

FY 2017 - 2018
Parameters of the General Fund Budget

March 13, 2017

Disclaimer

- The information provided in this presentation is based upon the FY 2017-2018 General Appropriations Bill (H.3720) as approved by the House Ways & Means Committee on March 09, 2016.
- The State budget projections are based upon FY 2016-2017 enrollment as of the 45th day of school.
- FY 2016-2017 Appropriated Base Student Cost (BSC) = $2,350
- FY 2016-2017 Actual BSC = $2,350
- FY 2016-2017 45 Day Average Daily Membership (ADM) = 16,770.84
- FY 2016-2017 45 Day Weighted Pupil Units (WPU) = 22,715.55
- FY 2016-2017 Projected State ADM = 723,953
- FY 2016-2017 Appropriated Statewide WPU = 986,595
- FY 2016-2017 Actual Statewide WPU (45 Day) = 993,605
- FY 2017-2018 Estimated Fully Funded BSC = $2,984
- FY 2017-2018 Requested BSC (SCDE) = $2,500
- FY 2017-2018 Projected BSC (W&M) = $2,400
- FY 2017-2018 Projected State ADM = 725,920
- FY 2017-2018 Projected Statewide WPU = 993,981

State Budget Calendar

- January 10 – February 9 Ways & Means (W&M) Budget Subcommittee Meetings
- February 14 - 16 W&M Proviso Subcommittee Meetings
- February 20 - 23 W&M Full Committee Budget Deliberations
- February 28 – March 2 Appropriations Bill Printed
- March 13 – 16 House Floor Budget Debate
- March 21 - 23 Full Senate Finance Committee Budget Deliberations
- April 4 – 13 Senate Floor Debate
- April 10 Cross-over Deadline
- April 18 – 27 Conference Committee Debate
- May 2 - 4 Conference Report Delivered to the Governor
- May 9 – 11 Consideration of Vetoes
- May 11 Last Day of Session

FY 2016-2017 Budget Recap
$8,055,646 (4.84%) Increase

Contracted Services (Net of Transfers/Reductions)		$ 1,611,344
Increased costs for School Resource Officers (SRO)	$ 550,181	
Absenteeism/Substitute Cost	$ 446,291	
Transfer Non-Capital Technology from Capital Funds	$ 650,000	
Miscellaneous Adjustments	($ 35,128)	
Additional Social Worker		$ 69,379
$500 Loyalty Bonus for All District Employees		$1,335,310
Student/Athletic Insurance		$ 157,629
Increase in School Supplies (net change - includes elimination of select fees)		$ 760,715
Decrease in Capital Outlay (Equipment)		($ 140,973)
Transfer to Food Service		($ 100,000)
Salary Increases (COLA, step and credential), Terminal Leave and Fringe Benefits Increases.*		$4,362,242

***subject to change based upon terminations, new hires, etc.**

FY 2016-2017 Recap

no millage increase

- **Projected Revenue = $ 174,506,667**
  including Operational balance $670,385

- **Projected Expenditures = $ 174,506,667**

FY 2017-2018 Budget Considerations

- Increased employer retirement contribution rate (2%)
- Increased employer health insurance premium increases (3.3%)
- Step Increases (experience) for eligible employees
- Minimal Growth in Mill Value
- Top State Level Issues ($446 million estimated new dollars):
  - Pension Reform
  - Road Repair
  - Education Funding
  - Hurricane Matthew Recovery Costs



State Funding Changes*

- $38 million increase to EFA to raise Base Student Cost (BSC) $50.
- Increases SCRS employer contribution rate 2% effective July 1, 2017. The current rate is 11.56% which will increase to 13.56%. Each year after, the rate will increase 1% until it reaches 18.56% in 2023.
- Increases and caps employee contribution rate at 9%. The current rate is 8.66%.
- $25.4 million to cover employer health insurance premium increases (3.3%).
- $100 million in Education Improvement Act (EIA) funds to plaintiff districts to upgrade instructional facilities.
- Elimination of $23.8 million in lottery funding for the K-12 Technology Initiative.
- Redirection of $23 million EIA funding for Aid to Districts for use in the settlement with the US Department of Education over IDEA maintenance of effort requirements.
- Beginning in FY 2018, the National Board Incentive Program will no longer offer a salary supplement for teachers achieving certification.

***Based on W&M version of the Appropriations Act**

Calculation for FY 2017-2018 Allowable Millage Increase

Section 6-1-230 of the SC Code of Laws

Consumer Price Increase (CPI) *	1.28%
Lex/Rich 5 Population Growth *	TBD%
Allowable Percentage Increase *	TBD%
FY 2016-2017 Millage Rate	251.5
FY 2017-2018 Millage Increase Cap	TBD

* Source: SC Revenue And Fiscal Affairs Office

NEXT STEPS

District Budget Calendar

January 23, 2017	Discussion Reading of Capital Budget (LMES)
February 13, 2017	First Reading of Capital Budget (SOES)
February 27, 2017	Second (Final) Reading of Capital Budget / Resolution Adoption (OPES)
March 13, 2017	Discussion of Parameters for the FY 17-18 General Fund Budget (CES)
March 20, 2017	Budget Workshop (DO)
March 27, 2017	Discussion Reading of General Fund Budget (IHS)
April 24, 2017	First Reading of General Fund Budget (CRIS) (*submit ad to PIO for submission to paper*)
	Public Hearing advertisement prepared for publication (published by **May 7, 2017**)
May 22, 2017	**Public Hearing of General Fund Budget (NRES)**
	Second (Final) Reading (NRES)

