

North Allegheny School District, PA

- 1 Washington County Industrial Development Authority (Allegheny County, Pennsylvania) School Revenue Bonds, Series of 2016 (A. W. Beattie Career Center Project), \$14,765,000, Dated: July 28, 2016
- 2 North Allegheny School District (Allegheny County, Pennsylvania) General Obligation Bonds, Series of 2015, \$34,770,000, Dated: September 16, 2015 **Summary Language Used**
- 3 Butler County General Authority Variable Rate Demand Revenue Bonds (North Allegheny School District Project), Series 2014, \$31,080,000, Dated: May 1, 2014
- 4 North Allegheny School District (Allegheny County, Pennsylvania) General Obligation Bonds, Refunding Series B of 2013, \$8,130,000, Dated: August 8, 2013
- 5 North Allegheny School District (Allegheny County, Pennsylvania) General Obligation Bonds, Refunding Series of 2012, \$9,960,000, Dated: February 7, 2012
- 6 Butler County General Authority Variable Rate Demand Revenue Bonds (North Allegheny School District Project), Series 2011A, \$14,245,000, Dated: November 1, 2011
- 7 Butler County General Authority Variable Rate Demand Revenue Bonds (North Allegheny School District Project), Series 2011B, \$10,220,000, Dated: November 1, 2011
- State Public School Building Authority (Commonwealth of Pennsylvania) School Revenue Bonds (A.W. Beattie Career Center Project) (Allegheny County, Pennsylvania), Series of 2008, \$20,890,000 Dated: July 15, 2008 **Summary**
- 8 **Language Used** **NOR**
- 9 State Public School Building Authority Variable Rate Demand Revenue Bonds (North Allegheny School District Project), Series 2008, \$18,145,000, Dated: May 1, 2008 **NAR**

Series 2014, 2013B, 2012, 2011B, 2011A

School Building Facilities

Fiscal Year Ended June 30, 2017

	<u>Original Construction</u>	<u>Most Recent Addition or Renovation</u>	<u>Grades</u>	<u>Pupil Capacity</u>	<u>Enrollment</u>
<u>Elementary:</u>					
Bradford Woods	1958	2015	K-5	550	463
Franklin	1936	1997	K-5	550	381
Ingomar	1959	1997	K-5	550	440
McKnight	1955	1997	K-5	900	753
Peebles	1952	1997	K-5	550	738
Hosack	1972	1997	K-5	550	344
Marshall	1991	2015	K-5	900	837
North Allegheny Cyber Elementary					0
<u>Middle Schools:</u>					
Carson	1969	2005	6-8	750	738
Ingomar	1958	2005	6-8	600	497
Marshall	1993	2015	6-8	825	769
North Allegheny Cyber Middle School					0
<u>Secondary Schools:</u>					
North Allegheny Intermediate High School	1954	2017	9-10	1602	1348
North Allegheny Senior High School	1974	2002	11-12	1646	1318

Series 2014, 2013B, 2012, 2011A, 2011B

Employment and Employee Relations

Fiscal Year Ended June 30, 2017

There are presently 1,098 employees of the School District, including 662 teachers and other professionals, 35 administrators, and 436 support personnel. The support personnel include paraprofessionals, confidentials, bus drivers, mechanics and custodial staff.

The School District's teachers are represented by the North Allegheny Federation of Teachers (the "NAFT"), Local 2097, American Federation of Teachers, AFL-CIO under a five-year contract which expires on June 30, 2020.

Pension Program

Series 2014, 2013B, 2012, 2011B, 2011A

School District Payments (Net of Commonwealth Reimbursement):

2016-2017	\$	10,329,030
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Series 2014, 2013B

Pennsylvania Department of Education uses its actuarial valuations to project future increases in pension obligations - as a percentage of payroll for the School Districts

Fiscal Year	Percentage of Payroll
2017	30.03%
2018	32.57%
2019	34.18%
2020	35.53%

Series 2014, 2013B, 2012, 2011B, 2011A

Other Post-Employment Benefits

Fiscal Year Ended June 30, 2017

The School District's annual OPEB cost is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a closed period not to exceed 30 years. The annual required contribution for the fiscal year ended June 30, 2017 was \$2,212,536. The School District contributed \$1,746,877 for current premiums during the year. The remaining net OPEB obligation at the end of fiscal year 2017 was \$3,375,084.

The Actuarial Accrued Liability ("AAL") for the district at July 1, 2014 was \$18,922,338. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Healthcare cost trend assumptions are based on recent experience and anticipated future cost increases under the School District's medical plans. Amounts determined regarding the funded status and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Series 2014, 2013B, 2012, 2011B, 2011A

Current Tax Structure

Fiscal Year Ended June 30, 2017

	Real Estate Millage	Per Capita	Earned Income	Real Estate Transfer	Local Services Tax	Mechanical Devices
School District	18.0011	\$10.00	0.50%	0.50%	\$0.00	\$0.00
Bradford Woods Borough	2.483	\$0.00	0.50%	0.50%	\$0.00	\$0.00
Franklin Park Borough	1.29	\$0.00	0.50%	0.50%	\$52.00	\$0.00
Marshall Township	1.42	\$0.00	0.50%	0.50%	\$52.00	\$125.00
Town of McCandless	1.236	\$0.00	0.50%	1.00%	\$52.00	\$150.00
Allegheny County	4.73					

Series 2014, 2013B, 2012, 2011B, 2011A

Ten Largest Real Property Taxpayers

Fiscal Year Ended June 30, 2017

Taxpayer	Type of Property	Assessed Value
ERICSSON DRIVE ASSOCIATES LP	Commercial Office Buildings	61,478,300
ADVENTURE CHAMPION PARTNERSHIP	Commercial Real Estate	48,203,028
SIPPEL ENTERPRISES LP	Commercial Real Estate	36,110,500
ZELL TWO INC	Office and Research Park	33,048,400
UPMC PASSAVANT	Hospital	28,208,300
mitsubishi electric power products inc	Office and Research Park	20,338,300
CAPREIT PITTSBURGH LIMITED PARTNERSHIP	Apartment Building	20,248,300
TERRA NORTH ASSOCIATES	Commercial Real Estate	19,775,300
2008 HICKORY HILLS TRUST	Commercial Real Estate	19,620,600
ELMPROS HOTEL LLC	Hotel	16,475,700
Total		303,506,728

APPENDIX B
OPERATING AND FINANCIAL DATA

Series 2015, 2014, 2013B, 2011B, 2011A

Enrollment Data

School Year Ending June 30, 2017	Actual Enrollments		Total
	Elementary	Secondary	
	3630	4670	8300

Series 2015, 2013B

Schedule of Direct and Overlapping Debt and Debt Ratios

Fiscal Year Ended June 30, 2017

	Gross	Market Value Aid Ratio	Project Reimburs.	Local Share
Direct Debt				
General Obligation Note, Series 2014	30,960,000	0.4082	39.33%	25,989,524.94
General Obligation Bonds, Refunding Series of 2013B	7,175,000	0.4082	33.01%	6,208,191.57
General Obligation Bonds, Refunding Series of 2012	8,980,000	0.4082	0.00%	8,980,000.00
General Obligation Note, Series 2011A ⁽¹⁾	13,795,000	0.4082	32.33%	11,974,459.23
General Obligation Note, Series 2011B ⁽¹⁾	10,220,000	0.4082	33.22%	8,834,126.71
General Obligation Note, Series of 2008 ⁽²⁾	18,105,000	0.4082	32.50%	15,703,100.18
General Obligation Note, Series 2016 (Beattie)	3,336,072	0.4514	42.18%	2,700,882.16
General Obligation Bonds, Series 2015	34,770,000	0.4082	46.54%	28,164,524.74
TOTAL:	127,341,072			108,554,809.52
TOTAL DIRECT DEBT				
Overlapping Debt				
TOTAL OVERLAPPING DEBT				
TOTAL DIRECT AND OVERLAPPING DEBT				

Series 2015, 2013B

Debt Ratio Calculations (including issuance of the Bonds)

Fiscal Year Ended June 30, 2017

	Gross Outstanding	Local Share
Net Direct Debt Per Capita		
Net Direct Debt to Market Value		
Net Direct and Overlapping Debt Per Capita		
Net Direct and Overlapping Debt to Market Value		
Population (201X census)		
Current Market Value		

Series 2015, 2014, 2013B, 2011B, 2011A

Realty Tax Collections

Year	Market Valuation	Assessed Valuation	Millage	Current Levy	Current Collections	Current Collections as a % of Levy	Total Collections	Total Collections as a % of Levy
2016-2017	5,529,225,579	5,529,225,579	18.0011	99,532,143	95,026,771	95.473%	98,199,748	98.66%

Commonwealth Aid to School Districts

Fiscal Year Ended June 30, 2017

School districts in the Commonwealth receive annual financial assistance from the Pennsylvania Department of Education. The two major programs that constitute such State aid for the School District are the Basic Instructional subsidy and the Special Educational subsidy.

The Basic Instructional subsidy received by a school district is based upon Student Based factors, (i) Average ADM; (ii) Poverty; (iii) English Language learners; (iv) Charter School enrollment, and School District factors, (i) Sparsity size adjustment; (ii) Median Household income index; (iii) Local Effort capacity Index. For 2016-17 the School District's Sparsity Size ratio was **-0.6247**, the Median household income index was 0.5556 and the Local Effort capacity index was 0.9200.

The Special Education subsidy continues to be based, in part upon the school district's Market Value/Personal Income Aid Ratio ("MV/PI AR"). The MV/PI AR is a function of both the ratio of the per pupil market value of real estate in the school district to such per pupil market value in the Commonwealth and the ratio of the per pupil income of the school district to the per pupil personal income in the Commonwealth. The School District's MV/PI Aid Ratio for FY 17 is .3165.

Pupil Transportation Subsidy and Rental and sinking fund reimbursement from the Commonwealth utilize the Market Value aid ratio (MVAR). The MVAR is a function of the ratio of the per pupil market value of real estate in the school district to such per pupil market value in the Commonwealth. The amount of the Rental and sinking fund reimbursement for school projects is determined by the "Reimbursable Percentage" assigned to the school building project and by the school district's MVAR or Capital Account's Reimbursable Fraction (the "CARF"), whichever is higher. Most school building projects in the Commonwealth are eligible for state reimbursement. Certain school building projects, such as school administration buildings, swimming pools and tracks are ineligible for reimbursement. A reimbursement percentage, based upon the rated pupil capacity of the new or renovated structure and certain other costs, is assigned to the building project. This reimbursement percentage multiplied by the school district MVAR or CARF, determines the state share of the annual lease rental or debt service for that school year. The School District's MVAR for FY 17 is .4082.

While the school district's MV/PI AR and MVAR may change each year, the CARF is permanently set at .2340.

Summary of General Fund Revenues and Expenditures

Fiscal Year Ended June 30,

	2017
Revenue	
Local Sources	117,977,014.00
State Sources	33,139,264.00
Federal Sources	1,972,427.00
TOTAL REVENUE	153,088,705.00
Expenditures	
Current:	
Instruction	85,895,425
Support Services	43,442,264
Operation of Noninstructional Services	3,175,079
Facilities Acquisition, Construction and Improvement Services	276,993
Debt Service	14,297,104
Refund of Prior Year Receipts	
TOTAL EXPENDITURES	147,086,865.00
Other Financing Sources and (Uses):	
Transfers in (out)	(2,257,629.00)
Proceeds from Sale of Assets	349,252.00
Proceeds from General Obligation Bonds	
Proceeds from capital lease	392,038.00
Payment to Bondholders	
Proceed from Basis Swap Terminations	
Payment from Amendment to Swap Agreement	
Refund of Prior Year Receipts	(253,074.00)
TOTAL OTHER FINANCING	
SOURCES AND (USES)	(1,769,413.00)
Excess of Revenues and Other Sources	4,232,427.00
Over (Under) Expenditures and Other Use	
Fund Balance - Beginning of Year	18,029,892.00
Fund Balance - End of Year	22,262,319.00

Series 2016, 2008

Budget Summary for the current fiscal year

Fiscal Year Ended June 30, 2018

See Attached file "PDE-2028 Final copy"

Series 2013B, 2012

Future Financing

Fiscal Year Ended June 30, 2017

The School District will consider refunding currently outstanding bond issues if market conditions are appropriate.

Series 2013B, 2012

Tax Anticipation Borrowing

Fiscal Year Ended June 30, 2017

0

Series 2016

Statement of Change in Accounting Principles (if any)

Fiscal Year Ended June 30, 2017

None