district five
OF LEXINGTON & RICHLAND COUNTIES

FY 2017 - 2018
Proposed General Fund Budget
May 22, 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 135th 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 (135 Day) = 993,312
- FY 2017-2018 Estimated Fully Funded BSC = $2,984
- FY 2017-2018 Projected BSC (Senate) = $2,435
- FY 2017-2018 Projected BSC (House) = $2,400
- FY 2017-2018 Projected State ADM = 725,920
- FY 2017-2018 Projected Statewide WPU = 993,981

House and Senate Differences

EFA BSC

- The House of Representatives adopted a BSC of $2,400
- The Senate adopted a BSC of $2,435.

Pension Reform

- The House proposes to send portion of funds directly to pension system and increase employer contributions 1%
- The Senate proposes to increase employer contributions 2%
- $25.4 million to cover employer health insurance premium increases (3.3%).

FY 2017-2018 Budget Considerations

- Pension reform
- 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
- Increased costs for terminal leave payout due to end of TERI program in June 2018

FY 2017-2018 Budget Changes
$7,384,691 (4.23%)

- Additional certified staff:
  - 1.0 Behavioral Specialist
  - 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	34.50%
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	36.61%

***Slight differences due to rounding**

FY 2017-2018
Projected General Fund Revenue - State

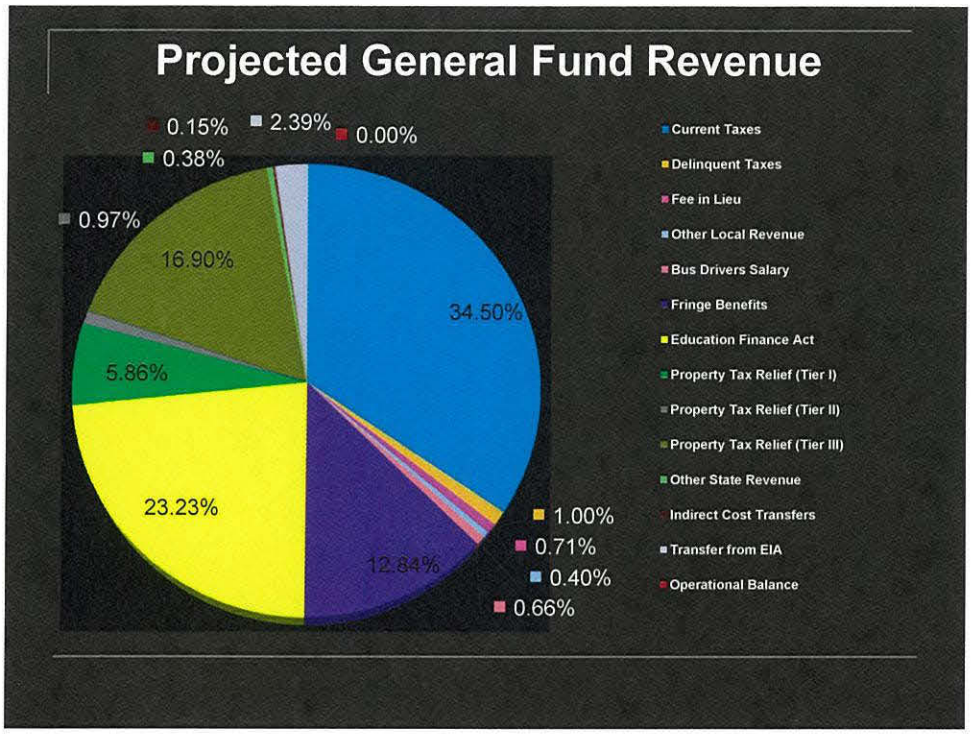
Category	Amount	Percent of Budget*
State Revenue		
Bus Drivers Salaries & W/C	1,191,637	0.66%
State Fringe Benefits	23,186,887	12.84%
Educational Finance Act (EFA)	41,937,136	23.23%
Property Tax Relief Tier I *	10,580,071	5.86%
Property Tax Relief Tier II *	1,758,200	0.97%
Property Tax Relief Tier III	30,521,426	16.90%
Other State Revenue	692,908	0.38%
Total State Revenue	$109,868,265	60.85%

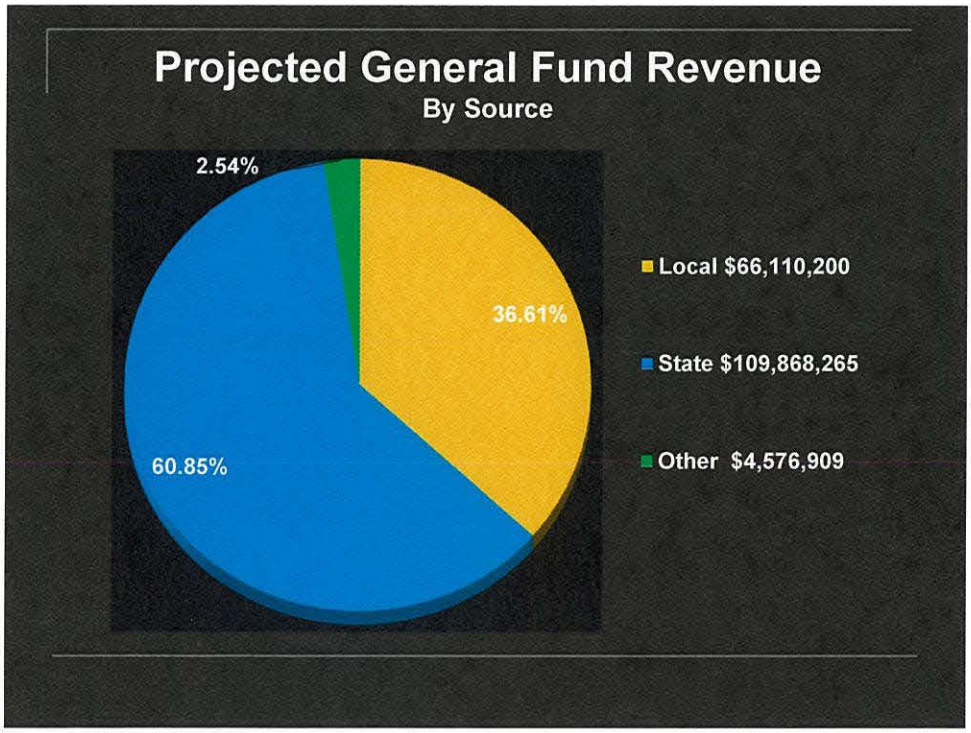
*Slight differences due to rounding

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)	4,311,909	2.39%
Total Transfer from Other Funds	$4,576,909	2.53%
Total Revenue	$180,555,374	
Total Funds Available	$180,555,374	100.00%

*Slight differences due to rounding

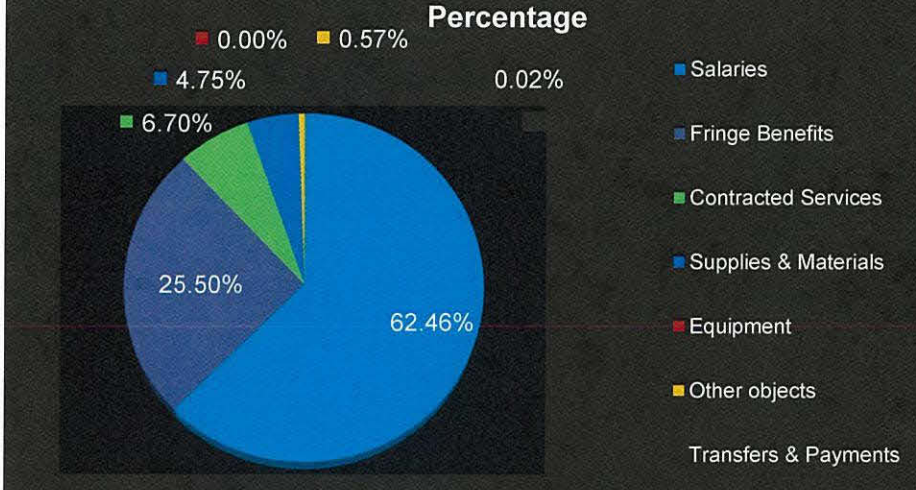

Projected General Fund Revenue
0.15%
2.39%
0.00%
0.38%
0.97%
16.90%
34.50%
5.86%
23.23%
12.84%
1.00%
0.71%
0.40%
0.66%
Current Taxes
Delinquent Taxes
Fee in Lieu
Other Local Revenue
Bus Drivers Salary
Fringe Benefits
Education Finance Act
Property Tax Relief (Tier I)
Property Tax Relief (Tier II)
Property Tax Relief (Tier III)
Other State Revenue
Indirect Cost Transfers
Transfer from EIA
Operational Balance


Projected General Fund Revenue
By Source
2.54%
36.61%
60.85%
Local $66,110,200
State $109,868,265
Other $4,576,909

FY 2017-2018
Projected General Fund Expenditures

Category	Dollars	Percent of Budget
Salaries	113,613,900	62.46%
Fringe Benefits	46,384,970	25.50%
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	39,108	0.02%
Total Expenditures	$ 181,891,358	100.00%

FY 2017-2018
Projected General Fund Expenditures



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 May 17, 2017

- **Projected Revenue = $ 180,555,374**
- **Projected Expenditures = $ 181,891,358**
- **Projected Shortfall (no millage)= $ (1,335,984)**
- **Projected Additional Millage (5.4) = $ 1,331,608**
- **Projected Shortfall (max millage)= $ (4,376)**

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

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

-William Authur Ward

