

ANNUAL BUDGET

Code **DB** Issued **5/16**

Purpose: To establish the board's vision for annual budgeting.

The annual budget is the financial plan for the school system and reflects the board's priorities and educational programs. The budget document is a continuous process that involves long-term thought, study, and deliberation by the superintendent, board, operational staff, and employees.

The board shall establish budget priorities for each fiscal year (July 1 - June 30). These priorities shall be based upon the needs identified by the superintendent during the budget planning process, ~~as determined by the following:~~

- ~~• needs of Charleston County School District~~
- ~~• equitable treatment within available resources~~
- ~~• state or federal legal requirements~~
- ~~• requirements and regulations of accrediting agencies~~
- ~~• availability of resources~~
- ~~• maintenance of an undesignated fund balance equal to not less than 8.3 percent of the total operating budget from one fiscal year to the next~~

The superintendent shall ~~have overall responsibility for budget preparation and shall~~ submit an annual budget to the ~~board, which shall then submit the proposed budget to the Charleston County Legislative Delegation, as information, on or before August 15th of each year.~~ The board ~~will observe all state is fiscally independent. The board must hold a public hearing as required by law and regulations regarding budget review both prior to adoption and after enactment.-~~

In case the budget does not receive approval by June 30, the board shall adopt a continuing resolution based on the previous year's operating budget until the budget can be approved.

Notice of Budget Adoption

Before adopting a budget, the Charleston County School District shall advertise a public hearing on the budget in at least one South Carolina newspaper of general circulation in the area. The notice must appear not less than 15 days in advance of the public hearing. The notice must be a minimum of two columns wide with a bold heading.

The notice must include the following:

- governing entity's name
- time, date and location of the public hearing on the budget
- total revenues and expenditures from the current operating fiscal year's budget of the governing entity
- proposed total projected revenue and operating expenditures for the next fiscal year as proposed in the next year's budget for the governing entity
- proposed percentage change in operating budgets between the current fiscal year and the proposed budget
- millage for the current fiscal year
- estimated millage in dollars as necessary for the next fiscal year's proposed budget

PAGE 2 - DB - ANNUAL BUDGET

Limitation on Millage Increase

Section 6-1-320 of the 1976 Code, as last amended by Act 145 of 2005, is further amended to read:

“Section 6-1-320.(A) Notwithstanding Section 12-37-251(E), a local governing body may increase the millage rate imposed for general operating purposes above the rate imposed for such purposes for the preceding tax year only to the extent of the increase in the average of the twelve monthly consumer price indexes for the most recent twelve-month period consisting of January through December of the preceding calendar year, plus, beginning in 2007, the percentage increase in the previous year in the population of the entity as determined by the Office of Research and Statistics of the State Budget and Control Board. However, in the year in which a reassessment program is implemented, the rollback millage, as calculated pursuant to Section 12-37-251(E), must be used in lieu of the previous year’s millage rate.

(B) Notwithstanding the limitation upon millage rate increases contained in subsection (A), the millage rate limitation may be suspended and the millage rate may be increased upon a two-thirds vote of the membership of the local governing body for the following purposes:

- (1) the deficiency of the preceding year;
- (2) any catastrophic event outside the control of the governing body such as a natural disaster, severe weather event, act of God, or act of terrorism, fire, war, or riot;
- (3) compliance with a court order or decree;
- (4) taxpayer closure due to circumstances outside the control of the governing body that decreases by ten percent or more the amount of revenue payable to the taxing jurisdiction in the preceding year; or

(5) compliance with a regulation promulgated or statute enacted by the federal or state government after the ratification date of this section for which an appropriation or a method for obtaining an appropriation is not provided by the federal or state government.

If a tax is levied to pay for items (1) through (5) above, then the amount of tax for each taxpayer must be listed on the tax statement as a separate surcharge, for each aforementioned applicable item, and not be included with a general millage increase. Each separate surcharge must have an explanation of the reason for the surcharge. The surcharge must be continued only for the years necessary to pay for the deficiency, for the catastrophic event, or for compliance with the court order or decree.

(C) The millage increase permitted by subsection (B) is in addition to the increases from the previous year permitted pursuant to subsection (A) and shall be an additional millage levy above that permitted by subsection (A). The millage limitation provisions of this section do not apply to revenues, fees, or grants not derived from ad valorem property tax millage or to the receipt or expenditures of state funds.

(D) The restriction contained in this section does not affect millage that is levied to pay bonded indebtedness or payments for real property purchased using a lease-purchase agreement or used to maintain a reserve account. Nothing in this section prohibits the use of energy-saving performance contracts as provided in Section 48-52-670.

(E) Notwithstanding any provision contained herein, this article does not and may not be construed to amend or to repeal the rights of a legislative delegation to set or restrict school district millage, and this article does not and may not be construed to amend or to repeal any caps on school millage provided by current law or statute or limitation on the fiscal autonomy of a school district as currently in existing law.”

B. _____ The provisions of Section 6-1-320 of the 1976 Code, as amended by this section, apply beginning January 1, 2007.

PAGE 3 - DB - ANNUAL BUDGET

Adopted 7/29/68; Revised 9/12/05, ~~5/23/16~~

Legal references:

A. S. C. Code of Laws, 1976, as amended:

1. Section 6-1-80 - Budget adoption.
2. Section 6-1-300, et seq. - Authority of local governments to assess taxes and fees.

B. Acts and Joints Resolutions:

1. 1967 Act 340, Section 10 - Budget and tax levy; Section 12 - tax levy for general operating purposes.
2. 1969 Act 139 - Amends 1967 Act 340, Section 10 - Tax levy not to exceed 80 mills.
3. 1972 Act 1602 - Further amends 1967 Act 340, as last amended by 1969 Act 139, Section 10 - Tax levy not to exceed 90 mills.

C. S.C. Supreme Court cases:~~Cases:~~

1. Charleston County Parents for Public Schools, Inc. vs. Peggy Moseley - 343 S.C. 509, 541 S.E. 2d 533, (S. Ct. 2001).