



District Five

OF LEXINGTON &
RICHLAND COUNTIES

FY 2020 - 2021

General Fund Budget Parameters

March 9, 2020

FY 2019-2020 Budget Changes

\$7,072,983 (3.75%)

■ Additional certified staff*:	
■ Additional support staff*:	
■ Increased costs for School Resource Officers	\$ 300,000
■ Additional contracted mental health case managers	\$ 100,000
■ Increased costs for technology	\$ 200,000
■ \$500 Loyalty Bonus for all district employees (non-recurring)	\$ (1,479,730)
■ Salary increases (COLA, step and credential), terminal leave, fringe benefits increases and school allocation changes.**	\$ 7,952,713

* Includes salaries and fringe benefits costs

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

FY 2019-2020 General Fund Budget Recap

- **Projected Revenue =** **\$ 195,794,553**
- **Projected Expenditures =** **\$ 195,794,553**
- **Difference =** **\$ 0**

FY 2019-2020 General Fund Budget Recap Addendum

On January 27, 2020, the Board approved a \$4,278,943 increase in revenue using FY 2018-2019 reserved funds in excess of the 18% requirement (policy DFAB*) for the unassigned amount. The funds are to be used as follows:

- \$500 Employee Loyalty Bonus – approximately \$1.5 million
- Additional capital improvements – approximately \$2.77 million

* To provide sound fiscal management and stability, an undesignated operating reserve fund consistent with the medial averages for issuers that retain at least an Aa2/AA credit rating will be maintained by the district. This average may change from time to time but generally ranges from 15% to 18% of the general fund budgeted expenditures.

Dates to Remember

State Budget Calendar

- February 17 - 20 Ways & Means Full Committee Budget Deliberations
- March 9 - 13 House Floor Budget Deliberations
- March 16 - 20 House Furlough
- TBD Senate Finance Budget Deliberations
- TBD Senate Finance Budget Printed
- April 9 Crossover Deadline
- April 13 - 17 House Furlough
- TBD Budget Returned to House
- TBD Budget Conference Committee & Report
- May 14 Sine Die – Legislative Session Ends

Dates to Remember

District Budget Calendar

- March 9, 2020 Parameters for the FY 2020-2021 General Fund Budget
- April 6, 2020 Discussion Reading of General Fund Budget
- April 27, 2020 First Reading of General Fund Budget
- May 18, 2020 Second (Final) Reading and Public Hearing of General Fund Budget

Disclaimer

- The information provided in this presentation is based upon the FY 2019-2020 General Appropriations Bill (H.4000) as approved by the House Ways & Means Committee (HWMC) on February 20, 2020.
- FY 2019-2020 Estimated Statewide WPU = 992,512
- FY 2019-2020 Fully funded BSC = \$3,095
- FY 2019-2020 SCDE Requested BSC = \$2,647
- FY 2019-2020 Appropriated BSC (Implied) = \$2,489 (Capped at \$2,487)
- FY 2020-2021 Estimated Statewide WPU = 993,663
- FY 2020-2021 Fully funded BSC = \$3,164
- FY 2020-2021 SCDE Requested BSC (Implied) = \$2,722
- FY 2020-2021 Ways & Means Appropriated BSC = \$2,500

House Ways and Means Committee Recommendations

- ❑ **Teacher Salary Increase - \$213.4 million**
 - \$3000 raise for each teacher
- ❑ **Base Student Cost (BSC) Inflation Factor - \$16 million**
 - Maintains current level of funding
- ❑ **Base Student Cost Increase - \$10.3 million**
 - Increases the BSC by \$11 to \$2,500
 - To receive this increased funding, districts must implement a policy that prohibits the use of personal electronic communication devices by students during direct classroom instructional time.
- ❑ **State Health Plan 6.73% Increase - \$9 million**
 - Health insurance increases paid by employer
 - Free annual check up for each beneficiary
- ❑ **Bus Lease/Purchase - \$25.5 million**
 - \$3 million recurring
 - \$22.5 million nonrecurring
- ❑ **School Resource Officers - \$10 million**
 - Additional \$13 million needed to fund a SRO for every school

House Ways and Means Committee Recommendations

continued

- ❑ Capital Improvements - \$60 million
 - For rural school districts
 - ❑ SCDE Office of School Facilities - \$247,300
 - Adds 2 FTE's to assist with the backlog of facilities plans that need approval
 - ❑ Student Information System - \$15.1 million
 - Upgrade current system
 - \$10 million nonrecurring
 - ❑ Instructional Materials - \$76.5 million
 - Nonrecurring
 - ❑ Full Day 4K - EIA - \$45.8 million
 - \$37.6 million new recurring funding
 - \$7.2 million from current 4K half day funding
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FY 2020-2021 Budget Considerations

- SCRS Employer Contribution Increase (1%)
- Employer health insurance premium increases (6.73%)
- Mandated \$3,000 salary increase for teachers
- COLA for all other district employees
- Step Increases (experience) for all eligible employees
- 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

Calculation for FY 2020-2021 Allowable Millage Increase Section 6-1-230 of the SC Code of Laws

Consumer Price Increase (CPI) *	1.81%
Lex/Rich 5 Population Growth *	TBD
Allowable Percentage Increase *	TBD
FY 2019-2020 Millage Rate	256.9
FY 2020-2021 Millage Increase Cap	TBD

*Source: SC Revenue And Fiscal Affairs Office

