

STATE COLLEGE AREA SCHOOL DISTRICT

Discussion:

2014-2015 Budget Projections

2014-2015 Budget Development

- January 2014: Resolution to set real estate tax increase within Act 1 Index of 2.10%
- March and April: Discussion
- May 2014: Approve proposed final budget
- June 2014: Approve final budget
- Note: Approval of proposed final and final budget may occur earlier

2014-15 Budget Development

- Projections for 2014-15
- Presentation of Proposed Initiatives on March 17

2014-2015 Budget Development

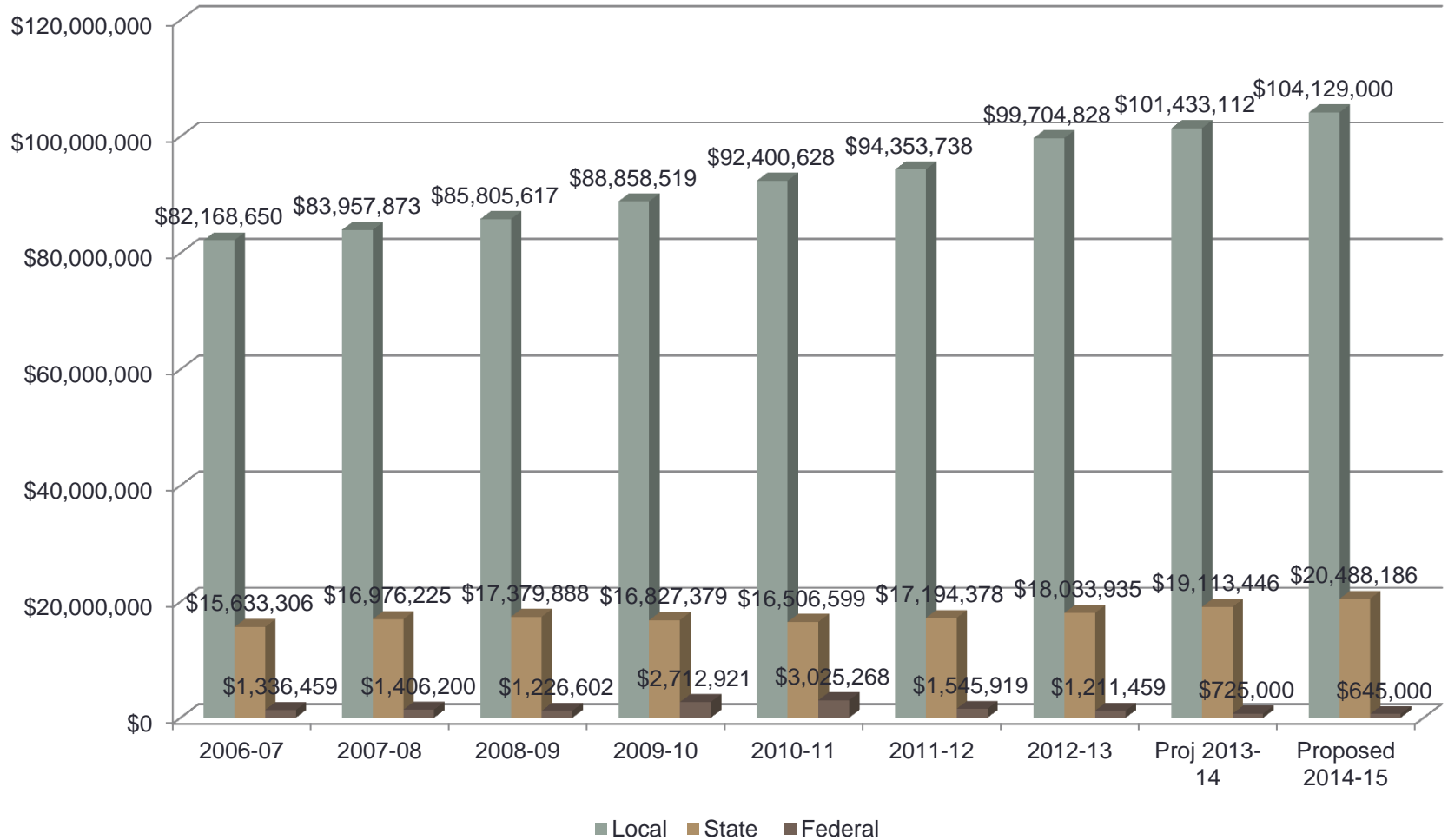
- Budget includes items consistent with prior projections
 - PSERS employer contribution rate of 21.40%
 - Transfer to capital reserve \$3.8 million
 - Use of PSERS reserve - \$582,000
 - PSERS prefunding stream designated by board

Real Estate Tax Projections

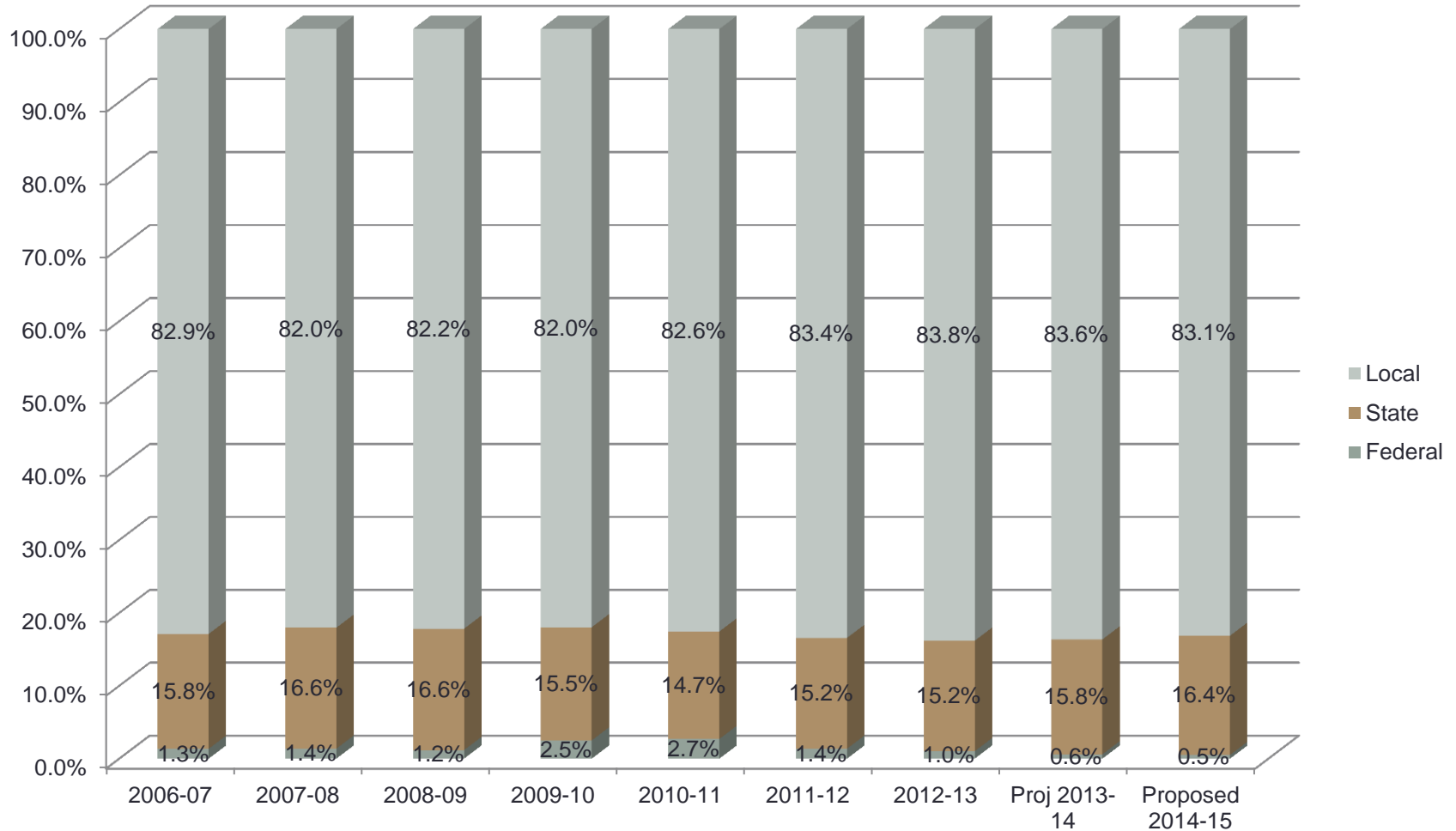
- Estimated Revenue based upon Assessed Value @ February 2014
- Projections considered accurate pending changes to assessed value through June 2014

Tax Increase	Net Assessed Value	Tax Rate	Collection %	Estimated Revenue	Projections
2.10%	2,163,500,000	39.56	97.07%	83,080,000	83,020,000
1.95%	2,163,500,000	39.51	97.07%	82,970,000	82,900,000
1.70%	2,163,500,000	39.41	97.07%	82,760,000	82,700,000

Revenue Summary

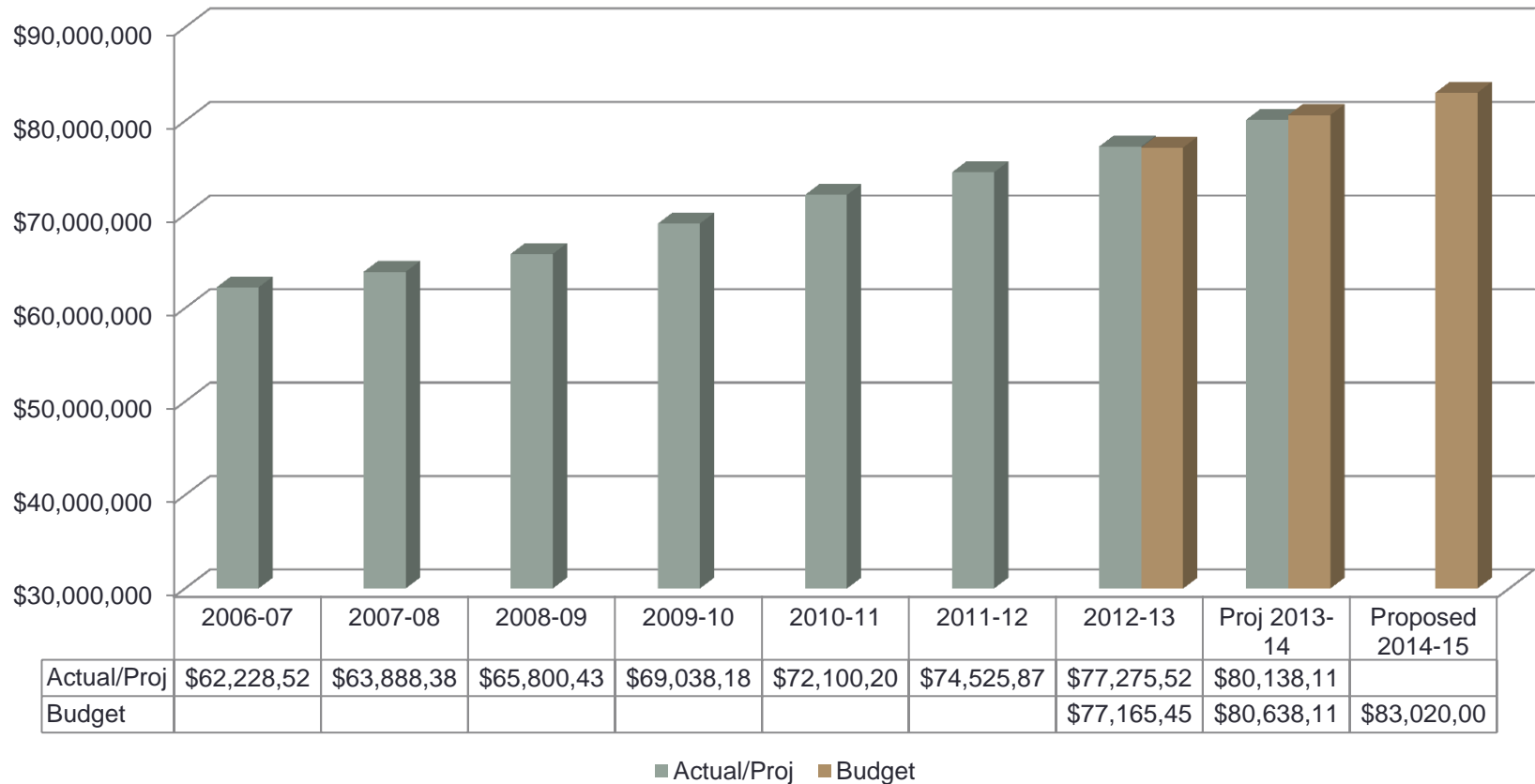


Percentage of Revenue



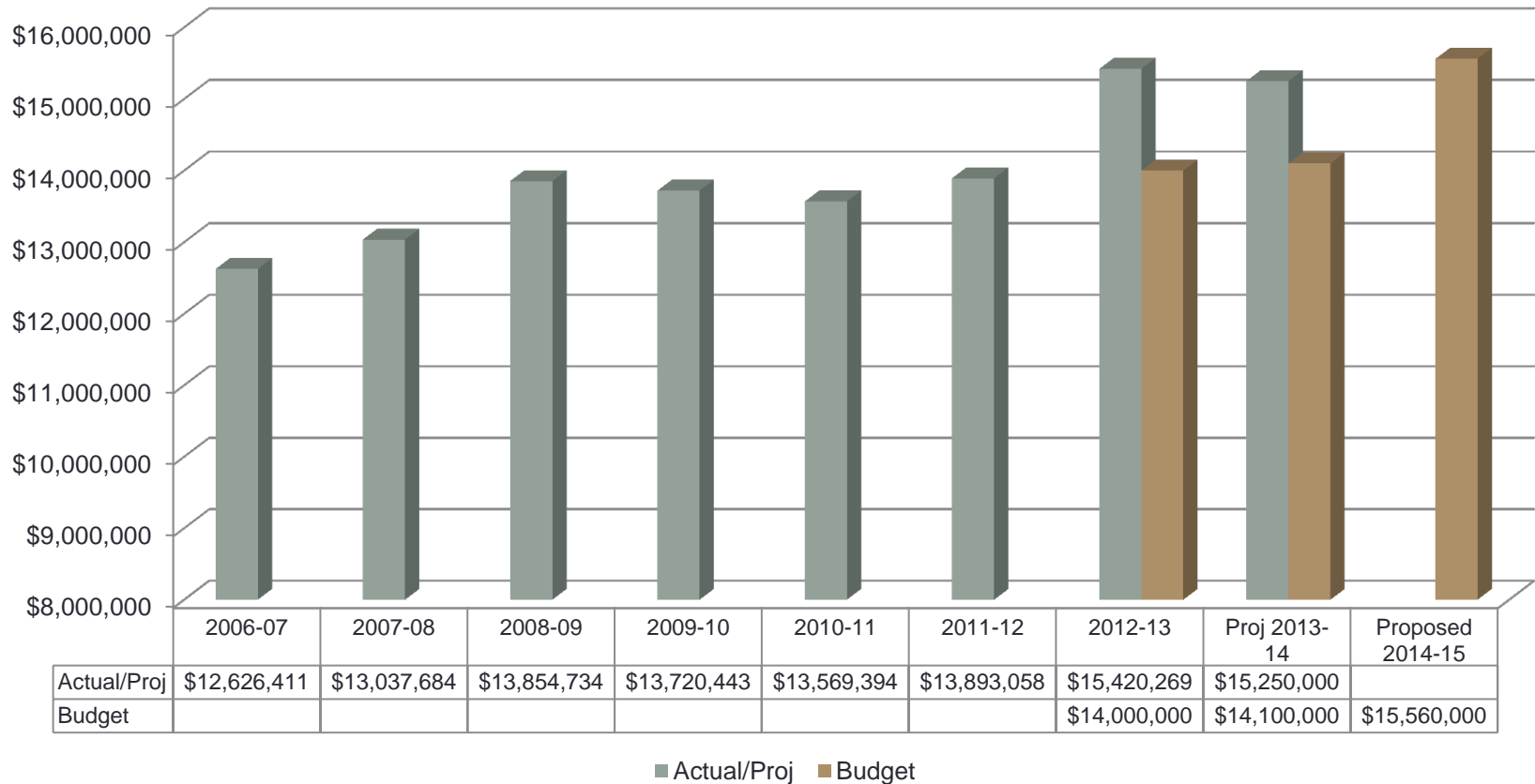
Real Estate Taxes

State College Area School District Real Estate Tax

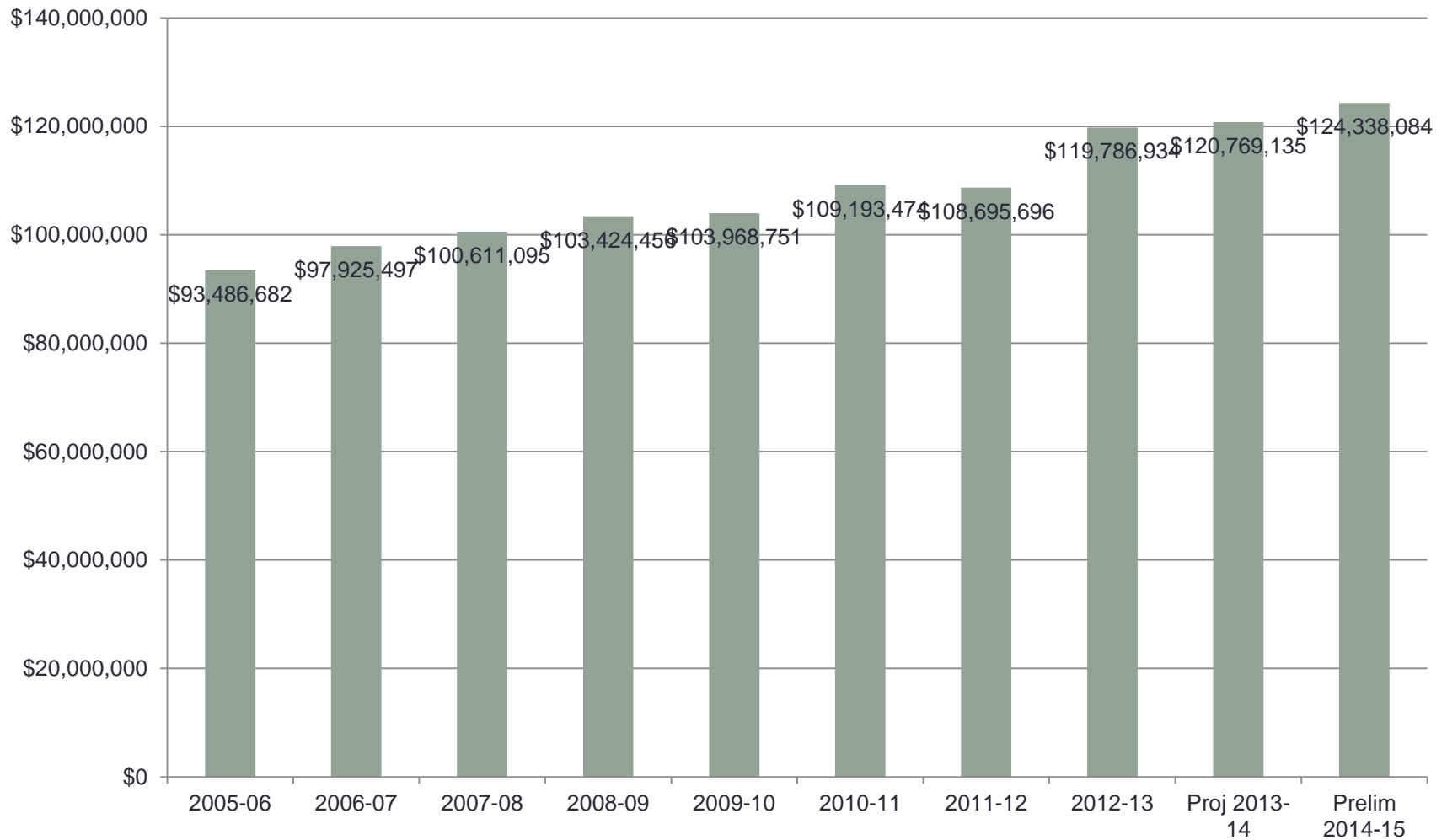


Earned Income Tax

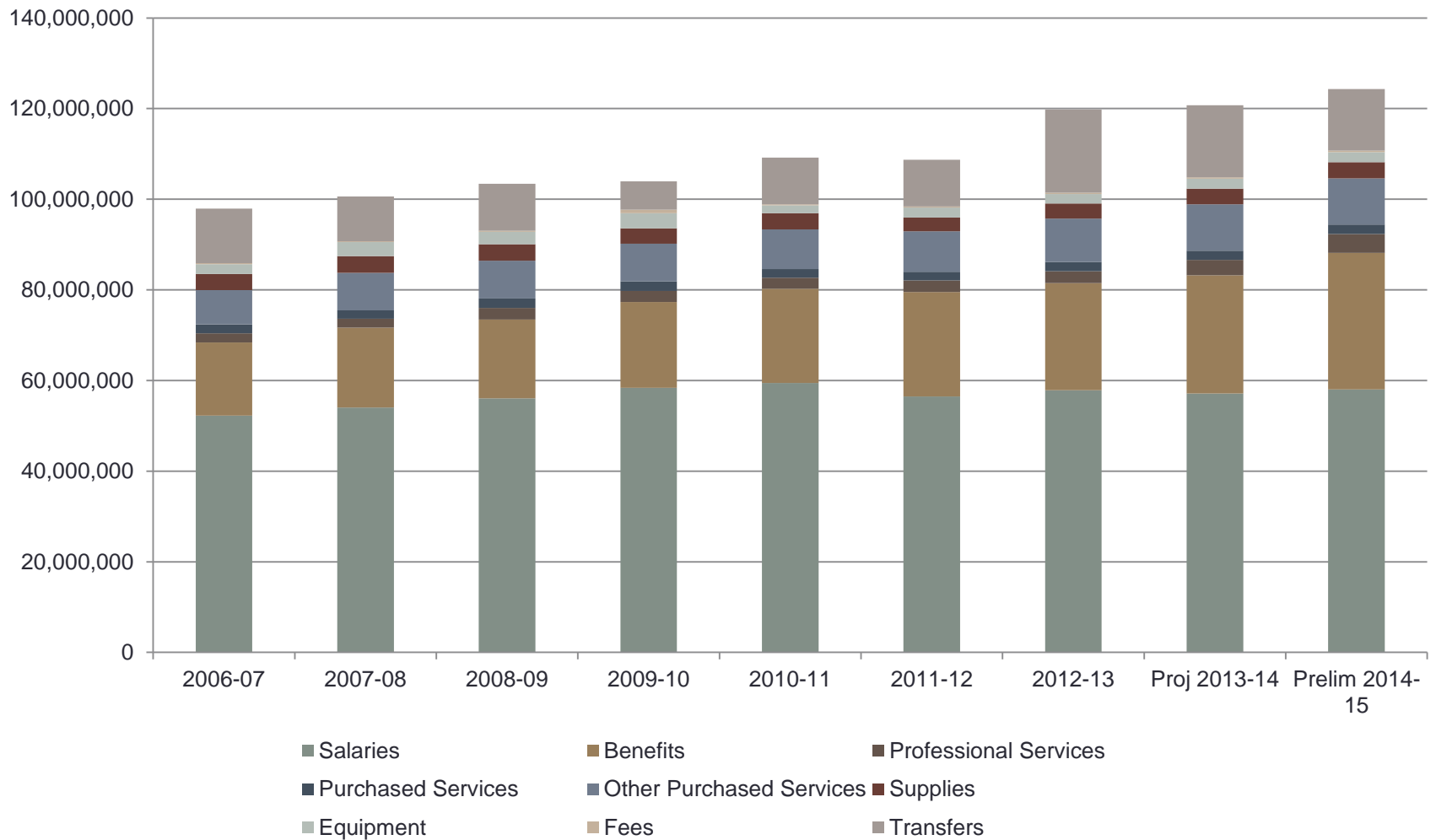
State College Area School District Earned Income Tax



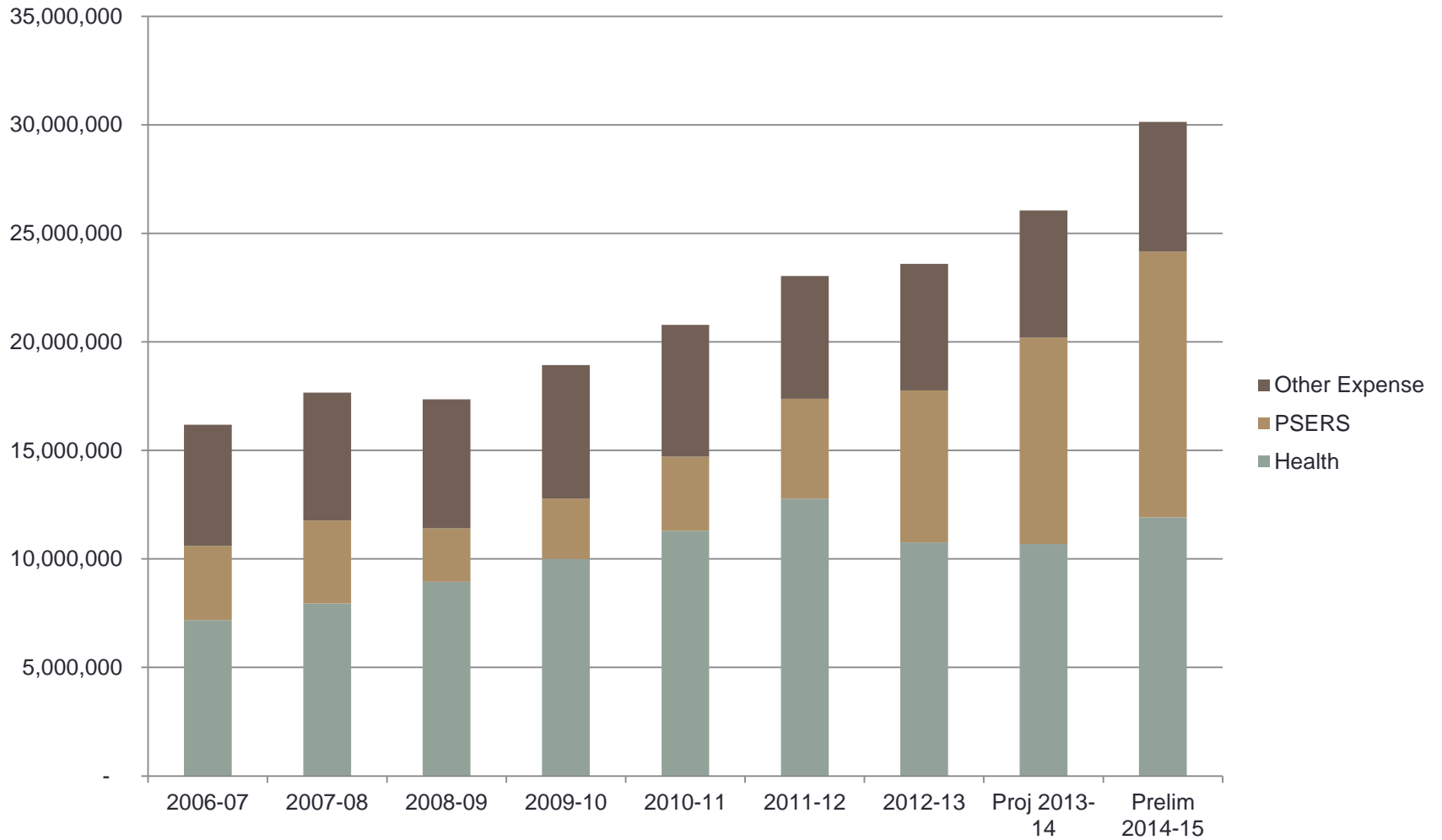
Expense Summary



Expenses by Object



Benefits



2014-15 Budget Development

Revenue/Expense Unknowns

- State Budget
- Interest Rates

2014-2015 Budget Development

- **Proposed initiatives**

- Development function
- Delta middle school teacher
- Expanded middle schools literacy experiences

2014-2015 Budget Development

- | Proposed Tax Increase | Budget Total |
|-----------------------|---------------|
| • 2.1% (a) | \$125,262,186 |
| • 1.95% | \$125,142,186 |
| • 1.7% | \$124,942,186 |
- \$320,000 generated with 2.1% versus 1.7%
 - \$200,000 generated with 1.95% versus 1.7%

(a) Administration recommendation

2014-2015 Budget Development

- Cost (total and increase) to average residential homeowner

• 2.10%	\$2,821	\$58
• 1.95%	\$2,817	\$54
• 1.70%	\$2,810	\$47

Note: Average residential homeowner – assessed value \$71,300; market value approximately \$250,000

2014-2015 Proposed Tax Increase

- Proposed 2.10%
- Lowest proposed preliminary tax increase in county and cohort
- Second lowest tax increase in SCASD during the last 12 years

Local and Cohort Districts Preliminary Tax Increase for 2014-15

	2014-2015 Preliminary Tax Increase	Exceptions	Act 1 Adjusted Index	
Bellefonte	3.60%	0.90%	2.70%	(1)
Bald Eagle	2.90%	0.00%	2.90%	(1)
Penns Valley	2.60%	0.00%	2.60%	(1)
Philipsburg-Osceola	3.00%	0.00%	3.00%	(1)
Tredyffrin-Easttown	3.20%	1.10%	2.10%	
Cumberland Valley	2.10%	0.00%	2.10%	*
Parkland	2.10%	0.00%	2.10%	*
Lower Merion (1)	4.11%	2.01%	2.10%	
North Allegheny	9.56%	7.46%	2.10%	
Abington	4.53%	2.43%	2.10%	
State College	2.10%	0.00%	2.10%	*
(1) District Act 1 Index adjusted above 2.1%				
* Not to exceed resolution				

Real Estate Tax and Act 1 Index Increase Comparison

