



To: Members, Board of School Commissioners

From: Edward Carlon, Chief Operating Officer/Budget Director

Subject: Third Reading - Proposed FY 2016-2017 General Fund Budget

Date: June 21, 2016

Since the second reading on May 24, 2016, the Administration has made adjustments to the Proposed FY 2016-2017 General Fund Expenditure Budget.

During the work session, we discussed proposed increases from the FY 2016 budget. Some of these increases included: Approval of new Language Immersion program, Montessori MS teachers, bus drivers, increase Elementary Social Workers, add AAP Consultant, add Marketing Specialist, add HRS Generalist, an increase to about ten department budgets, and increases to utilities, health insurance premiums and retirement costs. Also, a step increase on the salary schedule is included in the budget for eligible staff, both certified and non-certified, as well as a 2% COLA. Per the state, Bus Drivers will receive 3.25% COLA. A change to IT Techs from 10 months to 12 months is included in this reading.

The amount to give staff an increase to the salary schedule based on salary review at half the amount has been taken out at this time and will be brought back for further discussion.

The projected Base Student Cost (BSC) by the House is \$2,350. The millage cap increased by 0.42% based on CPI and population growth and will be 251.1. The proposed budget is based on the 250.0 with no millage increase being requested. The overall budget increase being proposed including the state funding is 2.71%. This assumes that the assessed value will increase when final assessed values are completed in September.

District Operations Services

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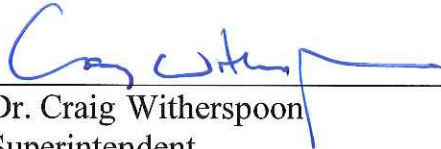
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Third Reading - Proposed FY 2016-2017 General Fund Budget

June 21, 2016

The state's calculation of the EFA amount changed June 9 from the two earlier projections. It is partially due to updated 135 day counts, but the largest change is in the At Risk add on funding. The administration requested an explanation of the change in the calculation but has not received one at this time. The reduction from the original projections is about \$1.2 million. Also the fringe benefits funding from the state is reduced from the original projection by about \$650,000. The administration is engaging other districts and SCASA to determine the change in At Risk funding and how it was calculated.

The Administration recommends third reading approval of the Proposed FY 2016-2017 General Fund Budget of \$293,215,779.



Dr. Craig Witherspoon
Superintendent

Richland County School District One
Proposed FY 2016-2017 General Fund Budget
Budget Summary

Line	Description	Estimated Budget
1.	FY 2015-2016 General Fund Expenditure Budget	285,489,718
	<u>Estimated FY 2016-2017 Expenditure Budget</u>	
2.	<u>Proposed "Base Budget" changes</u>	
2a.	Increase/decrease School budgets	106,739
2b.	Increase in Utilities	97,970
2c.	Increase component budgets - departments	145,564
2d.	Increase for legal	100,000
2e.	STEM program sustainability HS/MS decrease from FY16	(100,000)
2f.	Reduce FTEs (66) including fringes	(3,637,000)
2g.	Decrease salaries, supplements	(1,989,099)
2h.	Increase Fringes	3,621,480
2i.		
3	<u>Proposed changes before other increase/decrease</u>	<u>(1,654,346)</u>
4.	Total Basic Proposed FY2015-16 Expenditure Budget RCSD1	\$ 283,835,372
5.	<u>Proposed Increases to Base Budget</u>	
5a.	Step increase certified step plus COLA (incl fringes)	\$ 4,340,000
5b.	Step increase non-certified step plus COLA (incl fringes)	3,348,000
5c.	Montessori MS FTEs (2 FTEs)	134,000
5d.	Language Immersion Program (approved Jan 26, 2016) (9 FTEs)	824,000
5e.	School Social Workers (1.5 FTEs)	85,000
5f.	Bus Drivers (4 FTEs)	77,200
5g.	AAP Consultant (1 FTE)	100,000
5h.	Marketing Specialist (1 FTE) - Communications	75,000
5i.	Manager of Safety and Training (1 FTE) - Transportation	58,000
5j.	HRS Generalist (1 FTE)	61,000
5k.	IT Tech positions from 10 month to 12 month (new)	178,207
5l.	Director Academics (tentative title)	
5m.	Implement half salary adjustment to market	
5n.	State required 3.25% increase for Bus Drivers (new is 1.25%)	100,000
		<u>9,380,407</u>
6.	Total Basic Proposed FY 2016-2017 Expenditure Budget RCSD1	\$ 293,215,779
7.	Estimated FY 2017 Expenditures	\$ 293,215,779
8.	Estimated FY 2017 Revenues	293,215,779
11.	Excess of Revenues and (Expenditures)	<u>\$ -</u>

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Richland County School District One
FY 2016-2017 General Fund Budget
Base Budget

(1)		(3)	(4)	(5)	
Line	Description	FY 2015-16 Budget	FY 2016-17 Proposed Budget	Difference (3) - (2)	% Change
1	School Allocations	\$12,460,481	\$12,867,220	406,739	3.32%
2	Summer School / Afterschool Remediation	1,850,000	1,850,000	0	0.00%
3	Chief Teaching & Learning	5,296,181	5,646,745	350,564	6.07%
4	Chief Human Resources Officer	349,462	399,462	50,000	7.95%
5	Chief Operations Officer	10,388,565	10,388,565	0	0.00%
6	Superintendent Services	1,662,656	2,057,656	395,000	28.59%
7	Charter School transfers, vehicle replacement, audit contract, Strategic plan, district wide communication maint, document storage contracts, other	4,716,090	4,066,090	(650,000)	-12.75%
8	Legal Services (Contractual)	206,039	306,039	100,000	48.53%
9	Adult Education (allocation)	44,353	44,353	0	0.00%
10	Property & Liability Insurance	1,695,000	1,695,000	0	0.00%
11	Utilities	\$12,893,521	\$12,991,491	97,970	0.76%
12	Personnel Salaries	\$171,401,289	\$174,104,597	2,703,308	1.64%
13	Supplemental Salaries, Tuition Reimb, Sabbatical, Sick Leave, Annual Leave	\$6,496,148	\$6,496,148	0	0.00%
14	Fringe Benefits	\$54,279,933	\$58,552,413	4,272,480	8.05%
15	PC Replacement and Technology	1,750,000	1,750,000	0	0.00%
16.	Total	<u>\$285,489,718</u>	<u>\$293,215,779</u>	<u>\$7,726,061</u>	<u>2.71%</u>
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Richland County School District One
FY 2016-2017 General Fund Budget
Estimated Revenue Budget

Line	(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015-2016 Revenue Budget	ESTIMATED FY 2016-2017 Revenue Budget	Pct Change	DIFF. (3) - (2)	ASSUMPTIONS
1	CARRYOVER BALANCE					
1	JULY 1st FUND BALANCE	\$1,199,780	\$97,991	-91.83%	(\$1,101,789) (A)	(A): Fund Balance designated from FY 15
2	DISTRICT GENERATED					
2	INVESTMENTS, RENTALS, ETC.	170,000	70,000	-58.82%	(\$100,000) (B)	Same as FY 2012
3	STATE REVENUE					
3	EDUCATION FINANCE ACT	49,199,756	50,870,807	3.40%	\$1,671,051 (C)	(C): Projected FY17 House at \$2,350 and Senate Finance Includes G&T EIA funds and some At Risk funds and additional weightings as passed by the House, for FY 16 now includes Lottery Funds. Same for FY 2017. Final projections from the SDE on 6/9/16 came in lower than original projections. The At Risk calculation changed.
4	FRINGE BENEFITS	20,381,621	21,773,424	6.83%	\$1,391,803 (D)	
5	RETIREE INSURANCE	7,352,314	6,808,885	-7.39%	(\$543,429) (D)	
6a	TEACHER SALARY SUPPLEMENT	4,812,033	5,631,920	17.04%	\$819,887 (D)	
6b	FRINGE BENEFITS	818,046	728,481	-10.95%	(\$89,565) (D)	
7	BUS DRIVERS	961,955	1,161,955	20.79%	\$200,000 (D)	(D): Using FY16 Final projections
8	Transportation - Workers Comp	102,393	107,244	4.74%	\$4,851 (D)	
9	TOTAL STATE REVENUE	83,628,118	87,082,716		3,454,598	All State funding subject to change with final 135 Day count
10	FEDERAL REVENUE					
10	IMPACT AID	10,000	10,000	0.00%	\$0	
11	TRANSFER - IN (INDIRECT COST)					
11	TITLE I	150,000	150,000	0.00%	\$0 (E)	(E): This is based on the assumption the
12	STUDENT NUTRITION SERVICES	792,200	792,200	0.00%	\$0 (E)	FY 2016-17 budgets and indirect cost
13	OTHER (SPECIAL REV. BUDGETS)	100,000	100,000	0.00%	\$0 (E)	rates for these projects will be similar to
14	TOTAL TRANSFERS - IN	1,042,200	1,042,200		0	FY 2015-16 budgets and indirect cost.
15	SUB-TOTAL: CARRYOVER BALANCE, DISTRICT GENERATED, STATE AND FEDERAL REVENUE, AND TRANSFERS - IN	86,050,098	88,302,907	2.62%	\$2,252,809 (F)	(F): Estimated non-property tax revenue based on A thru E above.
16	RICHLAND COUNTY					To be determined by County Auditor/Treasurer
16	CARRYOVER	4,400,000	5,000,000	13.64%	\$600,000	
17	SALES TAX /REIMBURSEMENTS					
17a	TIER I	4,701,651	4,741,651	0.85%	\$40,000 (G)	Homestead Exemption
17b	TIER II	13,184,415	13,184,415	0.00%	\$0 (G)	Property Tax Relief
17c	TIER III	32,791,954	33,044,563	0.77%	\$252,609 (G)	Owner Occupied amount now paid by Sales Tax (Tier III)
18	STATE REIMBURSEMENT	5,710,029	5,832,593	2.15%	\$122,564	
19	PROPERTY TAX	138,651,571	143,109,650	3.22%	\$4,458,079	Using FY2017 estimated revenue from County Auditor. Estimated value of Mill \$798,000 including owner occupied. Moved owner occupied to state portion as Tier III. Estimated Mill value w/o owner occupied \$570,000. FY2016 millage is 250, would increase to 251.1 if cap approved. Keeping the millage the same will be 250. Based on estimates from the Auditor on 4-13-16. We expect an increase in assessed value by the June third reading, based on prior years experience. County Council approved the millage cap at third reading on 6-11-15. This was above the request presented to County at no increase in millage. The County approved the request of dollars. The millage will be determined in the fall when final assessed values are finalized.
20	TOTAL RICHLAND COUNTY	199,439,620	204,912,872		5,473,252	
21	TOTAL: ALL REVENUE SOURCES	\$285,489,718	\$293,215,779	2.71%	\$7,726,061	