	43.42
2017-18	2,956	187	3,142	46	1.50%	44.07
2018-19	3,006	184	3,189	47	1.50%	44.73
2019-20	3,057	181	3,238	49	1.52%	45.41
2020-21	3,109	179	3,287	49	1.52%	46.11
2021-22	3,162	176	3,337	50	1.52%	46.81
2022-23	3,216	173	3,388	51	1.52%	47.52
2023-24	3,270	171	3,441	52	1.54%	48.26

* Increase compared to prior year total tax. ** Increase divided by prior year total tax.

Estimated Tax Increase
$85 Million Referendum/ 3.02% Base Tax Incr. (1.7% in 2014-15)
Average Taxpayer ($71,300)

Year	Base Tax (A)	Referendum Tax (B)	Total Tax (A+B)	Increase *	% Increase **	Total Tax Mills
2013-14	$2,763		$2,763			38.75
2014-15	2,810	$25	2,835	$72	2.61%	39.76
2015-16	2,895	131	3,026	191	6.72%	42.43
2016-17	2,982	190	3,172	146	4.84%	44.49
2017-18	3,072	187	3,259	87	2.74%	45.71
2018-19	3,165	184	3,349	90	2.76%	46.97
2019-20	3,261	181	3,442	93	2.77%	48.27
2020-21	3,359	179	3,538	96	2.78%	49.62
2021-22	3,460	176	3,636	99	2.79%	51.00
2022-23	3,565	173	3,738	102	2.81%	52.43
2023-24	3,673	171	3,843	105	2.81%	53.91

* Increase compared to prior year total tax. ** Increase divided by prior year total tax.

Estimated Tax Increases
$75 Million Referendum

Estimated Percentage Increase Related to Referendum Tax:

- Using current (2013/14) district wide assessed value 6.33%
- Using 2016/17 projected district-wide assessed value & 1.7% tax increase 5.77%

Estimated Phase in of Referendum Tax Increase by year

2014/15	0.91%
2015/16	3.73%
2016/17	1.23%

Estimated Tax Rate Increases
$85 Million Referendum

Estimated Percentage Increase Related to Referendum Tax:

- Using current (2013/14) district wide assessed value 7.17%
- Using 2016/17 projected district-wide assessed value & 1.7% tax increase 6.52%

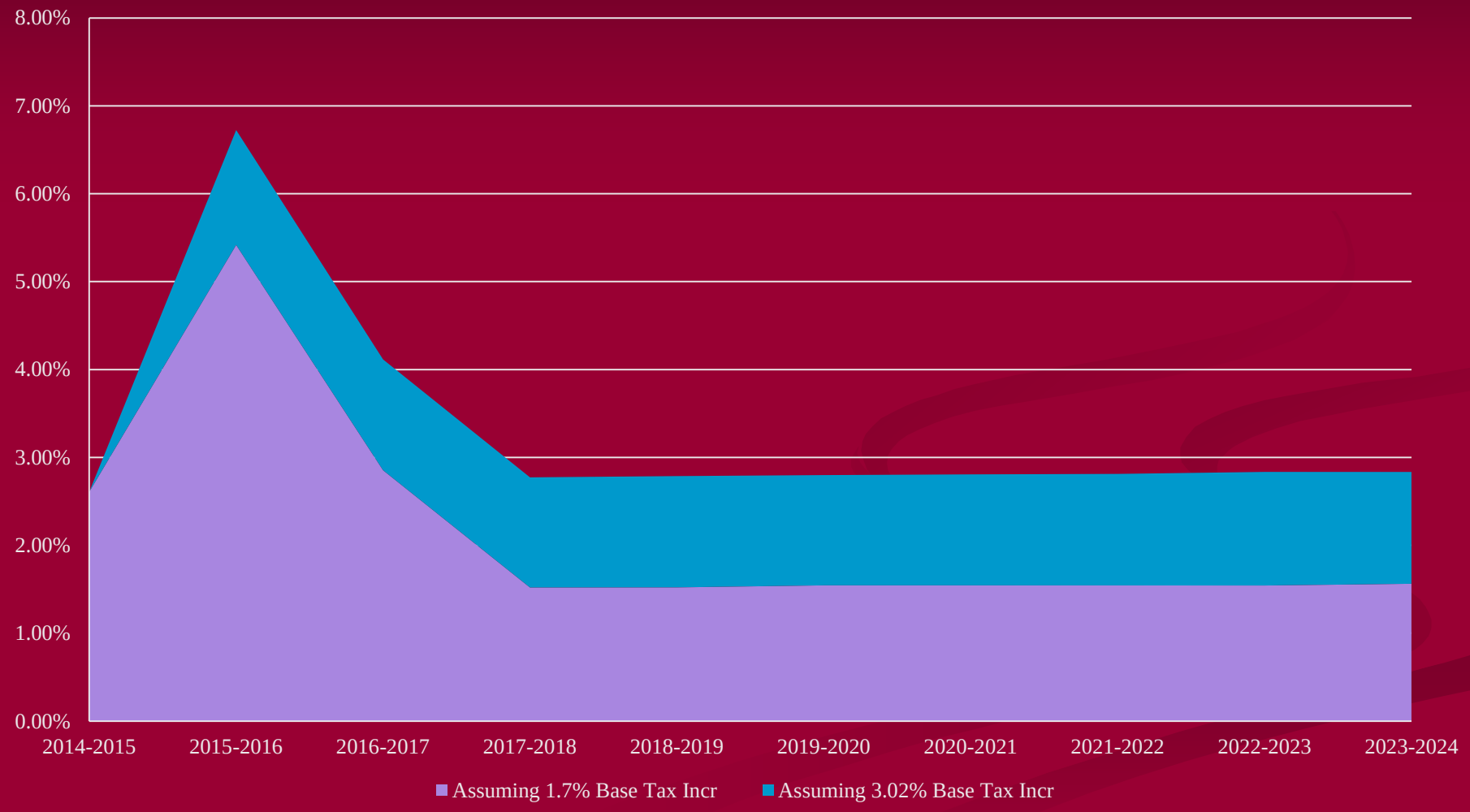
Estimated Phase in of Referendum Tax Increase by year

2014/15	0.91%
2015/16	3.73%
2016/17	1.97%

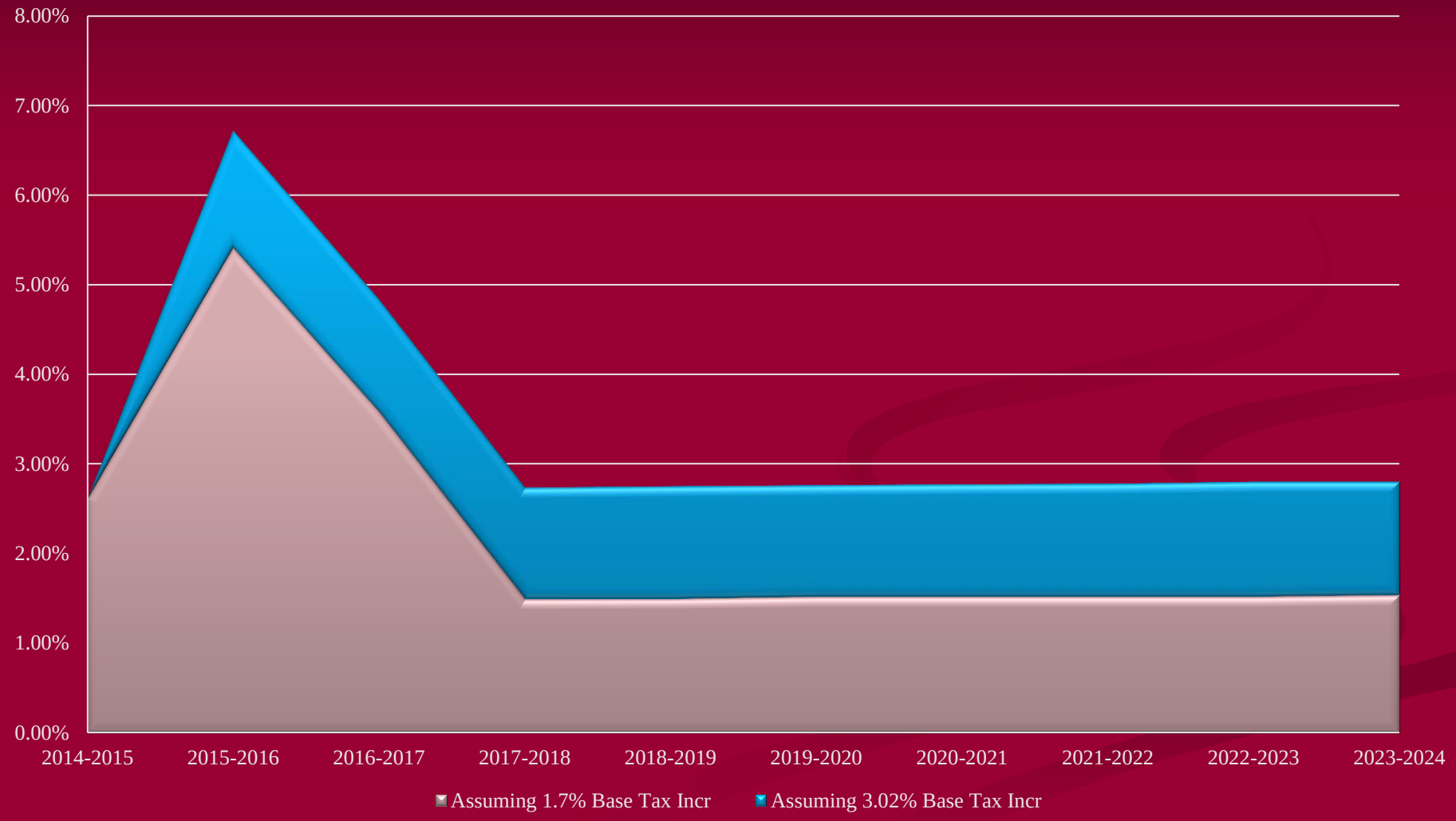
Tax Increase Comparisons 2014-2015 through 2023-2024

Referendum Debt/Tax Increase	Base Mills	Referendum Mills	Total Mills
$75 MM/1.70%	7.11	2.12	9.23
$75 MM/3.02%	12.76	2.12	14.88
$85 MM/1.70%	7.11	2.40	9.51
$85 MM/3.02%	12.76	2.40	15.16

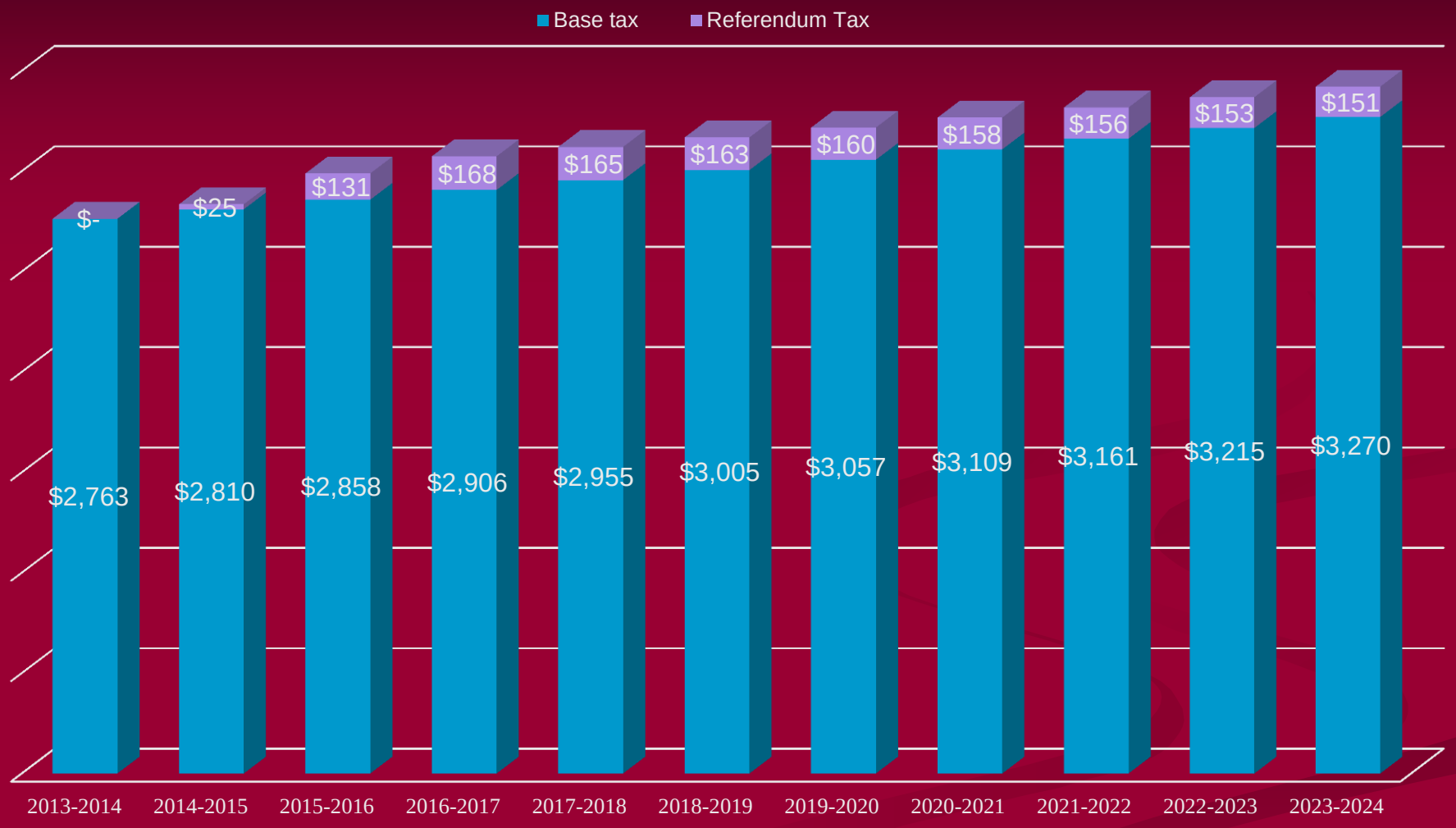
State College Area School District
Total Projected Tax Increase (Base Tax + Referendum Tax)
Assuming $75 Million Referendum



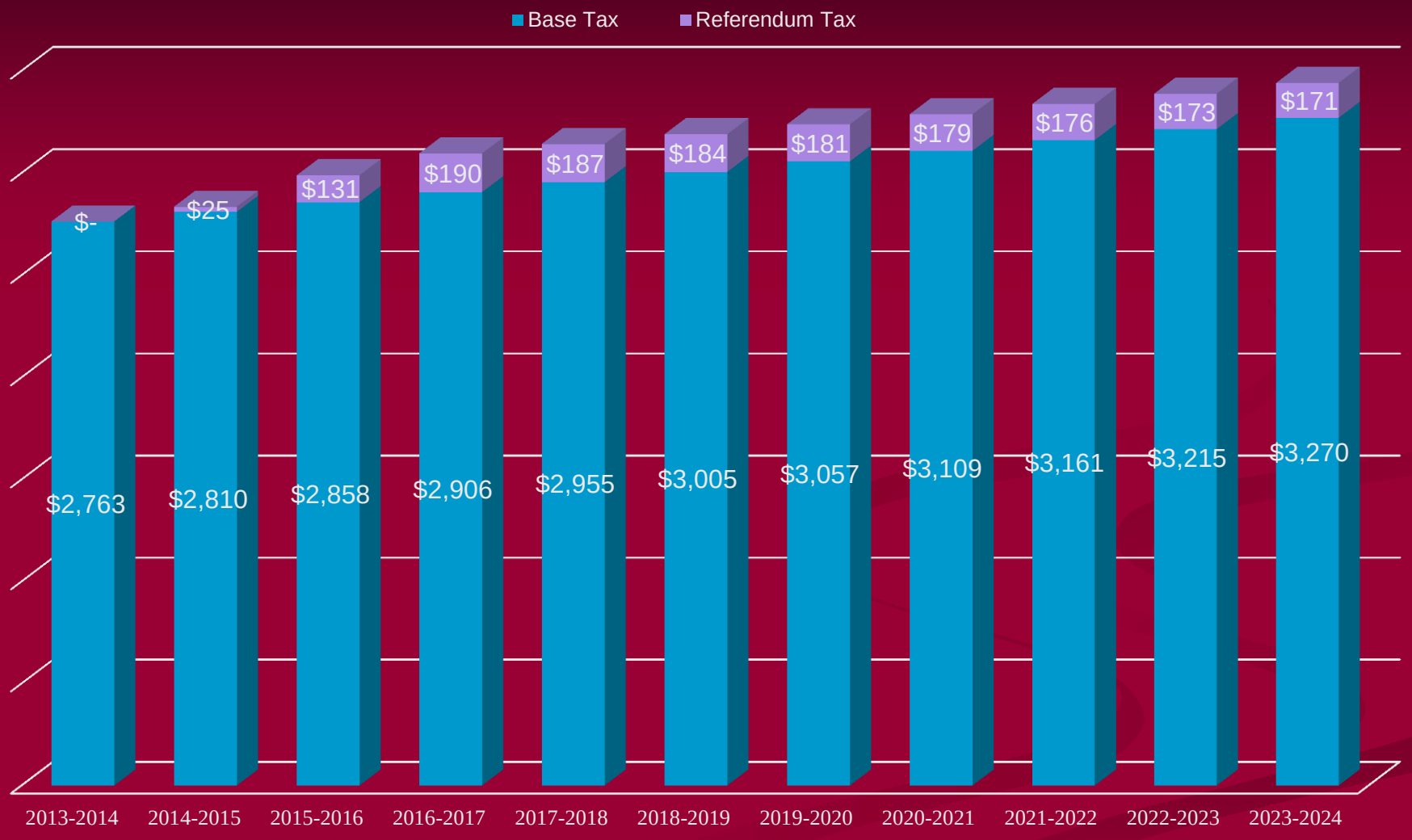
State College Area School District
Total Projected Tax Increase (Base Tax + Referendum Tax)
Assuming $85 Million Referendum



State College Area School District
Projected Tax for Average Homeowner
$75 Million Referendum/1.7% Annual Base Tax Incr

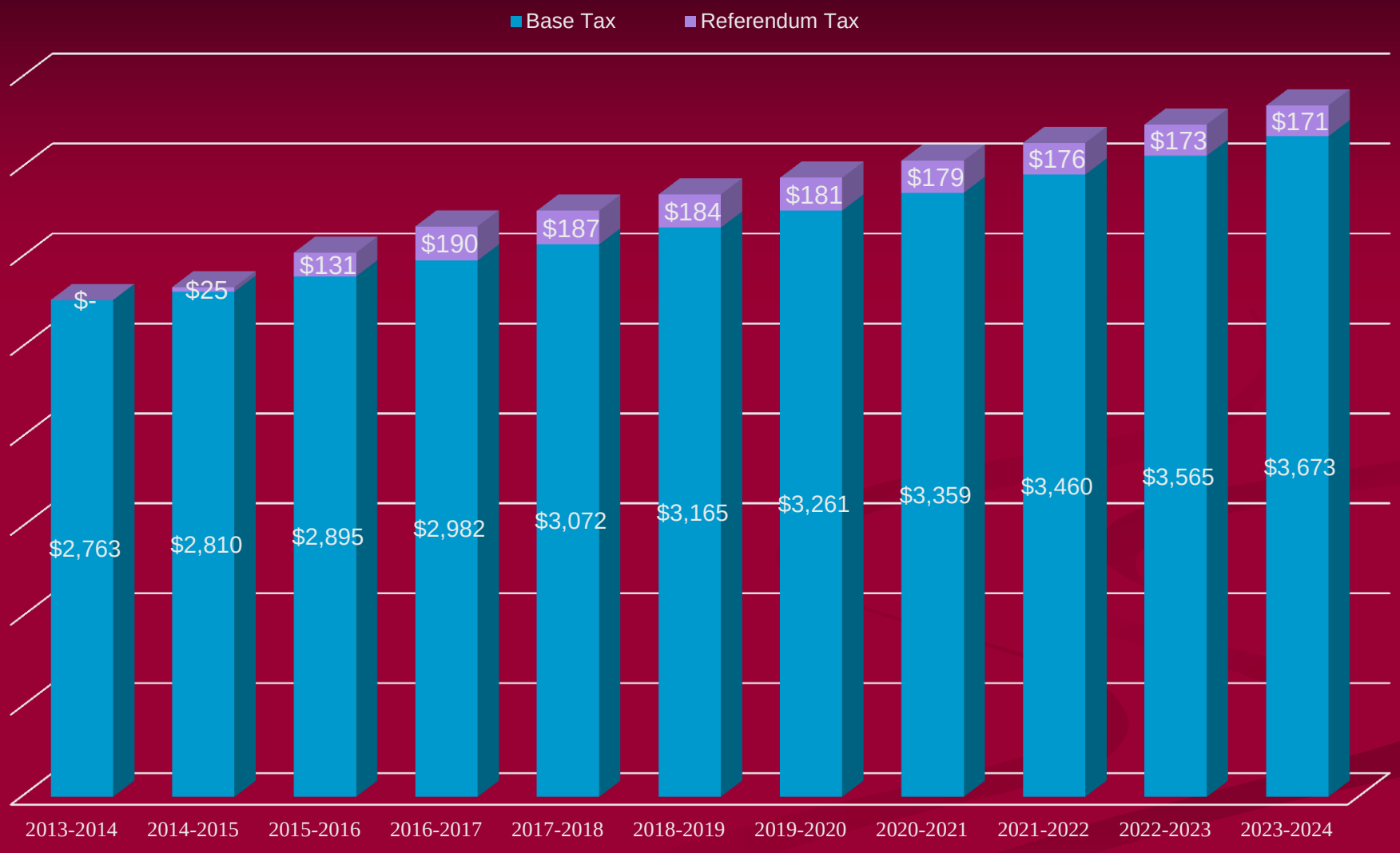


State College Area School District
Projected Tax for Average Homeowner
$85 Million Referendum/1.7% Annual Base Tax Incr



State College Area School District
Projected Tax for Average Homeowner
Assumes $75 Million Referendum Debt/3.02% Annual Base Tax Beg 2015-16 (1.7% Prior)

State College Area School District
Projected Tax for Average Homeowner
Assumes $85 Million Referendum Debt/3.02% Annual Tax Beg 2015-16(1.7% Prior)



Questions