

2025

FISCAL YEAR

Audit &  
Finance  
Committee

Budget  
Update

May 9, 2024



# Current Year Performance

Source	FY 2024 Budget	FY 2024 Projected	Variance	% Variance
Local	\$435,064,064	\$476,143,554	\$41,079,490	9.44%
Intergovernmental	305,198	305,198	-	0.00%
State	245,898,172	247,096,763	1,198,591	0.48%
Federal	95,536	180,187	84,651	88.61%
Transfers	21,018,704	21,168,704	150,000	0.71%
Sale of Fixed Assets	-	10,180	10,180	-
<b>Total</b>	<b>\$702,381,674</b>	<b>\$744,904,586</b>	<b>\$42,522,912</b>	<b>6.05%</b>

\*As of March 31, 2024 Financial Report

# Revenue Projections Update

Source	FY 2024 Projected	FY 2025 Estimate	Variance	% Variance
Local	\$476,143,554	\$513,150,177	\$37,006,623	7.78%
Intergovernmental	305,198	325,000	19,802	6.49%
State	247,096,763	255,241,181	8,144,418	3.29%
Federal	180,187	12,000	(168,187)	-93.34%
Transfers	21,168,704	16,372,002	(4,796,702)	-22.66%
Sale of Fixed Assets	10,180	-	(10,180)	-100.00%
<b>Total</b>	<b>\$744,904,586</b>	<b>\$785,100,360</b>	<b>\$40,195,774</b>	<b>5.39%</b>

\*Estimates as of March 31, 2024

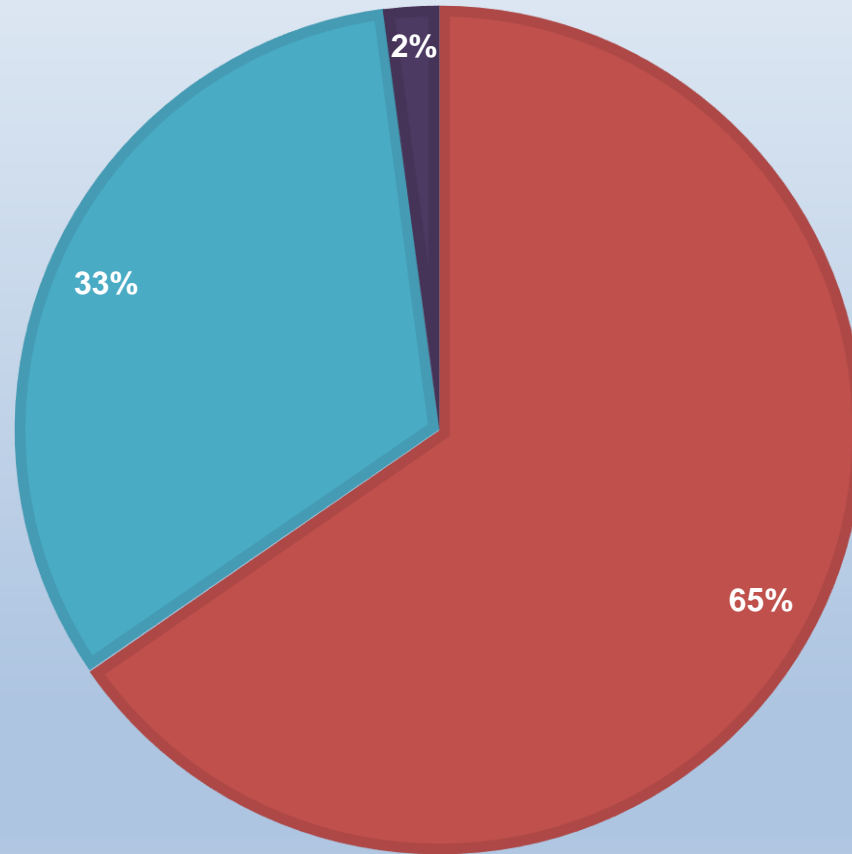
# Comparison to FY 2024

Source	FY 2024 Budget	FY 2025 Estimate	Variance	% Variance
Local	\$435,064,064	\$513,150,177	\$78,086,113	17.94%
Intergovernmental	305,198	325,000	19,802	6.49%
State	245,898,172	255,241,181	9,343,009	3.80%
Federal	95,536	12,000	(83,536)	-87.44%
Transfers	21,018,704	16,372,002	(4,646,702)	-22.11%
Sale of Fixed Assets	-	-	-	0.00%
<b>Total</b>	<b>\$702,381,674</b>	<b>\$785,100,360</b>	<b>\$82,718,686</b>	<b>11.77%</b>

\*Estimates as of April 30, 2024

# Where it Comes From

Local Intergovernmental State Federal Transfers



# Summary

- Projected **\$82.7 Million** in revenue growth over the FY 2024 base budget
- Adding proposed use of **\$20 Million** in ESSER Sustainability funds, capacity grows to **\$102.7 Million**
- Local revenues have been refined, but we are awaiting TIF assessments and a growth update to settle on final numbers
- State revenues are believed to be firm at this time unless changes emerge in their budget

# Summary of Revenue Growth

- The District will receive **\$9.3 Million** in additional revenue from growth in County assessments resulting from property transfers (ATIs).
- New construction assessments account for approximately **\$8.7 Million** in revenue.
- Assumptions include a 3 mill swap from the Debt Fund, increasing revenue by **\$10 Million**.
- A 3.9 mill increase generates **\$12.8 million** to pay for teacher compensation increases at the \$7,500 level across every cell.

# Summary

- ESSER Sustainability funds have been set aside and can be used to healthily implement the Weighted Student Funding formula. There is a total of **\$37.8 Million** available for appropriation.
- Staff proposes utilizing it as follows:

	FY 2025	FY 2026	FY 2027
Cost of WSF	\$32,820,532	\$34,461,559	\$36,184,637
ESSER Sustainability Use	(20,000,000)	(10,000,000)	(7,800,000)
Net GOF Requirement	\$12,820,532	\$24,461,559	\$28,384,637



# FY 2025 Funding Considerations

- Staff has presented a balanced budget with the considerations on the slides that follow.
- All scenarios cost **\$130.7 Million** as selected.
- Based on fund balance growth in FY 2024, staff is balancing the budget with a preliminary use of non-ESSER Sustainability fund balance, although this figure will decrease as revenues are refined.

# Required Increases

Teacher Step increases up to 40 years with fringe	\$ 5,190,449
Health and Dental Increase - All Staff	\$ 2,267,416
Charter Schools and Meeting Street Academy	\$ 8,766,809
Operations - Contractual Obligations and Other Must Do's	\$ 6,374,938
Risk Management increase for insurance premiums	\$ 1,930,454
<b>Total Required Increases</b>	<b>\$ 24,530,066</b>

# Teacher Salary Increase Considerations

Teacher \$7,500 teacher salary increase and fringe	\$ 36,164,829
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# Non-Teacher Salary Increase Considerations

Non-Teacher 100% Market (6% COLA) and fringe	\$ 12,054,943
Non-Teacher (1.9%) Step and fringe	\$ 2,663,914
Non-Teacher Step to Step 33 (using 100% Market) and fringe	\$ 2,249,571
School Based Position Upgrades and fringe	\$ 1,410,682
All Teacher Assistants Upgrades and fringe	\$ 3,569,563
<b>Total Non-Salary Increase</b>	<b>\$ 21,948,673</b>

# School Support Considerations

10 Day and Mid-Year Adjustments for Enrollment	\$ 775,000
Expanding the AVID Program	\$ 1,105,783
CTE 2024 Summer Internship - additional 40 summer interns	\$ 61,040
School Support for Chronic Absenteeism	\$ 334,206
Employee Early Childhood Daycare	\$ 466,000
<b>Total School Support Considerations</b>	<b>\$ 2,742,029</b>

# Human Resources Considerations

Substitute Increases for teachers and assistants	\$ 1,500,000
Leadership Pipeline	\$ 800,599
Alternate Certification Pathways Program	\$ 1,000,000
<b>Total Human Resources Considerations</b>	<b>\$ 3,300,599</b>

# Financial Services Considerations

Structural Adjustments and ESSER Closeout	\$ 377,970
<b>Total Financial Services Considerations</b>	<b>\$ 377,970</b>

# CERDEP/CD/Head Start Considerations

CERDEP Funds	\$ 1,100,000
CERDEP - 14 Teacher Assistants and 1 Project Specialist	\$ 912,106
CD Expansion - 13 Teachers, 13 Teacher Assistants and Secretary	\$ 1,547,953
Head Start - 23 K3 Cert Teachers & Teacher Assistants, Principal on Assignment (GOF 50%)	\$ 1,904,753
<b>Total CERDEP/CD/Head Start Considerations</b>	<b>\$ 5,464,812</b>



# Learning Services Considerations

SSS - Wraparound Services	\$ 750,000
MLL - Welcome Center	\$ 350,000
DEC Expansions	\$ 1,500,000
AP for Virtual Academy	\$ 175,000
<b>Total Learning Services Considerations</b>	<b>\$2,775,000</b>

# New Standard Allocations

1.0 FTE Guidance Counselor at every school	\$362,016
All County Band Program	\$16,700
CTE Teachers	\$235,655
1.0 FTE Base Allocation for Foreign Language, additional Gifted and Talented, Interventionists, Windwood Farms	\$1,081,067
High School Credit Recovery	\$200,000
Pinehurst Co-Teachers and Clemson Admin Fees	\$582,510
<b>Total Non-Standard Considerations</b>	<b>\$2,477,948</b>

# ESSER Impact Initiatives

Family Coach Coordinators	\$496,370
Learning Services Canvas Administrator	\$132,244
University of Virginia	\$150,000
Director of Accelerated Schools	\$155,000
<b>Total ESSER Impact Initiatives</b>	<b>\$933,614</b>

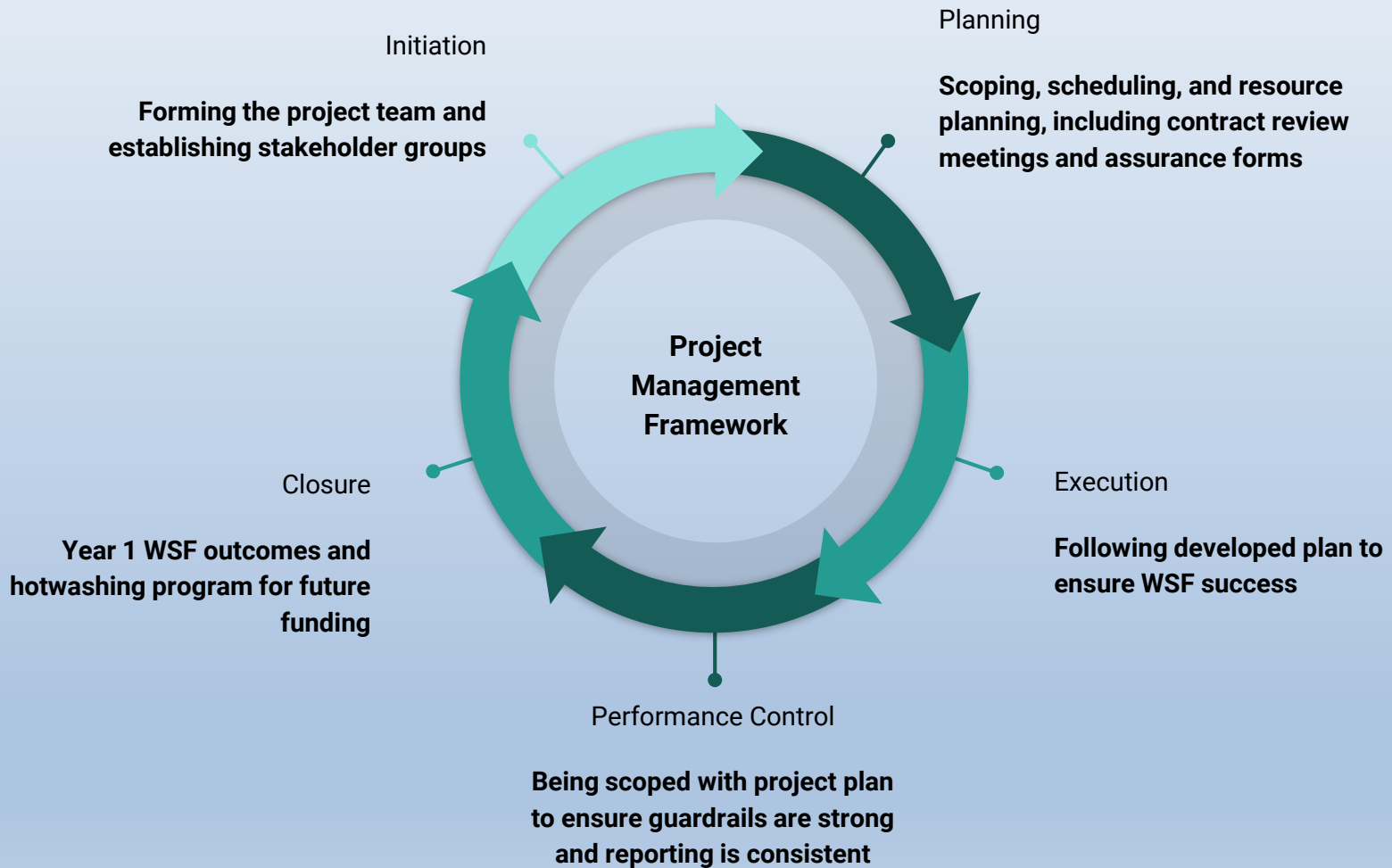
# Weighted Student Funding Investment

Allocation Category	Pupils Served	Amount
Pupils in Poverty	<b>20,919</b>	\$ 20,965,797
Multilingual Learner	<b>6,394</b>	\$ 6,298,367
Students with Disabilities	<b>4,917</b>	\$ 4,917,903
Met ESSER Threshold	-	\$ 638,464
<b>Total</b>	<b>32,230</b>	\$ 32,820,531

# Weighted Student Funding

- Staff is following the Project Management Framework to implement Weighted Student Funding
- Internal guidance for academics, finance, and an overall project management plan is coming into focus
- Budget meetings with schools include review of intended use of Weighted Student Funding dollars

# Weighted Student Funding



# Weighted Student Funding Guardrails

Project Mgmt Phase	Overview Task (High level)	Start Date	Estimated Completion Timeline	Status/ Standing
Initiation	Conduct background research and comparative analysis of established WSF programs for efficacy potential in CCSD; determine WSF model implementation success criteria	Dec 18, 2023	Jan, February	Complete
Execution 1	Draft, Propose, and Release: A. CCSD WSF Formula & Budgets (per school) B. Guidelines for WSF Needs Assessment, Usage Allowances C. WSF funding Request Submission and Approval Review Process	Jan 4	March 22	Complete
Execution 1	A. Conduct needs assessments, submit personnel requests (school level) B. Review and approve personnel submissions	March 12	April 12 (Personnel related request submission) April 21 (Approve personnel request submissions)	In Process (final adjustments)
Planning	Establish Core Project Implementation Team A. Create and Approve Project Statement of Work (Implementation Plan) B. Initial task list, timeline, and personnel resources	March 12	April 18	Complete
Closure	A. Document & release acceptable use framework for finance codes	March 12	April 30	In Process
Execution 2	A. Document & release WSF vendor contracts and procurement purchasing guidelines	March 29	May 15	In Process
Execution 2, & Performance Control	A. Develop training plan (initial and ongoing) and materials B. Create and implement communication plan C. Create MUNIS placeholders for WSF fund balance transfers D. Determine Finance & HR workflow processing times & needs: Cross reference WSF position requests with CVF allocations and impacted personnel contracts, determine new allocations requested and begin PCN creation process, determine new positions needed and start mapping process E. Develop metric review guardrails for assurance forms (for use by approvers and submitters) F. Document & release WSF vendor contracts and procurement purchasing guidelines	March 12	May 31	In Process

# Weighted Student Funding Guardrails

Project Mgmt Phase	Overview Task (High level)	Start Date	Estimated Completion Timeline	Status/ Standing
Execution 3	A. Submit non-personnel WSF requests (school level) B. Review and approve WSF non-personnel submissions		June 1 (submission) June 14 (approval)	Not Started
Execution 3 & Performance Control	A. Create progress monitoring system and evaluation/success metrics for the efficacy of the WSF model, WSF processing and implementation, and individual allocated resources B. Establish progress evaluation review team and procedures C. Host submission metric reviews with Principals as needed	April 8	July 31	In Process
Execution 3	A. Define impact reporting needs B. Create, review, and approve initial WSF budget update report for Board of Trustees C. Define and develop digital workflow process and database documentation storage	April 9	July 31	In Process
Closure	A. Documentation for FY26 WSF considerations B. Digital workflow and documentation process, tracking method/mechanism for FY26		September 1	Not Started



# Weighted Student Funding Guardrails

## LIMITATIONS

WSF *may not* be used to pay for

Maintenance, construction, grounds, custodial, food services

More than one (1) administrative personnel position (including, but not limited to, Assistant Principal, Associate Principal, Assistant Administrator, etc.)

Out-of-state conferences and/or professional development

School retreats

Faculty travel

Faculty rewards/gifts

Contracts with non-authorized partners or organizations

IT: devices and software (*any exceptions to this limitation must be approved by the Associate Supt, CAO, COO, and Superintendent*)

# Weighted Student Funding Guardrails

## OPPORTUNITIES

Funds *may* be used for:

- Additional Teachers
- Associate teachers for reading and math
- Stipends for tutors, mentors, etc. (*approved by the Compensation Office*)
- Glasses and other urgent student health needs
- Attendance follow-up
- Additional School Counselors
- School Psychologists
- Student Concerns Specialists
- Multilingual student services/Translation services
- Summer programs for students
- Educational resources for students (*approved by Associate Superintendent, CAO, and Superintendent*)
- Travel to summer programs for students
- Extended day programs for students
- Travel for students (i.e., Late bus)
- Enrichment
- Multilingual support staff
- Student internships

# Weighted Student Funding Guardrails

## OPPORTUNITIES

Funds *may* be used for:

- Local professional development and/or other capacity-building measures for staff
- Parenting programs
- School community coordinators
- Student materials
- Student uniforms
- Student Recognition
- Social workers
- Extra Duty/Extra Pay for staff
- Purchased services from approved vendors
- Academic Acceleration Programs

# Budget Reductions

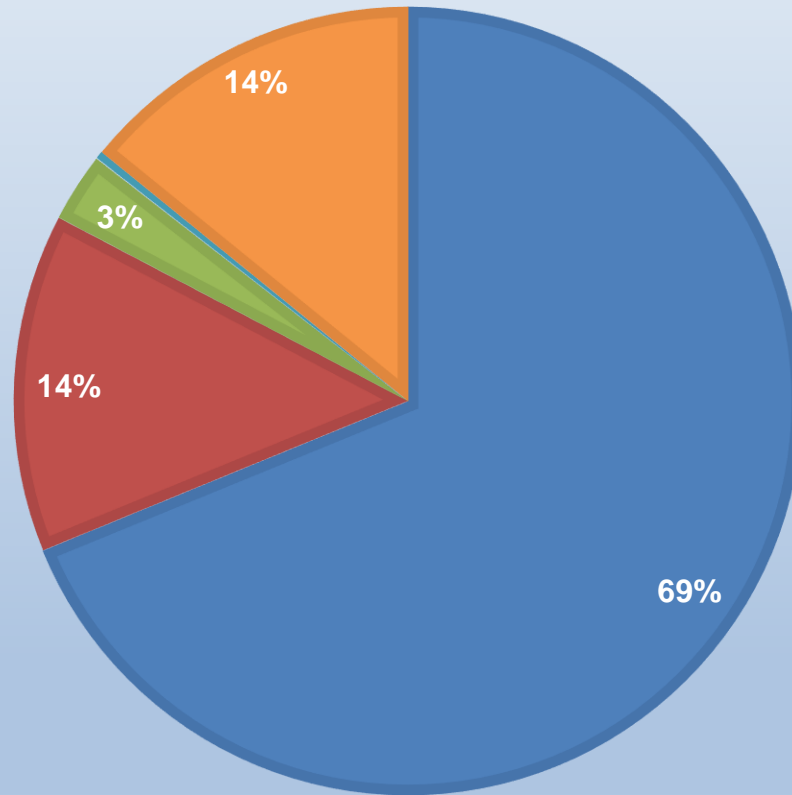
- Total reduction of approximately 30 Central Staff FTEs, inclusive of vacant positions at cost of \$4,622,793.
- Reduction of Purchased Services due to reallocations of savings and conservative budgeting of \$1,000,000.
- Remaining \$2,500,000 is being addressed through risk pooling initiatives.

# FY 2025 Expenditure Budget

Category	FY 2024 Projected	FY 2025 Proposed	Variance	% Variance
Salaries/Fringe	\$488,220,828	\$583,222,756	\$95,001,928	19.5%
Purchased Services	110,879,591	117,646,919	6,767,328	6.1%
Supplies	23,712,445	23,868,007	155,562	0.7%
Capital	320,046	438,152	118,106	36.9%
Membership/Dues	3,219,616	2,687,914	(531,702)	-16.5%
Transfers	81,214,623	119,722,141	38,507,518	47.4%
<b>Total</b>	<b>\$707,567,150</b>	<b>\$847,585,889</b>	<b>\$140,018,739</b>	<b>19.8%</b>
Net of Revenues	<b>\$744,904,587</b>	<b>\$805,100,360</b>	<b>\$60,195,773</b>	<b>8.1%</b>
Use of Fund Balance	-	\$42,485,529		
Variance	<b>\$37,337,437</b>	-		

# Where it Goes

- Salaries/Fringe
- Supplies
- Membership/Dues
- Purchased Services
- Capital
- Transfers



# Additional Considerations

- **Property Taxes (Impact of 1 Mill Increase)**

<b>Property Value</b>	<b>\$300,000</b>
<b>x Assessment Ratio</b>	<b>6% (or 0.06)</b>
<b>= Assessed Value</b>	<b>\$18,000</b>
<b>x One Mill</b>	<b>1 (or 0.001)</b>
<b>= Impact</b>	<b>\$18</b>

- Millage is mathematically represented by moving the decimal three places to the left. It can only be calculated to the tenth of a mill. (i.e. 65.9 mills is acceptable, but 65.87 mills is not) Increases in millage are subject to a cap based on annual population and CPI increases.

# Peer Millage Comparison

District	Operating	Debt	Total
Charleston	138.3	26	164.3
Berkeley	151.8	55	206.8
Dorchester 2	192.8	65	257.8

## Tax Bill Comparison

Charleston (Bees Ferry)

**\$136,989**

\$100,968 (equalized)



Dorchester (Oakbrook)

**\$383,083**

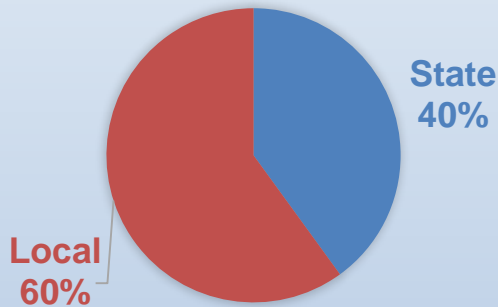
\$180,683 (equalized)



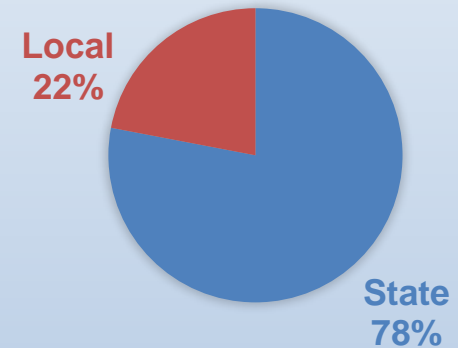
# SC Education Funding Dashboard

Source: <https://rfa.sc.gov/education-funding-dashboard>

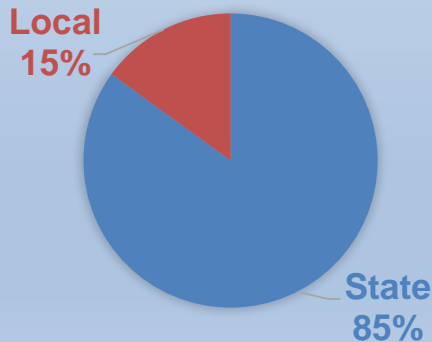
## Charleston 164.3 mills



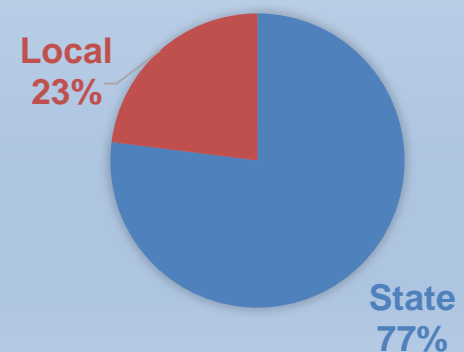
## Greenville 207.7 mills



## Dorchester 2 257.8 mills



## Berkeley 206.8 mills



# Teacher Compensation Examples

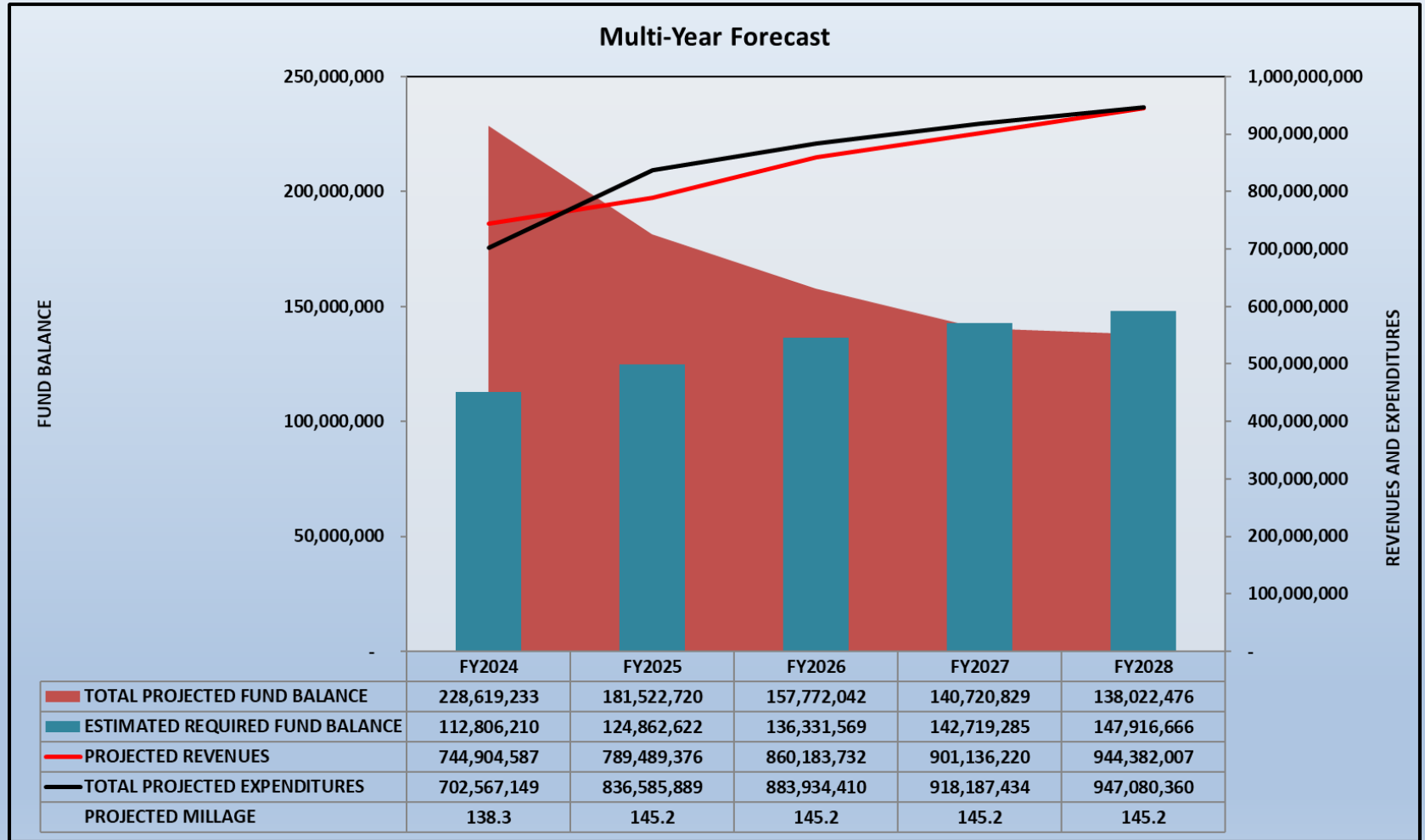
		Step (0 to 1)	Schedule	Total	
	FY24 Salary	\$	\$	\$	FY25 Salary
Bachelor's, Step 0	48,146	928	5,000	5,928	54,074
		928	7,500	8,428	56,574
		928	10,000	10,928	59,074
		Step (15 to 16)	Schedule	Total	
	FY24 Salary	\$	\$	\$	FY25 Salary
Master's, Step 15	69,016	1,110	5,000	6,110	75,126
		1,110	7,500	8,610	77,626
		1,110	10,000	11,110	80,126
		Step (25 to 26)	Schedule	Total	
	FY24 Salary	\$	\$	\$	FY25 Salary
Bachelor's, Step 25	72,208	1,034	5,000	6,034	78,242
		1,034	7,500	8,534	80,742
		1,034	10,000	11,034	83,242

# Non-Teacher Compensation Examples

		99% of Market				100% of Market		
		FY24 Salary	FY25 Salary	Total Increase		FY25 Salary	Total Increase	
				\$	%		\$	%
Teacher Assistant - 190 Days (Step 12 to Step 13)	FY24 Salary	27,451.20	29,366.40	1,915.20	7.0%	29,670.40	2,219.20	8.1%
		30,856.00	33,029.60	2,173.60	7.0%	33,364.00	2,508.00	8.1%
Student Concern Specialist - 190 Days (Step 12 to Step 13)	FY24 Salary		33,029.60	2,173.60	7.0%	33,364.00	2,508.00	8.1%
		30,856.00						
Secretary/Bookkeeper - 240 Days (Step 14 to Step 15)	FY24 Salary		43,238.40	2,803.20	6.9%	43,680.00	3,244.80	8.0%
		40,435.20						
Manager - 240 Days (Step 11 to Step 12)	FY24 Salary		72,556.80	4,800.00	7.1%	73,286.40	5,529.60	8.2%
		67,756.80						
Officer - 240 Days (Step 10 to Step 11)	FY24 Salary		87,840.00	5,856.00	7.1%	88,723.20	6,739.20	8.2%
		81,984.00						

These scenarios depict examples of raises at 99% and 100% of market for selected positions. In the proposed FY 2025 budget, all non-teachers, including administrators at all levels of the organization will receive a raise equivalent to 100% of market.

# Long Range Model – Proposed Budget



# Next Steps and Recommended Actions

- Staff is finalizing the resolution, budget book detail, and other information for 1<sup>st</sup> reading to be reviewed at the May 13<sup>th</sup> Committee of the Whole meeting for recommendation to the Board of Trustees on May 20<sup>th</sup>.
- Staff requests that the Audit & Finance Committee recommend 1<sup>st</sup> reading to the Committee of the Whole based on the balanced budget shared today.

# Budget Philosophy

- First, let **GROWTH** pay for growth using the current millage levy
- Then, consider the ability to **REALLOCATE** amongst levies based on debt schedules
- If sustainably focused and policy-driven, weigh the option to appropriate **FUND BALANCE** for certain expenditures
- Only when the above are exhausted, calculate the necessary additional **MILLAGE**

# Next Steps in Budget Process

- 5/13: Budget Workshop (4 of 4)
- 5/20: Board Meeting
  - First Reading
- 6/24: Board Meeting
  - Public Hearing
  - Second Reading