



district five
OF LEXINGTON & RICHLAND COUNTIES

FY 2017 - 2018
Proposed General Fund Budget
April 24, 2017

Disclaimer

- The information provided in this presentation is based upon the FY 2017-2018 General Appropriations Bill (H.3720) as approved by the Senate on April 4, 2017.
- 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 Projected BSC = \$2,435
- FY 2017-2018 Projected State ADM = 725,920
- FY 2017-2018 Projected Statewide WPU = 993,981

State Funding Changes

- Appropriated an additional \$31.2 million to EFA to increase BSC by an additional \$35 to \$2,435.
- \$25.4 million to cover employer health insurance premium increases (3.3%).
- Increased the EIA appropriation for teacher fringe benefits by \$4,255,165.
- \$12 million in Education Improvement Act (EIA) funds for K-12 Technology Initiative.
- Decreased the total amount of funds for the Abbeville Equity Districts Capital improvements by \$54 million and changed the distribution. High poverty districts (80%) receive 70% of funding while all other districts receive 30% of the funding.
- 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 state maintenance of effort requirements.
- The pension reform bill (H. 3726) 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 reaching 18.56% in 2023.
- H. 3726 increases and caps employee contribution rate at 9%. The current rate is 8.66%.

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
- Elimination of school fees for core Advanced Placement classes
- Add fee for technology in lieu of the device insurance requirement
- Additional staff to meet requirements for Board Policy IIB and AR IIB-R on teacher-student ratios, federal and state requirements for IDEA and ELL, and to increase the safety and well-being of our students and staff
- Increase costs for terminal leave payout due to end of TERI program in June 2018
- No expected increase in energy budget
- Upgrade of the District energy control system

FY 2017-2018 Budget Changes

\$7,384,691 (4.23%)

- Additional certified staff:
 - 1.0 Behavioral Specialists
 - 1.0 Special Services Program Specialist
 - 7.0 Teachers \$ 770,773

- Additional support staff:
 - 1.0 Hearing Officer
 - 1.0 Nursing Support Assistant
 - 1.0 School Choice Secretary I
 - 2.0 Safety Officers
 - 2.0 Technology Infrastructure Specialists \$ 392,480

- Salary increases (Step and credential), terminal leave, fringe benefits increases and school supply allocation changes.* \$6,221,438

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

FY 2017-2018

Projected General Fund Revenue - Local

Category	Amount	Percent of Budget*
Local Revenue		
Current Taxes	62,295,387	34.57%
Delinquent Taxes	1,808,329	1.00%
Fee in Lieu of Taxes	1,281,484	0.71%
Other Local Revenue	725,000	0.40%
Total Local Revenue	\$66,110,200	36.69%
*Slight differences due to rounding		

FY 2017-2018

Projected General Fund Revenue - State

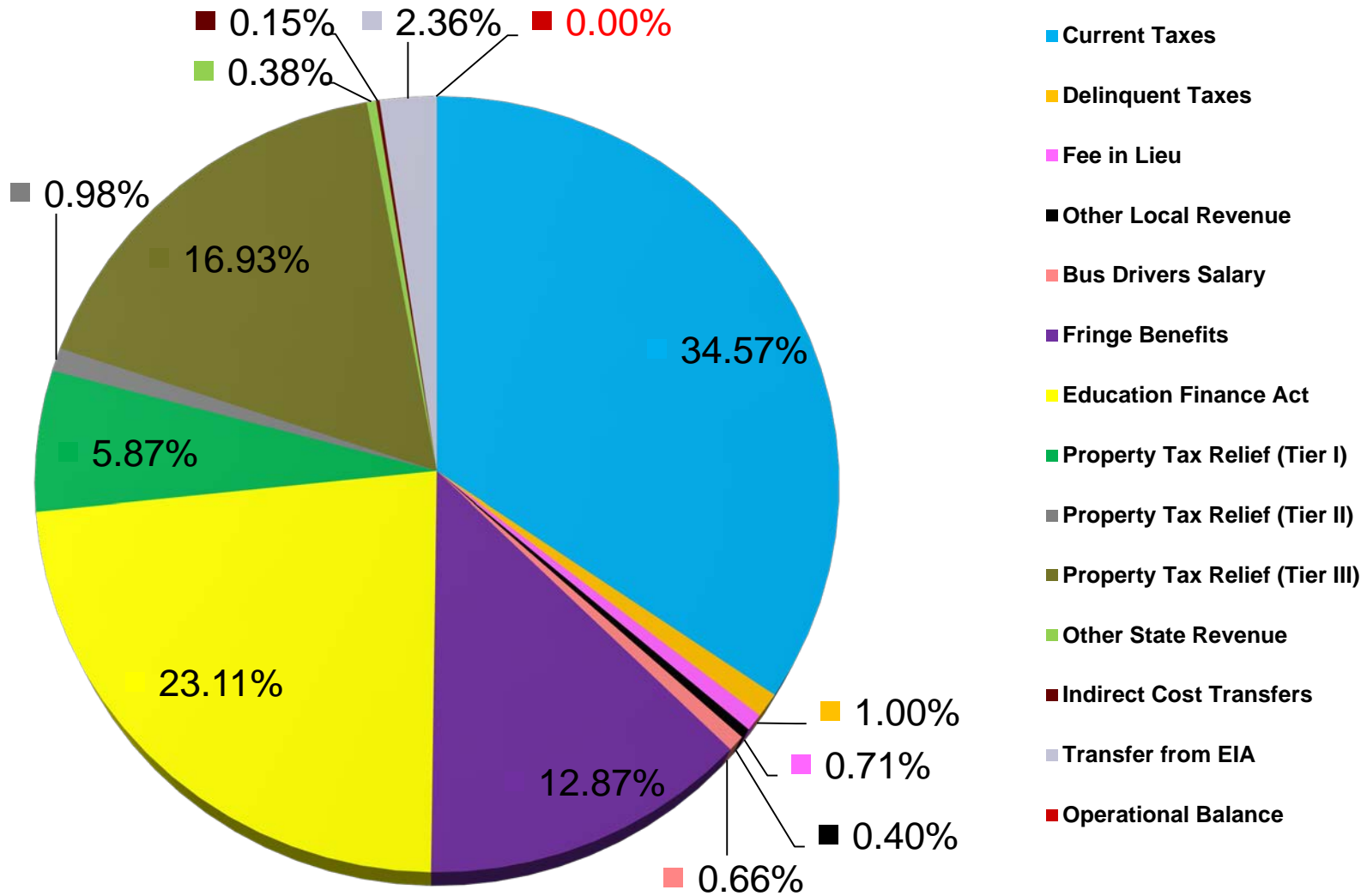
Category	Amount	Percent of Budget*
State Revenue		
Bus Drivers Salaries & W/C	1,191,637	0.66%
State Fringe Benefits	23,186,887	12.87%
Educational Finance Act (EFA)	41,645,012	23.11%
Property Tax Relief Tier I *	10,580,071	5.87%
Property Tax Relief Tier II *	1,758,200	0.98%
Property Tax Relief Tier III	30,509,345	16.93%
Other State Revenue	692,908	0.38%
Total State Revenue	\$109,564,060	60.81%
*Slight differences due to rounding		

FY 2017-2018

Projected General Fund Revenue - Other

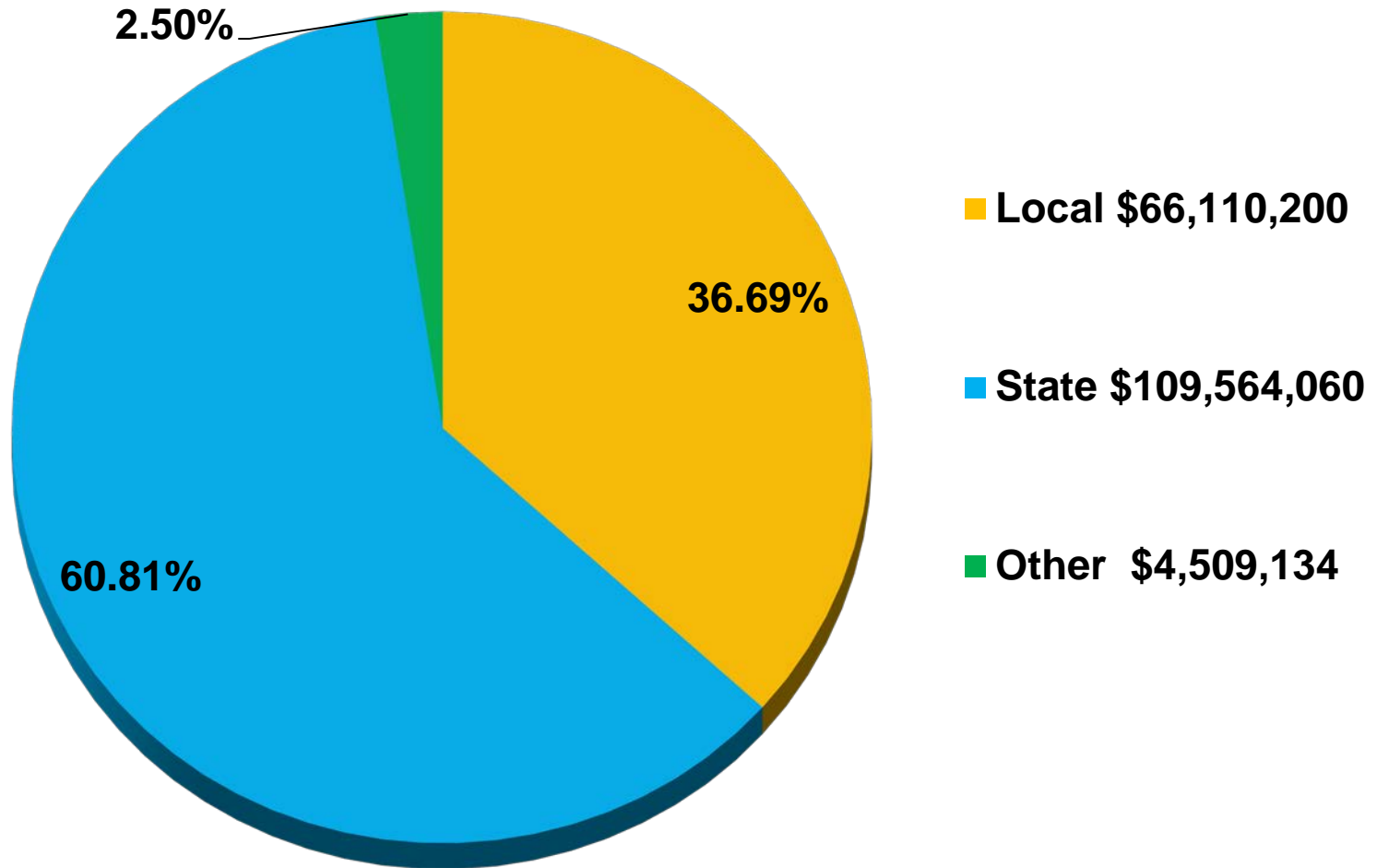
Category	Amount	Percent of Budget*
Transfers from Other Funds		
Indirect Cost	265,000	0.15%
Transfer From EIA (Teacher Salary and Benefits)	4,244,134	2.36%
Total Transfer from Other Funds	\$4,509,134	2.50%
Total Revenue	\$180,183,394	
Total Funds Available	\$180,183,394	100.00%
*Slight differences due to rounding		

Projected General Fund Revenue



Projected General Fund Revenue

By Source

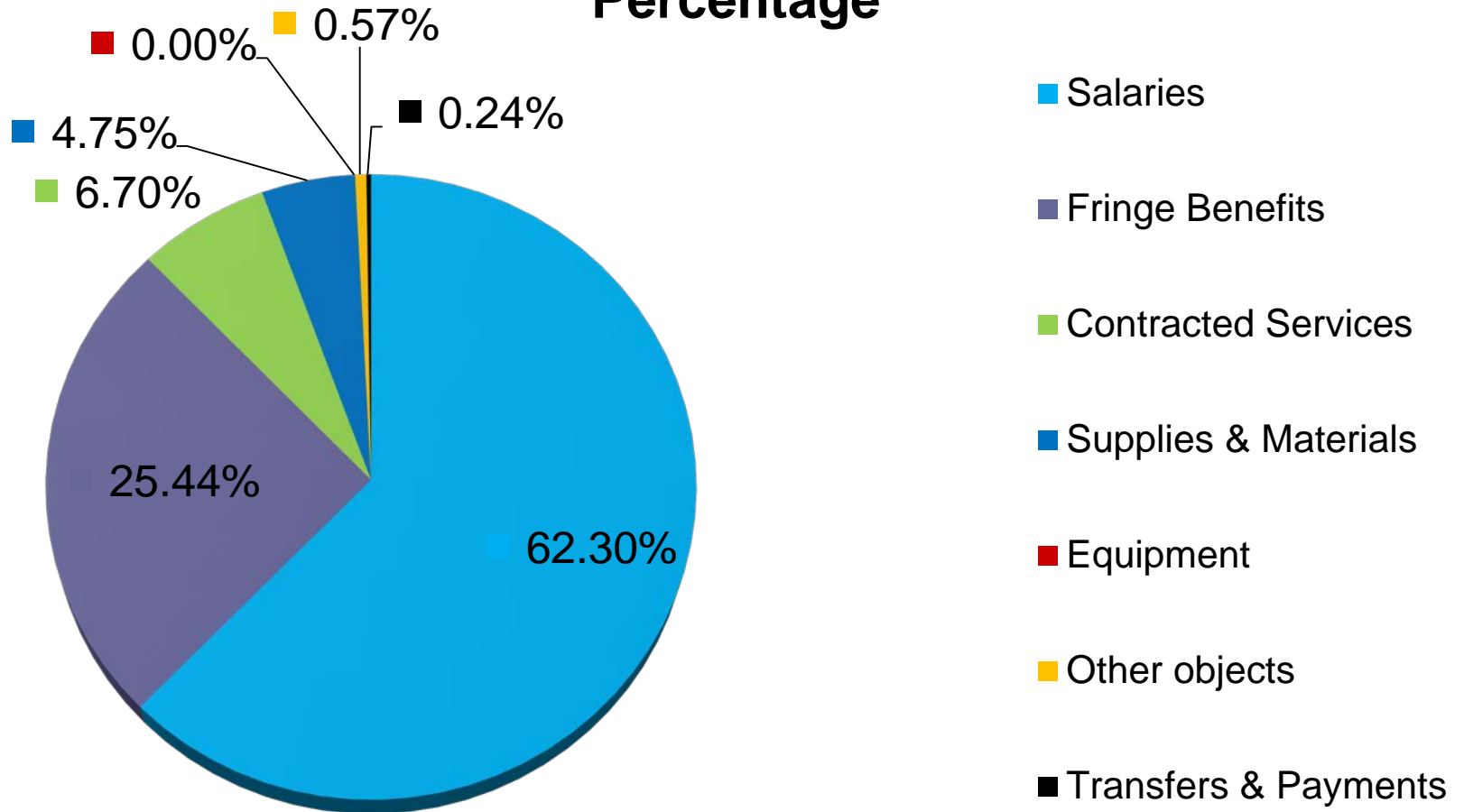


FY 2017-2018

Projected General Fund Expenditures

Category	Dollars	Percent of Budget
Salaries	113,324,914	62.30%
Fringe Benefits	46,281,319	25.44%
Contracted Services	12,185,498	6.70%
Supplies & Materials	8,635,639	4.75%
Equipment & Improvements	-	0.00%
Other Objects	1,032,243	0.57%
Transfers & Payments	431,745	0.24%
Total Expenditures	\$ 181,891,358	100.00%

FY 2017-2018 Projected General Fund Expenditures Percentage



Calculation for FY 2017-2018

Allowable Millage Increase

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

Consumer Price Increase (CPI) *	1.26%
Lex/Rich 5 Population Growth *	.90%
Allowable Percentage Increase *	2.16%
FY 2016-2017 Millage Rate	251.5
FY 2017-2018 Millage Increase Cap	5.4

*Source: SC Revenue And Fiscal Affairs Office

FY 2017-2018 Recap

as of April 18, 2017

- **Projected Revenue =** **\$ 180,183,394**
- **Projected Expenditures =** **\$ 181,891,358**
- **Projected Shortfall (no millage)=** **\$ 1,707,964**
- **Projected Additional Millage (5.4) =** **\$ 1,331,608**

Estimated Cost of Millage Increase to Taxpayers

Category	Assessment Rate	Assessed Value	Mill Value	Cost For 1.0 Mills	Cost For 5.4 Mills
Owner Occupied Homes	4%	\$ 100,000	0.001	Exempt	Exempt
Motor Vehicle	6%	\$ 20,000	0.001	\$ 1.20	\$ 6.48
Other Business/Personal Property	6%	\$ 100,000	0.001	\$ 6.00	\$ 32.40

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) <i>(submit ad to PIO for submission to paper)</i>
	Public Hearing advertisement prepared for publication (<u>published by May 7, 2017</u>)
May 22, 2017	Public Hearing of General Fund Budget (NRES) Second (Final) Reading (NRES)

“The pessimist complains about the wind; the optimist expects it to change; the realist adjusts the sails.”

-William Authur Ward

