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RICHLAND SCHOOL DISTRICT TWO

Proposed General Fund Budget

Fiscal Year 2026-2027

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RICHLAND SCHOOL DISTRICT TWO
2026-2027 General Fund Budget Highlights

The Proposed FY 2026-2027 General Fund Budget totals **\$404,392,714** in revenues and expenditures, reflecting the District's continued commitment to supporting student achievement, investing in employees, and maintaining long-term fiscal stability.

Revenue Highlights

- Total projected revenues, including the planned use of fund balance, equal **\$404,392,714**.
- State funding estimates based on the Appropriations Act adopted by the South Carolina House of Representatives result in a net decrease of **\$4,920,463**. Budget projections include anticipated funding for the State Aid to Classrooms Program, the related EIA transfer, and state-provided health insurance and retiree insurance funding.
- Local revenue projections are based on a proposed millage rate of **317.1 mills**, representing **no increase** from the prior year. While Act 388 allows for a millage increase of up to **14.3 mills**, based on population growth of **1.89%** and CPI growth of **2.63%**, the proposed budget maintains the current millage rate.
- The budget includes the use of **\$8,028,768** of fund balance to address non-recurring district needs.

Expenditure Highlights

The FY 2026-2027 budget prioritizes investments in competitive compensation, special education services, safety and security, academic excellence, and fiscal sustainability.

Key investments include:

- Increasing the starting teacher salary to **\$52,019** and providing a **2.5% salary increase** for all eligible teachers and certified instructional staff as outlined in the State Appropriations Act.
- Providing a **2% salary increase** for all other employees, including classified and administrative staff.
- Funding step increases for all eligible employees.
- Providing a **one-time employee retention bonus**.
- Expanding support for students and schools through:
 - Additional positions to strengthen Special Education services and compliance.
 - Bus monitors on select non-special needs routes to enhance student safety.
 - A recurring per-pupil allocation to support school library resources.

Together, these investments reflect the District's commitment to attracting and retaining high-quality employees, supporting student success, and responsibly addressing both current and future operational needs.

Additional details regarding budgeted expenditure changes are provided on page 5 of the budget document.

**Richland School District Two
Estimated General Operating Value of a Mill
Budget 2026-2027**

Calculation of Mill Cap

Population Growth		1.89%
CPI		2.63%
Percent Millage can increase		4.52%
Current Millage Rate		317.10
Plus: Millage Cap Increase		14.3
Total Allowable Mills based on Cap for FY 2026-27		331.40

	PRIOR YEAR FOR REFERENCE ONLY	FY 26-27 With a 0 Mill Increase
Projected Mill Value for FY 26-27 (Based on Estimated Value)	404,000	419,614
Millage Rate	317.1	317.1
Projected Net Local Property Tax Revenue	128,108,400	133,059,599
State Property Tax Relief:		
Tier I	8,759,334	8,759,334
Tier II	1,894,248	1,894,248
Tier III	52,979,352	54,720,451
	63,632,934	65,374,033
Estimated Other State Reimbursements	4,122,299	4,122,400
Estimated Carry-Forward	2,000,000	2,000,000
Total Revenue from Local Tax and State Tax Reimbursements that Flow through Richland County	197,863,633	204,556,032

Richland School District Two
FY 2026 - 2027
GENERAL FUND BUDGET SUMMARY

REVENUES

REVENUE SOURCE	2025-26 Budget	2026-2027 Projections	Increase (Decrease) over 2025-26 Budget	% Change*
Local Property Tax	\$ 134,230,699	\$ 139,181,999	\$ 4,951,300	3.7%
Property Tax Relief (Includes Act 388)	\$ 63,632,934	\$ 65,374,033	\$ 1,741,099	2.7%
State Revenue for Pupil Transportation	\$ 2,086,173	\$ 2,177,897	\$ 91,724	4.4%
State Aid to Classrooms- General Fund	\$ 143,589,303	\$ 144,535,552	\$ 946,249	0.7%
State Aid to Classroom Program - Transfer from EIA	\$ 30,229,997	\$ 28,389,492	\$ (1,840,505)	-6.1%
State Aid to Classrooms- Health Insurance	\$ 5,080,723	\$ 532,682	\$ (4,548,041)	-89.5%
Retiree Insurance	\$ 11,289,073	\$ 11,719,183	\$ 430,110	3.8%
Other State Revenue - PEBA Credit	\$ 1,783,108	\$ 1,783,108	\$ -	0.0%
Interest Income	\$ 750,000	\$ 900,000	\$ 150,000	20.0%
Indirect Cost	\$ 1,135,000	\$ 800,000	\$ (335,000)	-29.5%
Revenue from Other Sources	\$ 750,000	\$ 750,000	\$ -	0.0%
Federal Impact Aid	\$ 250,000	\$ 220,000	\$ (30,000)	-12.0%
Use of Fund Balance	\$ 20,543,045	\$ 8,028,768	\$ (12,514,277)	-60.9%
TOTAL REVENUE - GENERAL FUND	\$ 415,350,055	\$ 404,392,714	\$ (10,957,341)	-2.6%

EXPENDITURES

PROJECTED EXPENDITURES	2025-26 Budget	2026-2027 Projections	Increase (Decrease) over 2025-26 Budget	% Change*
Salaries	\$ 230,942,439	\$ 231,314,895	\$ 372,456	0.2%
<i>Salaries Category includes all expenditures paid to employees of the district for wages.</i>				
Benefits	\$ 102,517,946	\$ 102,881,513	\$ 363,567	0.4%
<i>Benefits Category includes all employer's costs associated with employee benefits, such as, health insurance, retirement, social security match, etc.</i>				
Utilities	\$ 9,478,142	\$ 12,178,142	\$ 2,700,000	28.5%
<i>Utilities Category includes costs associated with Energy, Gas, Electric, Water, Sewer & Phone</i>				
Property and Operation Contracts	\$ 17,130,416	\$ 16,530,416	\$ (600,000)	-3.5%
<i>Property and Operation Contracts Category includes costs associated with custodial services, landscaping, pest control, energy management, Property & Casualty Insurance, garbage, etc.</i>				
Maintenance and Repairs	\$ 3,122,733	\$ 3,122,733	\$ -	0.0%
<i>Maintenance and Repairs Category includes costs associated with general Maintenance, repairs and upkeep of the district facilities and equipment.</i>				
Purchased Services	\$ 26,236,989	\$ 25,777,925	\$ (459,064)	-1.7%
<i>Purchased Services Category includes SRO contract with Sheriff's department, Contracted Substitute Services, student transportation, staff travel, mileage reimbursements, professional services (legal, audit, etc.), printing/binding, copier rentals, annual subscriptions and all other contracted services</i>				
Supplies and Equipment	\$ 6,799,097	\$ 6,266,797	\$ (532,300)	-7.8%
<i>Supplies and Equipment Category includes Instructional supplies used in the classroom, technology equipment and supplies, periodicals, textbooks/library books, technology software, office supplies and equipment, etc.</i>				
Other Expenditures	\$ 19,122,293	\$ 6,320,293	\$ (12,802,000)	-66.9%
<i>Other Expenditures includes items not broken out in the above categories. Some examples are organization membership, other insurance costs (including costs associated with workers' compensation), and transfers to other funds</i>				
TOTAL EXPENDITURES - GENERAL FUND	\$ 415,350,055	\$ 404,392,714	\$ (10,957,341)	-2.6%

RICHLAND SCHOOL DISTRICT TWO
General Fund Budget with a 0 Mill Increase
FY 2026 - 2027

	Funded with New Revenue
	Funded with Expenditure Reductions
	Uses fund balance
	* Required by State Law

	Description	FTE's	Estimated Increase	Remaining
	Estimated Total Revenue Increase over Prior Year Budget		\$ 1,556,936	
	Expenditure Reductions		\$ 21,718,434	
1	Bus Driver Salary Increase- 2% *		\$ 180,000	\$ 23,095,370
2	Teacher Step Increase *		\$ 2,360,000	\$ 20,735,370
3	Classified and Administrative Step Increase		\$ 2,300,000	\$ 18,435,370
4	Teacher Salary Increase- 2.5% (\$52,019 new starting salary)		\$ 4,998,002	\$ 13,437,368
5	Classified and Administrative Salary Increase-2%		\$ 2,400,000	\$ 11,037,368
6	Additional SPED Classroom Staff (7 teachers and 11 assistants)	18.0	\$ 1,221,400	\$ 9,815,968
7	McKinney-Vento Transportation		\$ 550,000	\$ 9,265,968
8	AED Compliance *		\$ 30,000	\$ 9,235,968
9	SRO contract increase		\$ 38,928	\$ 9,197,040
10	Projected FY 26 insurance increase (student accident, excess workers comp, property and general liability)		\$ 200,000	\$ 8,997,040
11	Bus Monitors for non-special needs routes (5 Buses)	5.0	\$ 185,000	\$ 8,812,040
12	PD Platform for Academics		\$ 125,000	\$ 8,687,040
13	Increased funding for district assessments		\$ 246,000	\$ 8,441,040
14	Read 180 for all Middle Schools and High Schools		\$ 101,000	\$ 8,340,040
15	Recurring allocation for school libraries -\$5/ K-12 student		\$ 142,500	\$ 8,197,540
16	Prior fund balance repayment		\$ 5,000,000	\$ 3,197,540
17	Reproductive Growth and Development Curriculum*		\$ 134,500	\$ 3,063,040
18	Storm water-Detention & Retention Ponds		\$ 1,000,000	\$ 2,063,040
19	Evening High School Pilot		\$ 50,000	\$ 2,013,040
	Total From Recurring Revenue & Expenditure Reductions	23.0	\$ 21,262,330	
	Funded with Non-Recurring Fund Balance		\$ 8,028,768	
20	ERP Implementation Costs		\$ 3,500,000	\$ 6,541,808
21	Staff Retention Bonus		\$ 6,541,808	\$ -
	Total		\$ 31,304,138	