



**STATE COLLEGE AREA SCHOOL DISTRICT
ADMINISTRATIVE OFFICES**

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**STATE COLLEGE AREA SCHOOL DISTRICT
2026-27 BUDGET SUMMARY**

Budget Hearing Date: May 18, 2026, 7:00 p.m.

Budget Adoption Date: June 1, 2026, 7:00 p.m.

Location: Panorama Village Building Board Room – Meeting Room A

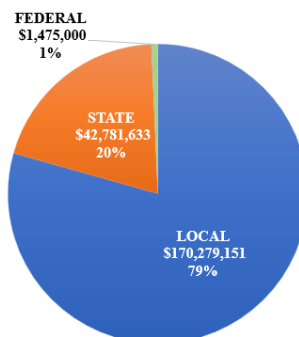
Education is an investment in the future that requires a partnership between schools and the community. The District is committed to the wise use of resources and delivery of quality educational programs.

The Board of School Directors allocates revenue and expenditures to support the educational programs as defined by the District's mission and goals articulated through the strategic plan, as well as financial and operating policies. The board must balance the educational needs of students with the ability and willingness of the community to provide the necessary financial support.

Revenue Budget

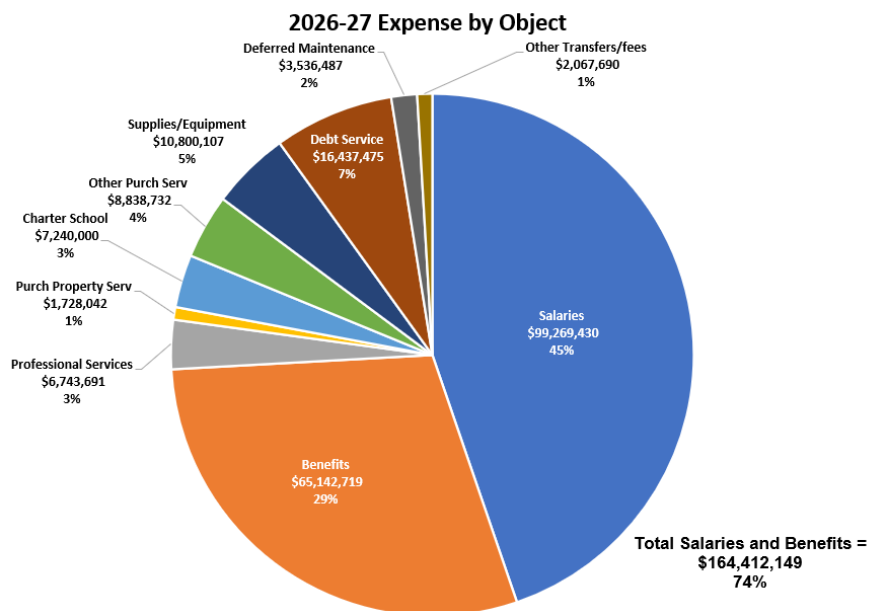
- The budget for 2026-27 includes revenues in the amount of \$214,535,784, which represents a \$7,003,053 (3.4%) increase compared to the 2025-26 budget.
- Budgeted local revenue is \$6,111,076 higher than the 2025-26 budget. Approximately \$4,783,000 of this increase is related to real estate taxes with is reflective of a 3.5% real estate tax rate increase and an assumed assessed value growth increase of .9%. Earned Income tax and Realty Transfer tax revenues account for the majority of the remaining increase.
- The proposed increase in the real estate tax rate is 3.5% (equal to the Act I Index) or a 1.8535 mill increase resulting in a total of 54.8132 mills.
- This increase would equate to an average additional cost across all property types (residential, commercial, agricultural, etc.) for the July 2026 billing in the amount of \$190. To determine a more precise individualized tax impact, a taxpayer can calculate their approximate tax increase by multiplying the payment made for their July 1, 2025 taxes by 3.5%.
- The District is primarily locally funded, with 79% of revenue from local sources.
- Budgeted state revenue is \$891,977 higher than the 2025-26 budget. State revenues reflect an increase for retirement reimbursement (\$682,000) and social security (\$194,000) compared to 2025-26. The 2026-27 budget also reflects increases in Ready to Learn (\$50,000) and Vocational Education (\$24,000) revenues compared to 2025-26. These increases are offset by a decrease in bond reimbursements of approximately \$63,000. The Property Tax Reduction allocation (\$2,501,466) from PDE remains level with prior year which provides a reduction in real estate taxes for eligible homestead and farmstead properties.
- Federal revenue remained level compared to 2025-26 budget.

2026-27 Revenue by Source

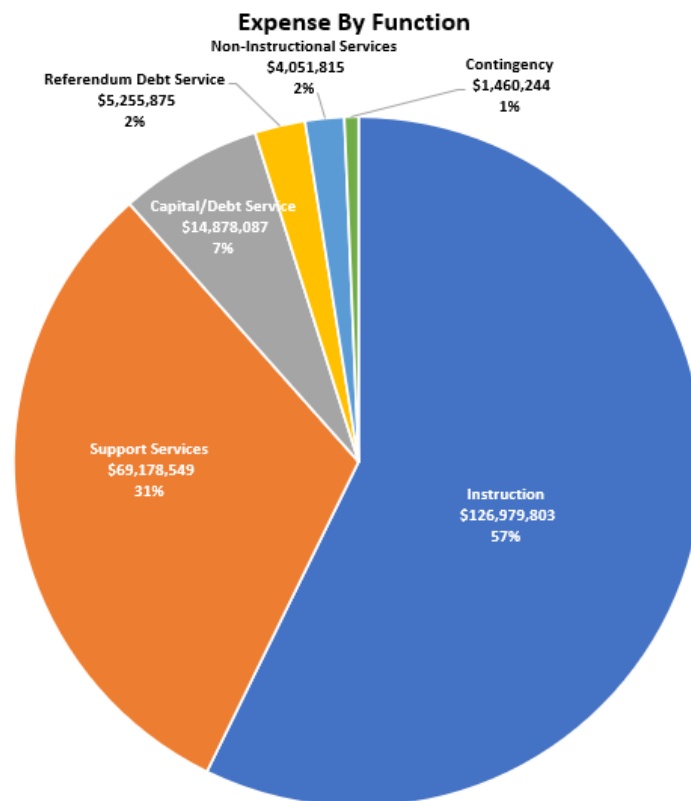


Expense Budget

- The budget for 2026-27 includes expenses in the amount of \$221,804,373, which represents a \$10,281,698 (4.9%) increase compared to the 2025-26 Budget. Key budgetary additions include the following:
 - 2 Custodial Positions for the Physical Plant Department
 - 0.17 Middle School Science Teacher at Mount Nittany Middle School
 - Multiple Coaches
 - 2 positions through increased budgeted expenses which are expected to become elementary counselors pending the evaluating of student enrollments and other staffing retirements or resignations
 - Increase in administrative position
 - .4 FTE added to an existing .6 VA administrator to assist the special education department. Funding for this position originates from a 1.0 FTE para for elementary virtual academy position transitioning to a current paraprofessional opening
 - Other recurring costs include increases in operating costs: \$1 million increase in amount being contributed to the Capital Projects Fund to maintain buildings (roofs, HVAC systems parking lots, etc.), additional contractor costs associated with rising special education enrollment, charter school costs due to rate increase, and an increase in legal costs due to utilization of services.
- Salary and benefit expenses represent approximately 74% of the district's total expenses.
 - Impact of the personnel contracts
 - Health insurance reflects a 9% increase in costs
- Required contributions to the state retirement plan (PSERS) increased approximately \$1,365,000 compared to the 2025-26 budget. This is related to an increase in salary expenses (PSERS employer contribution rate for 2026-27 is 33.59% of qualifying salaries).
- The District's required payment to charter schools represents 3% of the 2026-27 budget (\$7,240,000).
- The budget contains an allocation of \$19,973,962 (9%) for debt service and capital expenses which includes \$5,255,875 to fund debt service payments related to the State High Project borrowing approved through the referendum. This cost is projected to be offset by \$3,001,000 use of committed debt service fund balance.



- The District is required to report expenses to PDE using defined functional groupings. Functions reported in the chart below include:
 - Instruction (57%) - Includes all activities dealing directly with the interaction between teachers and students and related costs, which can be directly attributed to a program of instruction. This does not include administrative instructional support costs. Payments to charter schools are also defined as instructional expense.
 - Support Services (31%) – Includes student support services (i.e. guidance, health, social work), instructional support (i.e. curriculum development, library), plant services, transportation, information technology and administrative support (i.e. principals, human resources, tax collection, legal, accounting).
 - Non-Instructional Services (2%) - Activities concerned with providing non-instructional services to students, staff or the community such as student activities, athletics and community services.
 - Other Expenditures and Financing Uses (10%) – Includes transfers from the general fund to fund debt service payments and deferred maintenance projects. Also, includes other expenditures/fees and budgetary reserves.



Fund Balance

- The budget includes:
 - Use of Committed Fund Balance- Fund balance for debt service was committed to fund debt payments through fiscal year 2031-32. The proposed 2026-27 budget includes usage of \$3,001,000 of committed Debt Service Fund Balance.
 - This budget does not include a transfer to the Capital Reserve Fund
 - Projected ending Unassigned General Fund Balance for 2026-27 is \$13,000,824, which is 5.86% of budgeted expense. The maximum percentage allowed by PDE is 8%.

District Facts

- Eight elementary schools
- Three middle schools (including Delta Middle School)
- Two high schools (including Delta High School)
- 2,742 elementary students
- 1,596 middle school students (including Delta Middle School)
- 2,389 high school students (including Delta High School)
- 1,388 employees
- 678 teachers
- Covers 150 square miles
- Transportation system providing service to District, charter and private students
- District operated school breakfast and lunch program
- Community education programs including after school and summer extended learning opportunities

Pennsylvania School Law

The School Law of Pennsylvania, as enacted by the Commonwealth legislature, requires that public school districts approve an annual budget on the modified accrual basis for the operation of the General Revenue Fund prior to the start of the fiscal year. The Board of School Directors of each district is further required to make these budgets available for public inspection at least 20 days prior to their adoption. Once approved by the district's Board of School Directors, these budgets become the approved spending plan of the district for the coming year, and the Board is prohibited from spending or obligating funds in excess of these amounts. The Board is authorized to transfer funds within the budget during the last nine months of the fiscal year. Unused appropriations revert to the fund balance at the end of each fiscal year. The school district designates a portion of this fund balance by an amount equal to outstanding encumbrances at year end.

Board of School Directors

Dr. Aaron Miller, President
Ms. Rebecca Desmarais, Vice President
Dr. Deborah Anderson, Member
Dr. Amy Bader, Member
Dr. Jesse Barlow, Member
Ms. Jennifer Black, Member
Dr. Anne Demo, Member
Ms. Jacqueline Huff, Member
Dr. Robb Lauzon, Member

Administration

Curtis Johnson, Superintendent
Dr. Jonathan Bucher, Assistant Superintendent for Secondary Education
Danielle Yoder, Assistant Superintendent for Elementary Education
Michelle Simpson, Director of Human Resources
Randy Brown, Finance & Operations Officer
Joseph Viglione, Assistant Business Administrator

State College Area School District
240 Villa Crest Drive
State College, PA 16801
(814) 231-1021
www.scasd.org

Mission: To prepare students for lifelong success through excellence in education.

State College Area School District
General Fund Revenue
Proposed Final Budget - 2026-27

LOCAL

CURRENT REAL ESTATE TAX	\$ 129,502,248
REAL ESTATE TAX-REFERENDUM DEBT	4,943,623
EARNED INCOME TAX	24,040,000
REALTY TRANSFER TAX	3,000,000
DELINQUENT REAL ESTATE TAX	1,100,000
INTERIM REAL ESTATE TAX	600,000
IDEA-B	1,041,465
PAYMENTS IN LIEU OF TAX	734,000
LOCAL SERVICES TAX	375,000
TUITION	1,870,729
MISC LOCAL REVENUE	602,086
PUBLIC UTILITY REALTY TAX	135,000
INTEREST ON INVESTMENTS	2,335,000
TOTAL LOCAL	170,279,151

STATE

BASIC ED INSTR SUBSIDY	13,884,000
SPECIAL ED REVENUE	3,655,188
REV. FOR RETIREMENT	16,488,660
REV. FOR SOCIAL SECURITY	3,721,317
PROPERTY TAX REDUCTION	2,501,466
TRANSPORTATION REVENUE	800,000
BOND REIMBURSEMENTS	850,989
HEALTH SERVICES REVENUE	140,000
READY TO LEARN GRANT	360,013
SAFETY GRANTS	-
VOCATIONAL EDUCATION	250,000
OTHER STATE REVENUE (4)	-
TUITION - 1305/1306	130,000
TOTAL STATE	42,781,633

FEDERAL

TITLE I REVENUE	825,000
TITLE II REVENUE	155,000
ACCESS FUNDS	350,000
OTHER FEDERAL REVENUE	110,000
TITLE III REVENUE	35,000
TOTAL FEDERAL	1,475,000

TOTAL REVENUE	\$ 214,535,784
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State College Area School District
General Fund Expenses and Fund Balance Transfers
Proposed Final Budget - 2026-27

Salaries	\$ 99,269,430
Health Insurance	22,294,797
PSERS	32,979,081
Other Benefits	9,868,841
Professional Services	6,743,691
Purchased Property Services	1,728,042
Charter School Expense	7,240,000
Other Purchased Services	8,838,732
Supplies/Equipment	10,800,107
Deferred Maintenance	3,536,487
Transfers/contingencies/fees	2,067,690
Debt Service	11,181,600
Debt Service - Referendum Debt	5,255,875
Total Expense before Transfers	221,804,373
Transfer to Capital Reserve	-
Total Expense including Transfers	221,804,373
Fund Balance Commitment/(Use) - Debt Service	(3,001,000)
Total fund balance commitment/(use)	(3,001,000)
Total Expenses and Transfers	\$ 218,803,373

**State College Area School District
General Fund Activity
Proposed Final Budget - 2026-27**

Beginning Fund Balance	<u>\$ 17,268,413</u>
Revenue	\$ 214,535,784
Local	170,279,151
State	42,781,633
Federal	1,475,000
Expense (including Capital Reserve transfer)	<u>\$ 221,804,373</u>
Revenue less of expense	<u>\$ (7,268,589)</u>
Funding/(Use) of Committed Fund Balance - Debt Service	\$ (3,001,000)
Funding/(Use) of Committed Fund Balance - Health Insurance	\$ -
Change in Committed Fund Balance	<u>\$ (3,001,000)</u>
Change in Unassigned Fund Balance	<u>\$ (4,267,589)</u>
Ending Unassigned Fund Balance	<u><u>\$ 13,000,824</u></u>
Unassigned Fund Balance Percentage	<u><u>5.86%</u></u>