



September 22, 2017

Ms. Ruth Huck  
Board Secretary  
Warren County School District  
6820 Market Street  
Russell, PA 16345

**RE: PLANCON PART H: PROJECT FINANCING- Revision\***

PROJECT NO.: 3811  
PROJECT BUILDING NAME: Warren Area High School  
TYPE WORK: Additions/Alterations  
COUNTY: Warren  
BOARD ACTION: GOB Series of 2014 - January 25, 2016  
QZAB Series of 2015 - January 25, 2016  
QZAB Series of 2016 - January 11, 2017  
\*GOB Series of 2017 – August 1, 2017  
REIMBURSEMENT BASIS: Maximum Reimbursable Formula Amount

Dear Ms. Huck:

The materials for PlanCon Part H, "Project Financing," have been reviewed and approved. This approval is based on a limited review of the documents submitted. If information reviewed subsequent to this approval violates law, policy or procedure, the department reserves the right to rescind any and all approvals materially affected.

<u>Lease Number</u>	<u>Bond Issue</u>	<u>Method of Financing</u>	<u>Temporary Percent</u>	<u>Effective Date</u>
143811	\$9,980,000	GOB Series of 2014	16.73%	7-1-2013
153811	\$8,449,000	QZAB Series of 2015	22.31%	7-1-2015
163811	\$2,522,000	QZAB Series of 2016	22.31%	7-1-2016
*173811	\$9,920,000	GOB Series of 2017	22.31%	7-1-2017

Future Financing

For bond issues/notes with PlanCon Part H approved for reimbursement by the department on or after July 1, 1998, the temporary reimbursable percent is based on a one-half percentage point (.5%) reduction.

**The \$13,843.74 cash contribution made at settlement on the QZAB Series of 2016 issue must be reported as a revenue source on PlanCon Part J "Project Accounting Based on Final Cost".**

This project is being reimbursed based on the maximum reimbursable formula amount. Therefore, when completing PlanCon Part J, "Project Accounting Based on Final Costs," it will not be necessary to submit Pages J07 through J12.

The permanent reimbursable percent(s) will be established following the submission and review of PlanCon Part J, "Project Accounting Based on Final Costs." PlanCon Part J for this project must be submitted within three years of the date bids were opened for this project, unless an extension is requested and granted by this office. PlanCon Part J must be submitted in the specified time or the temporary reimbursable percent(s) may become the permanent reimbursable percent(s) for this project. After the permanent reimbursable percent is assigned, the Commonwealth will calculate the retroactive reimbursement, if any, and make a lump sum payment.

In order to facilitate the PlanCon Part J review, the following procedures should be initiated:

1. The construction revenues and expenditures should be accounted for via the operation of a Capital Project Fund or a Special Revenue Fund in accordance with the Manual of Accounting and Related Procedures for Pennsylvania School Systems (Revised).
2. An audited balance sheet and statement of revenues, expenditures and changes in fund balances for the Capital Project Fund should be prepared for each fiscal year.
3. Section 148(f) of the Internal Revenue Code of 1986 deals with arbitrage rebate to the federal government. In order to properly identify the interest subject to arbitrage rebate, the school district or area vocational-technical school is responsible for keeping records which will track the interest earned on the investment of bond proceeds to meet the requirements of federal and state regulations.

The school district must file form PDE-2071, "Application For Reimbursement For School Construction Project," to the Comptroller's Office to receive the reimbursement on this financing. The lease number and reimbursable percent referenced above must be included on form PDE-2071.

This document and appended materials should be entered into the minutes of the next board meeting. If you have any questions, please contact Joanne Van Tassel at 717.787.5993.

Sincerely,



Danielle Mariano, Director  
Bureau of Budget and Fiscal Management

DM/jbg

Attachments

cc: Buchart Horn Inc. /BASCO Associate  
PFM Financial Advisors, LLC  
School Finance  
Project File - 3811  
Budget/ Log

\*\*\*\* PDE USE ONLY \*\*\*\*

SD NAME: Warren County  
PROJECT #: 3811  
BLDG NAME: Warren High School

MAXIMUM REIMBURSABLE PROJECT AMOUNT (1 OF 2)

TOTAL

APPROVED BUILDING CONSTRUCTION COST

A. CAPACITY FORMULA

1. Elementary		0
a. Rated Pupil Capacity		\$4,700
b. State Reimbursement per Pupil		\$0
c. Reimbursement for Elementary Capacity		
2. Secondary		971
a. Rated Pupil Capacity		\$6,200
b. State Reimbursement per Pupil		\$6,020,200
c. Reimbursement for Secondary Capacity		
3. Vocational		0
a. Rated Pupil Capacity		\$7,600
b. State Reimbursement per Pupil		\$0
c. Reimbursement for Vocational Capacity		
4. Total Reimbursement Based on Capacity (1-c + 2-c + 3-c)		\$6,020,200

B. ARCHITECTURAL AREA PRORATION

	NEW	EXISTING
1. Architectural Area	27,155	146,120
2. Total Architectural Area	173,275	173,275
3. Percent of Total	0.1567	0.8433
4. Total Reimbursement Based on Architectural Area Proration (A-4 times B-3)	\$943,365	\$5,076,835

C. REIMBURSABLE ARCHITECTURAL AREA AS PERCENT OF  
TOTAL ARCHITECTURAL AREA

1.0000 1.0000

D. MAXIMUM FORMULA-BASED REIMBURSEMENT  
(B-4 times C)

\$943,365 \$5,076,835

E. ADJUSTED STRUCTURE COSTS

1. Allowable Structure Costs (GW02, line I) and/ or Building Purchase Amount (GW05)	\$3,491,373	\$20,297,060
2. Plus: Architect's Fee on Allowable Structure Costs and Asbestos Abatement (GW03, line L)	\$142,099	\$793,855
3. Plus: Movable Fixtures & Equipment	Excluded until Part J	
4. Adjusted Structure Costs (E-1 thru E-3)	\$3,633,472	\$21,090,915

F. APPROVED BUILDING CONSTRUCTION COST WITHOUT  
ADDITIONAL FUNDING INCENTIVES (lesser of D or E-4)

\$943,365 \$5,076,835

PREPARED

2/2/2016

PLANCON-GW06

MAXIMUM REIMBURSABLE PROJECT AMOUNT (2 OF 2)

G. APPRAISAL VALUE OF EXISTING BUILDING - FOR REIMBURSEMENT PURPOSES ONLY (GW06, A-4 minus B-4-New and E-4-Existing; minimum = 0) \$0

ADDITIONAL FUNDING INCENTIVES

H. PROJECT BUILDING CONSTRUCTED AND BASED ON APPROVED FACILITY DESIGN RECEIVED FROM THE DEPARTMENT'S SCHOOL DESIGN CLEARINGHOUSE

- |  |   |       |   |     |
|--|---|-------|---|-----|
| 1. Elementary Rated Pupil Capacity                                 | X | \$470 | = | \$0 |
| 2. Secondary & Vocational Rated Pupil Capacity                     | X | \$620 | = | \$0 |
| 3. Additional Funding - School Design Clearinghouse (H-1 plus H-2) |   |       |   | \$0 |

I. GENERAL CONSTRUCTION CONTRACT ALTERS OR EXPANDS EXISTING BUILDING

- |  |   |       |   |           |
|--|---|-------|---|-----------|
| 1. Elementary Rated Pupil Capacity                                   | X | \$470 | = | \$0       |
| 2. Secondary & Vocational Rated Pupil Capacity                       | X | \$620 | = | \$602,020 |
| 3. Lines I-1 plus I-2 - Subtotal                                     |   |       |   | \$602,020 |
| 4. Additional Funding - Existing Building (I-3 minus G; minimum = 0) |   |       |   | \$602,020 |

J. PROJECT BUILDING RECEIVING SILVER, GOLD OR PLATINUM LEED CERTIFICATION OR TWO, THREE OR FOUR GREEN GLOBES CERTIFICATION

- |   |   |       |   |        |     |
|---|---|-------|---|--------|-----|
| 1. Elementary Rated Pupil Capacity  | X | \$470 | X | 0.0000 | \$0 |
| (1.0000 for NEW BLDG, ALT & ADD/ALT; B-3 for REIMB BASIS: ADD only project) |   |       |   |        |     |
| 2. Secondary & Vocational Rated Pupil Capacity                              | X | \$620 | X | 0.0000 | \$0 |
| (1.0000 for NEW BLDG, ALT & ADD/ALT; B-3 for REIMB BASIS: ADD only project) |   |       |   |        |     |
| 3. Additional Funding - LEED or Green Globes certification (J-1 plus J-2)   |   |       |   |        | \$0 |

K. APPROVED BUILDING CONSTRUCTION COST WITH ADDITIONAL FUNDING INCENTIVES (GW06, line F plus GW07, lines H, I and J) \$6,622,220

L. REIMBURSABLE SITE COSTS

- |   | NEW      | EXISTING     |
|---|----------|--------------|
| 1. Rough-Grading to Receive the Building (GW04, line M)                         | \$22,670 | XXXXXXXXXXXX |
| 2. Sanitary Sewage Disposal (GW04, line N-3)                                    | \$15,000 | \$0          |
| 3. Architect's Fee on Rough Grading & Sanitary Sewage Disposal (GW04, line O-9) | \$1,533  | \$0          |
| 4. Site Acquisition Costs (GW01)  | \$0      | XXXXXXXXXXXX |
| 5. Total Reimbursable Site Costs (L-1 thru L-4)                                 | \$39,203 | \$0          |

M. Lines K plus L-5 → \$6,661,423

N. TOTAL PROJECT COSTS

- |   |              |
|---|--------------|
| 1. Total Project Costs (G03, line I)            | \$29,205,028 |
| 2. Less: Adjustment if applicable (GW01)        | \$0          |
| 3. Adjusted Total Project Costs (N-1 minus N-2) | \$29,205,028 |

O. MAXIMUM REIMBURSABLE PROJECT AMOUNT (lesser of M or N-3) \$6,661,423

NOTES: \_\_\_\_\_

SUMMARY OF SOURCES AND USES OF FUNDS			
District/CTC: Warren County School District		Financing Name: Warren Area High School	
REPORT TO THE PENNY - DO NOT ROUND			
	SERIES: 2017 CLOSING DATE: 7/31/2017	SERIES: _____ CLOSING DATE: _____	SERIES: _____ CLOSING DATE: _____
<b>SOURCES:</b>			
Bond Issue (Par)	✓ 9,920,000.00		
Net Original Issue Discount/Premium	75,695.35		
Accrued Interest			
Other Sources of Funds (Specify) (Exclude Anticipated Interest Earnings)			
1. _____			
2. _____			
3. _____			
4. _____			
TOTAL - Sources of Available Funds	✓ 9,995,695.35		
<b>USES:</b>			
Deposit to Construction Fund	9,670,543.61		
Issuance Costs:			
1. Underwriter Fees	175,385.60		
2. Bond Insurance	55,000.00		
3. Bond Counsel	19,500.00		
4. School Solicitor	10,500.00		
5. Financial Advisor	37,746.14		
6. Paying Agent/Trustee Fees and Expenses	1,000.00		
7. Capitalized Interest			
8. Printing	10,000.00		
9. Rating Fees	12,600.00		
10. Computer Fees			
11. CUSIP	670.00		
12. Internet Auction Administrator	2,750.00		
13. _____			
14. _____			
Total - Issuance Costs	✓ 325,151.74		
Accrued Interest			
Other Uses of Funds (Specify)			
1. _____			
2. _____			
3. _____			
4. _____			
TOTAL - USES OF AVAILABLE FUNDS	✓ 9,995,695.35		

LEASE #: 173811 SD/AVTS: Warren County EFFECTIVE DATE: 7/1/2017		TEMPORARY REIMBURSABLE PERCENT						FINANCING METHOD: TOTAL AMOUNT:		GOB 2017 \$9,920,000.00
PROJECT NUMBER & PROJECT BLDG NAME	3811 Warren Area HS	XXXX XXXX XXXX	XXXX XXXX XXXX	XXXX XXXX XXXX	XXXX XXXX XXXX	XXXX XXXX XXXX	XXXX XXXX XXXX	XXXX XXXX XXXX	TOTAL	
A. AMOUNT FINANCED BY THE ABOVE ISSUE, NOTE OR CASH PAYMENT FOR THIS PROJECT (G03, line J)	\$9,920,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,920,000	
B. TOTAL AMOUNT FINANCED FOR THIS PROJECT - ALL ISSUES, NOTES AND CASH PAYMENTS (G03, line J-Total)	\$29,094,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	XXXXXXXXXXXXXXXXXX	
C. AMOUNT FINANCED FACTOR (A divided by B)	0.3410	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	XXXXXXXXXXXXXXXXXX	
D. ADJUSTED MAXIMUM REIMBURSABLE PROJECT AMOUNT (GW07)	\$6,661,423	\$0	\$0	\$0	\$0	\$0	\$0	\$0	XXXXXXXXXXXXXXXXXX	
E. PRORATED REIMBURSEMENT FOR THIS ISSUE, NOTE OR CASH PYMT (C times D)	\$2,271,545	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,271,545	
F. TOTAL PROJECT COSTS (G03, line I)	\$29,205,028	\$0	\$0	\$0	\$0	\$0	\$0	\$0	XXXXXXXXXXXXXXXXXX	
G. PROJECT COSTS ASSIGNABLE TO THIS BOND ISSUE (C times F)	\$9,958,915	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,958,915	
H. TOTAL ISSUE, NOTE OR CASH AMOUNT FINANCED DIVIDED BY TOTAL ISSUE/NOTE/CASH (A divided by H)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	\$9,920,000	
J. PRORATED REIMBURSEMENT DIVIDED BY COSTS (E divided by G; max = 1)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	1.0000	
K. REIMBURSABLE FRACTION (I times J)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0.2281	
L. REIMBURSABLE PERCENT (K times 100)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	22.81%	
M. TEMPORARY REIMBURSABLE PERCENT (L minus .5%; min=0)	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	22.31%	
NOTES:										

173811

District/AVTS      Warren County School District					PDE LEASE # (PDE Use Only)	
Financing Name:                      General Obligation Bonds, Series of 2017					Total Issue:                      9,920,000	
Dated Date:                      31-Jul-2017					Original Issue Premium:                      75,695.35	
Settlement Date:                      31-Jul-2017						
PAYMENT DATE	PRINCIPAL OUTSTANDING	PRINCIPAL	RATE	INTEREST	PERIOD TOTAL	STATE FISCAL YR TOTAL (7/1 - 6/30)
	9,920,000.00					
3/1/2018	9,920,000.00			✓ 203,015.70	203,015.70	203,015.70
9/1/2018	9,915,000.00	5,000.00	1.750	173,188.75	178,188.75	
3/1/2019	9,915,000.00			173,145.00	173,145.00	351,333.75
9/1/2019	9,910,000.00	5,000.00	1.750	173,145.00	178,145.00	
3/1/2020	9,910,000.00			173,101.25	173,101.25	351,246.25
9/1/2020	9,905,000.00	5,000.00	1.750	173,101.25	178,101.25	
3/1/2021	9,905,000.00			173,057.50	173,057.50	351,158.75
9/1/2021	9,900,000.00	5,000.00	1.750	173,057.50	178,057.50	
3/1/2022	9,900,000.00			173,013.75	173,013.75	351,071.25
9/1/2022	9,895,000.00	5,000.00	1.750	173,013.75	178,013.75	
3/1/2023	9,895,000.00			172,970.00	172,970.00	350,983.75
9/1/2023	9,890,000.00	5,000.00	2.500	172,970.00	177,970.00	
3/1/2024	9,890,000.00			172,907.50	172,907.50	350,877.50
9/1/2024	9,885,000.00	5,000.00	2.500	172,907.50	177,907.50	
3/1/2025	9,885,000.00			172,845.00	172,845.00	350,752.50
9/1/2025	9,880,000.00	5,000.00	2.500	172,845.00	177,845.00	
3/1/2026	9,880,000.00			172,782.50	172,782.50	350,627.50
9/1/2026	9,875,000.00	5,000.00	2.500	172,782.50	177,782.50	
3/1/2027	9,875,000.00			172,720.00	172,720.00	350,502.50
9/1/2027	9,870,000.00	5,000.00	2.500	172,720.00	177,720.00	
3/1/2028	9,870,000.00			172,657.50	172,657.50	350,377.50
9/1/2028	9,865,000.00	5,000.00	3.050	172,657.50	177,657.50	
3/1/2029	9,865,000.00			172,581.25	172,581.25	350,238.75
9/1/2029	9,860,000.00	5,000.00	3.050	172,581.25	177,581.25	
3/1/2030	9,860,000.00			172,505.00	172,505.00	350,086.25
9/1/2030	9,855,000.00	5,000.00	3.050	172,505.00	177,505.00	
3/1/2031	9,855,000.00			172,428.75	172,428.75	349,933.75
9/1/2031	9,850,000.00	5,000.00	3.050	172,428.75	177,428.75	
3/1/2032	9,850,000.00			172,352.50	172,352.50	349,781.25
9/1/2032	9,845,000.00	5,000.00	3.050	172,352.50	177,352.50	
3/1/2033	9,845,000.00			172,276.25	172,276.25	349,628.75
9/1/2033	9,840,000.00	5,000.00	3.050	172,276.25	177,276.25	
3/1/2034	9,840,000.00			172,200.00	172,200.00	349,476.25
9/1/2034	9,330,000.00	510,000.00	3.500	172,200.00	682,200.00	
3/1/2035	9,330,000.00			163,275.00	163,275.00	845,475.00
9/1/2035	8,800,000.00	530,000.00	3.500	163,275.00	693,275.00	
3/1/2036	8,800,000.00			154,000.00	154,000.00	847,275.00
9/1/2036	8,245,000.00	555,000.00	3.500	154,000.00	709,000.00	
3/1/2037	8,245,000.00			144,287.50	144,287.50	853,287.50
9/1/2037	5,595,000.00	2,650,000.00	3.500	144,287.50	2,794,287.50	
3/1/2038	5,595,000.00			97,912.50	97,912.50	2,892,200.00
9/1/2038	2,845,000.00	2,750,000.00	3.500	97,912.50	2,847,912.50	
3/1/2039	2,845,000.00			49,787.50	49,787.50	2,897,700.00
9/1/2039	0.00	2,845,000.00	3.500	49,787.50	2,894,787.50	
3/1/2040	0.00			0.00	0.00	2,894,787.50
TOTAL		✓ 9,920,000.00		✓ 7,121,816.95	✓ 17,041,816.95	17,041,816.95