



**RICHLAND SCHOOL
DISTRICT TWO**

General Fund Budget

Fiscal Year 2022-2023

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**RICHLAND SCHOOL DISTRICT TWO
PROPOSED GENERAL FUND BUDGET HIGHLIGHTS
FY 2022-2023**

Revenue Highlights

The Proposed FY 22-23 General Fund Budget includes additional revenues over prior year that total \$16,816,787 and include:

- State estimates, based on the new allocation method approved by the South Carolina General Assembly, resulting in a net state funding increase of \$12,121,021. This budget reflects projections for the State Aid to Classroom Program and the related transfer from EIA funds, as well as the State Retiree Insurance funding as provided by the State Department of Education.
- The local revenue projections are based on a proposed millage rate of 331.7, which maintains the millage rate at the same level as the prior year. The millage cap is calculated to be 18.4 mills and is based on a prior year population growth percentage of 0.86% and CPI of 4.7%.

Expenditure Highlights

The Proposed General Fund Budget also includes expenditures that total \$332,729,770. So that we can strive to accommodate the needs of every child within our District, the budget projections have an emphasis on providing high-level academic offerings through teaching and learning and student engagement, effective leadership, and providing effective fiscal management.

The proposed budget strives to meet district priorities by:

- Maintaining class size ratios
- Continuing to maintain, recruit and support quality personnel by providing a salary schedule increase, in addition to a step increase for all eligible employees (of approx. range of 1-2% step based on current salary schedules).
 - Teacher Salary Schedule increased by 2% (includes classroom teachers, librarians, guidance counselors, psychologists, social workers, occupational and physical therapists, school nurses, orientation/mobility instructors, and audiologists, as outlined in the State Appropriations Act)
 - Bus Driver Salary Schedule increased by 8% as mandated by the state (includes bus monitors)
 - Instructional Aide Salary Schedule increased by 5%
 - Maintenance/Custodial Salary Schedule increased by 5%
 - All other employee Salary Schedules increased by 2%.
- Addressing numerous other needs to maintain existing programs and address supporting services capacity needs. Some of the other items included in the proposed budget are:
 - Covering costs associated with a State increase for the employer portion of Health Insurance of 18.1%
 - Covering costs associated with State increase for the employer portion of State Retirement of 1%
 - Upgrading 2 positions to Admin monitors for Special Education needs
 - Additional funding to maintain overall operational levels, including increases to operation contracts and property and liability insurance.
 - Staff positions to address:
 - Growing regulatory requirements related to Title IX
 - Staff for opening operations for the district Performing Arts Center
- Addressing safety and security needs that include maintaining the current SRO staffing levels through an annual contract increase and providing an additional level of funding to address security and safety initiatives
- Maintaining local millage rate and using existing resources to meet growing needs

Additional details outlining changes to budgeted expenditures can be found on page 3 of the budget document.

RICHLAND SCHOOL DISTRICT TWO
FY 2022 - 2023
GENERAL FUND BUDGET SUMMARY

REVENUES

REVENUE SOURCE	2021-22 Budget	2022-2023 Projections	Increase (Decrease) over 2021-22 Budget	% Change*
Local Property Tax ¹	\$115,269,499	\$117,109,699	\$1,840,200	1.60%
Property Tax Relief (Includes Act 388) ¹	52,835,556	55,216,122	\$2,380,566	4.51%
Education Finance Act ²	79,165,214	-	\$(79,165,214)	-100.00%
State Revenue for Fringe Benefits (PEBA Credit is included in separate line) ²	37,461,202	-	\$(37,461,202)	-100.00%
State Revenue for Pupil Transportation	1,503,841	1,624,148	\$120,307	8.00%
EIA Transfer for TSS (Teacher Salary Schedule Supplement) ²	8,665,691	-	\$(8,665,691)	-100.00%
State Aid to Classrooms - Teacher Salary ²	8,850,711	-	\$(8,850,711)	0.00%
NEW Education Funding - Aid to Classroom Program	-	123,709,631	\$123,709,631	0.00%
NEW Education Funding - Aid to Classroom Program - Transfer from EIA	-	21,400,579	\$21,400,579	0.00%
State Retiree Insurance (was previously presented with Fringe Revenue)	7,728,161	8,761,483	\$1,033,322	0.00%
Interest Income	500,000	125,000	\$(375,000)	-75.00%
Federal Impact Aid	200,000	250,000	\$50,000	25.00%
Indirect Cost	1,200,000	2,000,000	\$800,000	66.67%
Other State Revenue - PEBA Credit	1,783,108	1,783,108	\$0	0.00%
Revenue from Other Sources	750,000	750,000	\$0	0.00%
TOTAL REVENUE - GENERAL FUND	\$315,912,983	\$332,729,770	\$16,816,787	5.32%

EXPENDITURES

PROJECTED EXPENDITURES	2021-22 Budget	2022-2023 Projections	Increase (Decrease) over 2021-22 Budget	% Change*
Salaries	\$194,658,415	\$201,029,810	\$6,371,395	3.27%
<i>Salaries Category includes all expenditures paid to employees of the district for wages.</i>				
Benefits	80,667,701	86,812,680	\$6,144,979	7.62%
<i>Benefits Category includes all employer's costs associated with employee benefits, such as, health insurance, retirement, social security match, etc.</i>				
Utilities	10,022,828	10,022,828	\$0	0.00%
<i>Utilities Category includes costs associated with Energy, Gas, Electric, Water, Sewer & Phone</i>				
Property and Operation Contracts	11,963,716	15,163,716	\$3,200,000	26.75%
<i>Property and Operation Contracts Category includes costs associated with custodial services, landscaping, pest control, energy management, Property & Casualty Insurance, garbage, etc.</i>				
Maintenance and Repairs	1,865,764	1,865,764	\$0	0.00%
<i>Maintenance and Repairs Category includes costs associated with general Maintenance, repairs and upkeep of the district facilities and equipment.</i>				
Purchased Services	5,710,889	6,467,597	\$756,708	13.25%
<i>Purchased Services Category includes student transportation, staff travel, mileage reimbursements, professional services (legal, audit, etc.), printing/binding, copier rentals, annual subscriptions and all other contracted services</i>				
Supplies and Equipment	5,439,346	5,783,051	\$343,705	6.32%
<i>Supplies and Equipment Category includes Instructional supplies used in the classroom, technology equipment and supplies, periodicals, textbooks/library books, technology software, office supplies and equipment, etc.</i>				
Other Expenditures	5,584,324	5,584,324	\$0	0.00%
<i>Other Expenditures includes items not broken out in the above categories. Some examples are organization membership, other insurance costs (including costs associated with workers' compensation), and transfers to other funds</i>				
TOTAL EXPENDITURES - GENERAL FUND	\$315,912,983	\$332,729,770	\$16,816,787	5.32%

*Percent change is the percentage increase from 2021-2022 to 2022-2023 for each category. In the case of salaries it does not reflect individual salary increase, but the overall increase in salaries due to step increase and added positions.

¹ Local Property Tax and Property Tax Relief projections are based on estimates provided by Richland County as of June 3, 2022.

² State revenue projections are based on estimates provided by the SC State Department of Education on June 21, 2022, using the approved Conference Committee Report.

Mandated
Contractual
Prior Obligation

RICHLAND SCHOOL DISTRICT TWO
General Fund Budget Increases Estimated with a Zero Mill Increase
FY 2022 - 2023

	Description	FTE's	Estimated Increase	Remaining
	Estimated Total Revenue Increase over Prior Year Budget		\$ 16,816,787	
1	Estimated Increase in Employer's Share of Health Insurance of 18.1% - (1)		2,000,691	\$ 14,816,096
2	Estimated Increase in Employer's Share of State Retirement (Estimated 1.0% increase)		1,820,619	\$ 12,995,477
3	Teacher Salary Schedule Step increase from FY 21-22 (for eligible employees)		2,301,608	\$ 10,693,869
4	Increase to Teacher Salary Schedule of 2% per cell (for eligible employees) - (2)		3,200,000	\$ 7,493,869
5	State Increase to Bus Driver Salary Schedule of 8% (increase includes 8% for Bus Monitors)		647,767	\$ 6,846,102
6	All Non-teacher Salary Step increase from FY 21-22 for eligible employees (includes related fringe benefits)		1,040,000	\$ 5,806,102
7	Increase all other Salary Schedules by 2% (includes related fringe benefits costs)		800,000	\$ 5,006,102
8	Increase in annual operations contracts (Custodial, landscaping, energy contract, etc.)		3,200,000	\$ 1,806,102
9	Increase in Liability and Property Insurance		250,000	\$ 1,556,102
10	Increase in SRO Contract with RCSD		59,511	\$ 1,496,591
11	Estimated Savings from Staff Turnover		(3,000,000)	\$ 4,496,591
12	Absorb Expenses rolled up at State level in EIA Fund 338 At-Risk		2,702,729	\$ 1,793,862
13	Absorb Expenses rolled up at State level in EIA Fund 397 Old Aid to District		882,715	\$ 911,147
14	Increase Instructional Aides Salary Schedule by an additional 3% (for a total schedule increase of 5%)		442,919	\$ 468,228
15	Increase Maintenance/Custodial Salary Schedule by an additional 3% (for a total schedule increase of 5%)		95,724	\$ 372,504
16	Upgrade 2.0 Special Ed Aide's to Behavior Admin Monitors		14,483	\$ 358,021
17	Staffing for Performing Arts Center - 2.0 FTEs PAC Director & Technican Coordinator & operating budget for 1/2 year	2.0	134,454	\$ 223,567
18	District Title IX Coordinator FTE to manage Title IX	1.0	109,045	\$ 114,522
19	Costs associated with school security and safety initiatives		114,522	\$ -
	Estimated Total Expenditures Increase Over Prior Year Budget	3.0	\$ 16,816,787	
	Estimated Excess Revenues over Expenditures		\$ -	

(1) - The amount budgeted only includes funding for a half year of the cost of the increase. FY 23-24 budget will need to include the full year of the increase.

(2) - Approximately \$175,500 of the \$3.2 million is considered mandated by the State, to bring 16 cells in line with the new State Minimum Teacher Salary Schedule.

**Richland School District Two
Estimated General Operating Value of a Mill
Budget 2022-2023**

Calculation of Mill Cap

Population Growth		0.86%
CPI		4.70%
Percent Millage can increase		5.56%
Current Millage Rate		331.70
Plus: Millage Cap Increase		18.4
Total Allowable Mills based on Cap for FY 2022-23		350.10

	PRIOR YEAR FOR REFERENCE ONLY	FY 22-23 With a Zero Mill Increase
Projected Mill Value for FY 22-23 (Based on Estimated Value provided by County Auditor 6/3)	335,000	341,000
Millage Rate	331.7	331.7
Projected Net Local Property Tax Revenue	111,119,500	113,109,700
State Property Tax Relief:		
Tier I	8,759,334	8,759,334
Tier II	1,894,248	1,894,248
Tier III	42,181,974	44,562,540
	52,835,556	55,216,122
Estimated Other State Reimbursements	1,345,164	1,345,164
Estimated Carry-Forward <i>(1) Final amount to be determined by County</i>	2,804,835	2,654,835
Total Revenue from Local Tax and State Tax Reimbursements that Flow through Richland County	168,105,055	172,325,821

(1) The District anticipates possible Carry-Forward funds from FY 2021-2022; however, actual dollar amounts will not be available until Year End. The District may request to utilize any Carry-Forward funds from FY 2021-2022 in the FY 2022-2023 General Fund Budget once these figures are made available.